FRANCHISE DISCLOSURE DOCUMENT

VARA Juice Franchising, LLC a Michigan corporation 3231 S. Gulley Road, Suite C Dearborn, Michigan 48124 Phone: 313-908-0002 Email: franchise@varajuice.com Website: varajuice.com	VARA JUICE

This Franchise Disclosure Document describes a VARA Juice™ Restaurant franchise. The VARA Juice Restaurant franchise is a quick-service restaurant concept offering made to order fruit and vegetable smoothies, fruit cups, fruit and vegetable juice blends, iced coffee beverages, and ice cream using fresh ingredients for dine-in or takeout.

The total investment necessary to begin operation of a VARA Juice™ Restaurant is from $251,870 to $647,515. This includes $25,000 that must be paid to the franchisor or its affiliates.

The total investment necessary to begin operations as a VARA Juice™ Area Developer is at least $264,370 to $660,015 depending upon the number of Restaurants you develop. This estimate includes, as a Development fee, the Initial Franchise Fee of $37,500 for the first Restaurant. In addition, as part of the Development Fee, you would pay an additional $12,500 for each subsequent Restaurant to be developed under the Area Development Agreement and the remaining half of the Initial Franchise Fee for each additional Restaurant developed when you sign each franchise agreement. In addition, if you sign an Area Development Agreement, you will also sign the Franchise Agreement for your first Restaurant.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact 3231 S. Gulley Road Suite C, Dearborn, Michigan 48124, or 313-908-0002.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 30, 2024

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit H
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit J includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only VARA Juice™ business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a VARA Juice™ franchisee?	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in Michigan. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Michigan than in your own state.

2. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

3. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise with a longer operating history.

4. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

NOTICE UNDER MICHIGAN'S FRANCHISE INVESTMENT LAW

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

1. A prohibition on the right of a franchisee to join an association of franchisees.

2. A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

3. A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.

4. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (1) the term of the franchise is less than five (5) years and (2) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months advance notice of franchisor's intent not to renew the franchise.

5. A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

6. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

7. A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

   a. the failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards;

   b. the fact that the proposed transferee is a competitor of the franchisor or sub-franchisor;

c. the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations; and

d. the failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

8. A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor the right of first refusal to purchase the assets of a franchisee on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subsection 3.

9. A provision which permits the franchisor to directly or indirectly convey, assign or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE ATTORNEY GENERAL.

IF FRANCHISOR'S MOST RECENT UNAUDITED FINANCIAL STATEMENT SHOWS A NET WORTH OF LESS THAN ONE HUNDRED THOUSAND ($100,000) DOLLARS, YOU HAVE THE RIGHT TO REQUEST THE ESCROW OF THE INITIAL INVESTMENT AND OTHER FUNDS PAID UNTIL OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED.

ANY QUESTIONS REGARDING THIS NOTICE MAY BE DIRECTED TO THE STATE OF MICHIGAN, DEPARTMENT OF ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE, G. MENNEN WILLIAMS BUILDING, 525 W. OTTAWA STREET, P.O. BOX 30213, LANSING, MICHIGAN 48909, TELEPHONE (517) 335-7567.

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APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT K TO THIS FRANCHISE DISCLOSURE DOCUMENT.

EXHIBITS

A LIST OF STATE ADMINISTRATORS AND LIST OF AGENTS FOR SERVICE OF PROCESS

B FRANCHISE AGREEMENT

C ADDENDUM TO FRANCHISE AGREEMENT – RENEWAL

D-1 ADDENDUM TO FRANCHISE AGREEMENT – TRANSFER

D-2 FRANCHISE TERMINATION AND RELEASE AGREEMENT -- TRANSFER

E TABLE OF CONTENTS OF BRAND STANDARDS MANUAL

F CONFIDENTIALITY/NON-COMPETITION AGREEMENT

G AREA DEVELOPMENT AGREEMENT

H LIST OF VARA JUICE™ RESTAURANTS

I LIST OF FRANCHISEES THAT HAVE LEFT THE SYSTEM

J FINANCIAL STATEMENTS

K STATE SPECIFIC DISCLOSURES AND ADDENDA TO AGREEMENTS

L STATE EFFECTIVE DATES

M RECEIPT (2 COPIES)

APPLICABLE STATE LAW MAY REQUIRE CHANGES TO THE FRANCHISE AND OTHER AGREEMENTS. THESE CHANGES, IF ANY, ARE CONTAINED IN THE STATE SPECIFIC ADDENDA TO AGREEMENTS INCLUDED IN EXHIBIT K TO THIS FRANCHISE DISCLOSURE DOCUMENT.

ITEM 1—THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

The Franchisor is VARA Juice Franchising, LLC. In this Franchise Disclosure Document, the Franchisor will be referred to as "we," "us," or "VARA Juice™" and the person who buys the franchise will be referred to as "you." If the prospective franchisee is a corporation, partnership, limited liability company or other entity, "you" will mean the entity and the owners of the entity.

We are a Michigan limited liability company organized in 2023. We do business under our company name and "VARA Juice™." Our principal business address is 3231 S. Gulley Road, Suite C, Dearborn, Michigan 48124. Our agents for service of process are listed on Exhibit A.

Parents, Predecessors and Affiliates

We do not have any parent companies or predecessors.

We have affiliates that operate VARA Juice™ Restaurants similar to the Franchise Business you will be operating. Since January 5, 2024, our affiliate VJ Harlam, LLC has operated a VARA Juice™ Restaurant with its principal place of business at 8550 Harm Avenue, Bridgeview, Illinois 60455. Since March, 2024, our affiliate VJ Bay Ridge, LLC has operated a VARA Juice™ Restaurant with its principal place of business at 7222 5th Avenue, Brooklyn, New York 11209.

Since September, 2023, our affiliate VJ West Dearborn, has operated a VARA Juice™ Restaurant with its principal place of business at 1004 S Military Street, Dearborn MI 48124. Since July 2021, VJ Garden City, LLC has operated a VARA Juice™ Restaurant with its principal place of business at 217 Inkster Road, Garden City, MI 48135. Since July 2020, VJ Venture Dearborn, LLC has operated a VARA Juice™ Restaurant with its principal place of business at 6531 Greenfield Road, Detroit, MI 48228. We treat the three affiliates identified in this paragraph as franchises.

Our affiliate VJ Investment Holdings, LLC, owns the Franchise Marks used in connection with your Restaurant and has licensed us the right to sublicense the Franchise Marks to you. VJ Distribution Center, Inc. is also a supplier of certain food inventory for your Franchise Business and has a principal place of business at 3231 S. Gulley Road, Suite C, Dearborn, Michigan 48124.

Except as described above, we do not have any affiliates that offer franchises in any line of business or that provide products or services to our franchisees. The principal business address for our affiliates is listed above.

Franchisor's Business

We offer and sell VARA Juice™ Restaurant franchises. We do not currently have other business activities.

The VARA Juice™ Restaurant Franchise

The VARA Juice Restaurant franchise is a quick service restaurant concept offering made to order fruit and vegetable smoothies, fruit cups, fruit and vegetable juice blends, iced coffee beverages, and ice cream using fresh ingredients for dine-in or takeout. The products and services we require to be provided at a VARA Juice™ Restaurant franchise are referred to as the "Required Products." A VARA Juice™ Restaurant franchise may, at your option and if approved

by us, also offer additional approved products. These products are referred to as “Optional Products.” The Required Products and the Optional Products are together referred to as the “Approved Products.” A VARA Juice™ Restaurant franchise may be located in a free-standing building or in a commercial complex, shopping center, or strip mall with drive thru capabilities, or another location approved by us. The size of the location may vary from approximately 900 to 1,200 square feet. The VARA Juice™ Restaurant franchise is sometimes referred to in this Franchise Disclosure Document as a "Restaurant."

A VARA Juice™ Restaurant will operate under the tradenames and trademarks that are described in Item 13 of this Franchise Disclosure Document ("Franchise Marks") and in accordance with our specifications for operating a business ("Franchise Systems"). In the Franchise Agreement, the Franchise Marks, trade dress, any copyrights relating to the Franchise Systems, any inventions or patents that are part of the Franchise Systems, and confidential information, proprietary rights, trade secrets, methods, or procedures that are part of the Franchise Systems are collectively referred to as the “Intellectual Property” and that term is also used in this Franchise Disclosure Document when describing provisions in the Franchise Agreement.

You acquire the right to operate a VARA Juice™ Restaurant franchise by signing our standard Franchise Agreement that is also countersigned by us (see Exhibit B). Under the Franchise Agreement, you will acquire the right to operate a single Restaurant at an approved location (the “Franchise Location”). In the Franchise Agreement, the specific VARA Juice™ Restaurant franchise licensed to you is referred to as the “Franchise Business” or “Restaurant” and that term is also used in this Franchise Disclosure Document when describing provisions of the Franchise Agreement. If you would like to develop more than one Restaurant within a particular designated development area, you must sign a development agreement with us (the “Area Development Agreement”). If we do this with you, you will be given the right to develop an agreed-upon number of Restaurants within a specific time period and in a defined development area. For each future unit franchise, you will be required to sign our then-current form franchise agreement that may be different from the form franchise agreement included in this Disclosure Document. The Area Development Agreement is attached as Exhibit G.

If you are renewing your VARA Juice™ Restaurant franchise, you will sign our then-current standard Franchise Agreement as well as an Addendum to Franchise Agreement – Renewal (“Renewal Addendum”) (see Exhibit C). The Renewal Addendum modifies some of the provisions of the standard Franchise Agreement to reflect your status as an existing franchisee in a renewal term. If you acquire an existing VARA Juice™ Restaurant franchise by transfer from another franchisee, you will sign our then-current standard Franchise Agreement as well as an Addendum to Franchise Agreement – Transfer (“Transfer Addendum”) (see Exhibit D-1). The Transfer Addendum modifies some of the provisions of the standard Franchise Agreement to reflect the fact that you are acquiring an open and operating VARA Juice™ Restaurant franchise. In a transfer situation, the selling franchisee will sign a Franchise Termination and Release Agreement-Transfer (see Exhibit D-2).

Market and Competition

The VARA Juice™ Restaurant franchise will primarily serve the public within the vicinity of the Franchise Location. The market for quick service restaurants serving fruit smoothies, fruit cups, juice blends, iced coffee beverages, and ice cream is developed. There is substantial competition in the restaurant business and a VARA Juice™ Restaurant will compete with other

smoothie and juice restaurants and other restaurants generally, including those that are nationally affiliated, regionally affiliated and local, franchised and independently owned.

Regulations

You must comply with all local, state, and federal laws and regulations relating to your Franchise Business and businesses in general. Building codes and requirements vary in different jurisdictions and it is important for you and your architect to be aware of and comply with all local laws as well as the federal laws including without limitation the Americans with Disabilities Act, Fair Labor Standards Act, Family and Medical Leave Act, Affordable Care Act, Federal Wage and Hour Laws, Title VII of the Civil Rights Act, Age Discrimination in Employment Act, Employee Retirement Income Security Act, and the Occupational Safety and Health Act. You must become familiar with federal, state and local laws and health regulations regulating restaurants and food handling and labeling generally, including any requirements related to nutritional representations and menu labeling, such as United States Department of Agriculture (USDA) standards; truth in menu and labeling laws; storage, preparation, and sale of food and beverage products; and health, sanitation, and safety regulations relating to food service. These laws and regulations may vary significantly from state to state and even from locality to locality. Some local agencies may require that employees who prepare your food products become certified food handlers. In order to obtain certification, your employees may be required to attend instructional courses, pass required tests and pay a fee. You should check with city, township and county regulatory agencies to determine if certification will be required of your employees. Laws exist in every state and most local units of government (cities, townships, villages, counties, etc.) that govern the food service industry including, without limitation, health, sanitation, and safety regulations regarding food storage, preparation, and safety. It is your sole responsibility to obtain, and keep in force, all necessary licenses and permits required by public authorities. The Federal Clean Air Act and various other state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide, and particles, including caps on emissions from commercial food preparation. Some state and local governments also regulate indoor air quality, including prohibiting the use of tobacco products in public places. It is your sole responsibility to maintain compliance with all applicable federal, state, or local laws, regulations, or ordinances.

In addition, you must ensure compliance with Payment Card Industry ("PCI") Data Security Standard ("DSS") Requirements and Security Assessment Procedures and other applicable PCI requirements ("PCI Requirements"). The purpose of the PCI Requirements is to ensure the protection and privacy of customer information and credit card numbers. The PCI Requirements require secured data connections and other steps to protect information. The PCI Requirements are substantial and complex and change regularly, so you must devote material business and management time and effort to your compliance efforts. You could incur significant liability if there is credit card fraud and you have not complied with the PCI Requirements.

There may be other laws and regulations applicable to your business and we urge you to make inquiries about any laws or regulations that may impact your business.

Prior Business Experience

We do not operate and have not operated a business of the type to be operated by our franchisees. Our affiliates have operated a business of the type to be operated by our franchisees since June 2019. We have offered franchises for the type of business to be operated by our franchisees since June 2023. Our affiliates have not offered franchises for the same type of

business to be operated by our franchisees. We and our affiliates have not offered franchises in any other line of business.

ITEM 2—BUSINESS EXPERIENCE

President and Director of Franchisee Training: Ali Albadani

Mr. Albadani has served as our President since May 2023, and our Director of Franchisee Training since October, 2023. From November 2016 to May 2019, Mr. Albadani worked as a truck driver for Xfinity Freight Systems, Inc., in Warren, Michigan. From June 2019 to the present, Mr. Albadani has owned and operated all of our affiliate VARA Juice™ locations located in Southeast Michigan.

Franchise Sales Assistant Manager: Abdelaziz Al-nasef
From August 2018 to June 2019, Mr. Al-nasef served as a member of the team preparing for the launch of the first VARA Juice™ location in Detroit, Michigan, and was not employed during that time period. From June 2019 to June 2020, Mr. Al-nasef was employed as a store manager with our affiliate VARA Juice™ location at 2030 Springwells Street, Detroit, Michigan. Since June 2020, to the present, Mr. Al-nasef has served as the store manager at our affiliate Vara Juice™ location at 6531 Greenfield Road, Detroit, Michigan.

Franchisee Support Representative: Osama Albadani
Mr. Albadani has served as our Franchisee Support Representative since May 2023. As of January 2018, to March 2021, Mr. Albadani was a full-time student. From March 2021 to October 2022, Mr. Albadani served as a team member at our affiliate VARA Juice™ location at 6531 Greenfield Road, Detroit, Michigan. Since October 2022, to the present, Mr. Albadani has been employed as the manager of our affiliate VJ Distribution Center.

ITEM 3—LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4—BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5—INITIAL FEES

You must pay an initial franchise fee of $25,000 for a VARA Juice™ Restaurant franchise. The initial franchise fee is payable in full at the time you sign the Franchise Agreement. The initial franchise fee is earned at the time of payment and is not refundable under any circumstances. The initial franchise fee is uniform.

In 2023, we sold a franchise to a store manager who was a long-time employee of our own of our affiliate locations, to whom we did not charge an initial franchise fee. We do not intend to continue this into 2024. In 2023, we also sold a franchise to one of our operational affiliate locations, where we did not charge an initial franchise fee. We will not continue this into 2024.

If you sign an Area Development Agreement, you must develop an agreed-upon number of Restaurants within the Development Territory within a certain period of time (the "Development Schedule") and simultaneously execute the Franchise Agreement for your first Restaurant. You must pay an Initial Franchise Fee for the Area Development Agreement based upon the number of Restaurants that you develop in the Development Territory (the "Development Fee"). The Development Fee is equal to the Initial Franchise Fee for the first Restaurant ($25,000) plus one-half of the Initial Franchise Fee ($12,500) for each additional Restaurant developed under the Area Development Agreement. Upon signing the Area Development Agreement, you pay a lump sum Development Fee based upon this formula, which is non-refundable. The remaining portion of the Initial Franchise Fee for Restaurants opened under the Area Development Agreement is due upon execution of each subsequent Franchise Agreement and is non-refundable. You will sign a separate franchise agreement in our then-current form for each Restaurant opened according to the Development Schedule.

ITEM 6—OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty	5% of Gross Sales or $350, whichever is greater	On the Wednesday of each week by electronic funds transfer (EFT) based on your Gross Sales for the proceeding calendar week	"Gross Sales" includes all revenues from the Franchise Business minus sales taxes paid, discounts, and refunds. If you are not open for business to the public within 7 months of signing your Franchise Agreement, you will begin paying us a Royalty of $350 per week until open. [2]
Brand Development Fund Contribution	2% of Gross Sales or $138, whichever is greater	Same as Royalty	Restaurants operated by us or our affiliates will contribute to the Brand Development Fund on the same basis as franchisee Restaurants. If you are not open for business to the public within 7 months of signing your Franchise Agreement, you will begin paying us a Brand Development Fund contribution of $138 per week until open.
Minimum Local Advertising	2% of Gross Sales	Spent locally each month	This amount may be spent for you alone or through joint or cooperative advertising. [3]

Type of Fee[1]	Amount	Due Date	Remarks
Repairs and Maintenance	Actual cost to us, which will vary as incurred	As incurred	If you fail to repair and maintain the Franchise Business, we may do so at your expense. [4]
Renovation and Modernization	Actual cost to us, which will vary as incurred, but will not exceed $10,000 for each year since your last renovation or modernization expenditure	As incurred	Renovation and modernization fees are payable to us only if you do not perform required renovation and modernization. [4]
Insurance	Actual cost to us, which will vary as incurred	As incurred	If you fail to purchase insurance for your Franchise Business, we may do so at your expense.
Gift Card and other Programs	If we establish a program, we may periodically reconcile actual payment amounts and we may charge an administrative fee equal to our actual costs	As incurred	See Note 5.
Additional Training	$350 to $700 per day plus travel, room and board expenses.	Upon scheduling of Additional Training	We may charge training fees if you request to have additional people attend the initial training program or if you request or we require additional training.[6]
Additional Operations Assistance	$350 to $700 per day plus travel, room and board expenses.	Upon scheduling of Additional Operations Assistance	You must pay for this fee if you request, and we agree to provide, or we require that you receive additional operations assistance at your Location.
Late Charge, NSF Fees, and Interest	$50 late charge for each payment that is late, NSF the greater of the charge that we incur or $50, interest on late payments of 1.5% per month or the maximum rate	As incurred	These charges must be paid on all overdue amounts, including without limitation amount unpaid due to an understatement revealed by an audit. We will charge you an NSF fee for all non-

Type of Fee[1]	Amount	Due Date	Remarks
	allowed by law, whichever is less.		approved (ACH Debit) or returned payments made by you that do not fund or clear your bank.
Transfer Fee	$10,000	Upon submitting a request to transfer your franchise	Paid if you transfer your franchise or a controlling interest in the franchise.
Renewal Fee [b]	50% of our then current Franchise Fee	At the time of renewal	You must pay this fee as a condition to renewal if you renew your franchise at the end of the initial term of the franchise.
Relocation Fee	$10,000 plus our costs, fees, and expenses, including without limitation travel, room and board expenses for site review and acceptance.	Upon our approval of the relocation	This fee must be paid if you change the location of your Restaurant.
Audit and Inspection Expenses	Our costs of audit if a discrepancy of 2% or greater is found, $250 plus our costs for a repeat inspection based on previously identified violations, plus the actual expense charged by any third party safety/quality inspector	As incurred	This cost must be paid if the audit is necessary because of your failure to furnish reports or financial information, or the audit discloses an understatement of 2% or more of Gross Sales, in the event of any third-party or governmental audit.
Product and Supplier Approval Fee	Our cost and expenses	As incurred	You may be required to pay this fee if you request that we approve a product or supplier.
Temporary Management Assistance	Up to $700 per day	As incurred	Following the death or incapacity of an owner of the Franchised Business. We may assume operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred to a third party approved by us, up to a maximum of 60 days. We charge

Type of Fee[1]	Amount	Due Date	Remarks
			this temporary management fee during the time we are operating your Franchised Business and we will also be entitled to reimbursement of any expenses we incur that are not paid out of the operating cash flow of the Franchised Business.
Indemnification	Our actual costs	As incurred	You must reimburse us if we incur liability from the operation of your franchise.
Liquidated Damages for Certain Violations	$250 for the first violation; $500 for the second violation; and $1,000 for the third or more violation or as stated in our Brand Standards Manual	Within 10 days of notice	You agree to pay us liquidated damages as a remedy for your failure to comply with certain contractual obligations and/or operational standards or procedures specified by us.
Liquidated Damages For Loss of Bargain Under Franchise Agreement	See Note (8)	On demand	Payable as part of the damages due to us if you breach the Franchise Agreement and the Franchise Agreement is terminated.
Liquidated Damages For Loss of Bargain Under Area Development Agreement	See Note (8)	On demand	Payable as part of the damages due to us if you breach the Area Development Agreement and the Area Development Agreement is terminated.
Costs and Attorneys fees	Our actual costs	As incurred	You must reimburse us for costs and attorneys fees if we prevail in a judicial proceeding or if we engage a lawyer because of your failure to comply with the Franchise Agreement.

Notes to Item 6 Table

(1) All fees are imposed by and payable to us except minimum local advertising expenses, renovation and remodeling expenses, and insurance, which may be paid directly to the relevant suppliers. All fees paid to us are non-refundable. We intend to uniformly impose the fees described in the table.

You must make all payments to us by electronic funds transfers (automatic bank transfers). You must install, at your expense, and use pre-authorized payment and computerized point-of-sales systems, credit verification systems, automatic payment systems, electronic funds transfer systems, or automatic banking systems as we may specify. We may specify these requirements to fulfill any business purpose reasonably related to the operation of your Restaurant and the Franchise Systems and to allow us to access reports of Gross Sales and other information and to initiate electronic or other transfers of all payments you are required to make to us. We may specify that any or all required payments to us be made daily, weekly, monthly, or another interval, instead as otherwise provided in the Franchise Agreement. We may require you to make required payments at different intervals than other VARA Juice™ franchisees.

(2) The Franchise Agreement defines Gross Sales as the entire amount of the franchisee's revenues from the ownership or operation of the Franchise Business and any business at or about the Franchise Location or any approved remote locations including the proceeds of any business interruption insurance and any revenues received from the lease or sublease of a portion of the Franchise Location, whether the revenues are evidenced by cash, credit, checks, gift certificates or gift cards, electronic payment, digital currency, food stamps, coupons and premiums (unless exempted by us), services, property or other means of exchange, minus: (a) the amount of any sales taxes that are collected and paid to the taxing authority; (b) approved discounts given to customers if the non-discounted price is included in the revenues; (c) cash refunded and credit given to customers and receivables uncollectible from customers if the cash, credit or receivables are or were included in revenues; and (d) complimentary customer or employee meals, up to 1% of Gross Sales. Gross Sales are deemed received by the franchisee at the time the goods, products, merchandise, or services from which they derive are delivered or rendered or at the time the relevant sale takes place, whichever occurs first. Gross Sales of property or services (for example, "bartering" or "tradeouts") are valued at the prices applicable to the products or services exchanged for those revenues at the time the revenues are received.

(3) You must provide documentation to our reasonable satisfaction that you have spent the required amount of local advertising or, in our discretion we may require you to pay the minimum local advertising amounts to us for advertising in your local market. Your local advertising expenditure must include advertising your Franchise Business in the local “white pages” telephone directory. If we require you to pay the minimum local advertising amounts to us, we may use these amounts, in our discretion, for local advertising and promotion for you (including but not limited to Digital Advertising, flyers, promotions, mailers, etc.) or as part of joint advertising or cooperative advertising. If you participate in joint advertising, you will pay your proportionate share of each advertisement. If an advertising cooperative has been or is formed for your market, the cooperative may require advertising fees be paid to the cooperative, but only if authorized by a majority vote of the members of the cooperative. As of the date of this Franchise Disclosure Document, no advertising cooperatives have been formed. The amounts spent by you for local advertising, joint advertising, and cooperative advertising specified by us will apply

to your minimum local advertising obligations. Except for pre-opening/grand opening advertising and any contributions to the Brand Development Fund, you will not be required to spend more than the amounts specified in the table for local advertising, joint advertising, and cooperative advertising specified by us.

(4) If at any time, in our reasonable judgment, the general state of repair, appearance or cleanliness of the Franchise Location or its equipment, furniture, fixtures, signs, Franchise Trade Dress, or other property do not meet our standards or specifications, we may notify you in writing, specifying the action you must take to correct the deficiency. You must initiate the specified action within 30 days after receipt of the notice and diligently proceed to complete the specified action. If you fail to initiate any required repairs or maintenance within 30 days after receipt of written notice from us describing the specific repairs or alterations that are required or if you fail to diligently proceed to complete the specific repairs, then we may have the repairs completed, at your expense, to maintain the Franchise Business in accordance with our required standards. If this occurs, you must immediately reimburse us for all costs we incurred to make the repairs.

In addition to regular maintenance obligations, you must renovate and modernize the Franchise Location, premises, equipment, furniture, fixtures, signs, Franchise Trade Dress, and other property of the Franchise Business on our request once during the initial term of the Franchise Agreement at any time after the end of the 5th year of the initial term of the Franchise Agreement, and thereafter no more frequently than once every 5 years during the term of the Franchise Agreement, to conform with our specifications for the then current image of Restaurants using the Franchise Marks and Trade Dress; provided, however, that the cost of each renovation and modernization will not exceed $10,000 for each year since your last renovation and modernization expenditure. Renovation and modernization expenditures do not include routine maintenance and repairs. You must initiate the specified renovations within 30 days after receipt of the notice and diligently proceed to complete the specified action. If you fail to initiate any required renovations and modernizations within 30 days after receipt of written notice from us describing the specific renovations or alterations that are required or if you fail to diligently proceed to complete the specific renovations or alterations, then we may have the renovations or alterations completed, at your expense, to maintain the Franchise Business in accordance with our required standards. If this occurs, you must immediately reimburse us for all costs we incurred to make the renovations or alterations.

(5) You must participate in any gifts cards, electronic or money cards (E-cards), frequency cards, awards or loyalty programs, or other programs specified by us and honor all such cards, awards, and other programs issued by us or by other franchise owners in accordance with our policies. We or a person designated by us will administer any of these programs specified by us. We may charge an administrative fee for administering those programs. You must provide us with all information collected and databases created in connection with these programs. We do not currently specify any of these programs. If we establish a gift card or E-card program, we may incorporate the gift card or E-card fund or manage the gift card or E-card fund through a separate entity whenever we deem appropriate. We may assign some or all of our rights and duties related to the gift card or E-card fund to a separate gift card or E-card fund entity. We may change the separate gift card or E-card fund entity or assign management of the gift card or E-card fund back to us at any time in our discretion.

(6) We have the right to charge you for additional training. Any additional training fees will be uniform as to all persons attending training at that time. These fees are nonrefundable.

(7) The transfer fee under the Franchise Agreement for a control transfer is $10,000, payable to us when you submit an application for our consent to transfer. We will refund the amount of the transfer fee submitted to us, less our costs and expenses, if the transfer is not completed. If you sign the Area Development Agreement, the transfer fee is $10,000, in addition to any transfer fees payable under the Franchise Agreements that the Area Development Agreement covers.

(8) In addition to any other remedies available to us, if the Franchise Agreement is terminated before its expiration (other than termination by you for cause), we will be entitled to recover from you damages attributable to the loss of bargain resulting from that termination. Our damages for loss of bargain will be the Royalty fees and Brand Development Fund contributions that would have been payable to us for the balance of the term of the Franchise Agreement, but not more than 24 months. The aggregate amount of Royalty fees and Brand Development Fund contributions that would have been payable will be calculated by multiplying the greater of 1) the sum of the average monthly Royalty fees and Brand Development Fund contributions of the Franchise Business for the 12 month period (or lesser period if you were not in operation for a full 12) immediately preceding the date of termination or the date that you ceased to operate if earlier than the date of termination or 2) the sum of the monthly amount of minimum Royalty fees and minimum Brand Development Fund contributions for such time period or in the event the Franchise Agreement is terminated before you open, by either the number of months remaining in the term of the Franchise Agreement or 24, whichever is less. Our damages from loss of bargain from the early termination of the Area Development Agreement will be $25,000 per undeveloped Franchise Business.

ITEM 7—ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT (FRANCHISE AGREEMENT)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$25,000	Lump sum	On signing the Franchise Agreement	Us
Total Franchise Fees	**$25,000**			
Professional Services (2)	$4,000 to $15,000	As agreed	As incurred	Professionals
Leasehold Improvements (3)	$60,000 to $250,000	As agreed	Before opening as incurred	Contractors, and Suppliers
Equipment, Fixtures, and Furniture (4)	$37,724 to $93,690	As agreed	Before opening as incurred	Suppliers
Point-of-Sale ("POS") System (Electronic cash register) (5)	$3,636 to $5,232	As incurred	Before opening as incurred	Suppliers

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Permits, Licenses (6)	$7,000 to $15,000	As incurred	Before opening as incurred	Third Parties and Governmental Organizations
Signage (Indoor/Outdoor) (7)	$4,000 to $20,000	As agreed	Before opening as incurred	Suppliers
Total Construction Costs / Equipment	**$141,360 to $423,921**			
Miscellaneous Travel and Living Expenses while Training (8)	$3,460 to $5,880	As agreed	Before opening as incurred	Third Parties
Initial Inventory and Operating Supplies	$10,805 to $25,000	As agreed	Before opening as incurred	Our affiliates and Suppliers
Branded Promotional Materials, and Uniforms	$1,000 to $3,000	Lump Sum	Before Opening	Third Party Suppliers
Grand Opening Advertising (9)	$10,000	As incurred	As incurred	Advertising Providers
Initial Lease Payments (10)	$3,900 to $9,000	As agreed	As specified in lease	Landlord
Insurance (11)	$685 to $1,700	As Agreed	Before opening as incurred	Insurance Companies
Miscellaneous Pre-opening Expenses (12)	$12,120 to $29,500	As incurred	Before opening as incurred	Third Parties
Additional Funds (three months) (13)	$43,540 to $114,514	As incurred	As incurred	Us, our affiliates, Suppliers and Employees
Total Pre-opening/ Operating Deposits	**$85,510 to $198,594**			
TOTAL ESTIMATED INITIAL INVESTMENT	**$251,870 to $647,515**			

Notes to Item 7 Table

(1) See Item 5 for an explanation of the amount and refundability of the initial franchise fee. The initial franchise fee is not refundable under any circumstances.

(2) This category includes payments for architect and engineering services, legal fees for creating your entity and negotiating your lease, mechanical and design services, site research company, and accounting and tax services. Whether these amounts are refundable depends upon your agreements with the professional.

(3) You must improve the Franchise Location in accordance with our specifications. In some circumstances, a portion of the leasehold improvements may be included in your lease and you will not incur significant expenses for leasehold improvements, but in those cases your rent will generally be higher. The costs of your leasehold improvements are generally not refundable.

(4) This category includes restaurant equipment, furniture, and fixtures for your Franchised Business. These costs will vary depending on your geographic area and the size of the Franchise Location. You may lease certain kitchen equipment used in the operation of you Franchised Business from an equipment-leasing business that meets our standards and specifications. Whether the costs of the equipment, furniture, and/or fixtures is refundable will depend on your agreement with the particular supplier.

(5) You must purchase or lease a required point-of-sale ("POS') system from a designated supplier. You must allow us to automatically poll your sales-related and menu metrics directly from your POS on a daily basis. The amounts reflected in the table above are what you will spend during your initial phase of business (first 3 months). These amounts may increase over the term of the Franchise Agreement. Whether these amounts are refundable depends upon your agreement with each supplier.

(6) You may need to obtain licenses to operate the Restaurant from your state or local governing authorities, such as occupancy permit and health department licenses or permits. However, fees may vary significantly depending upon the location of your franchise. Our estimates are based on our experience in the markets in which we conduct business and we do not have estimates for other areas. These costs are generally not refundable.

(7) The price for signage will vary depending on the type of site and local ordinances for outdoor and indoor signage. Whether the costs of signage are refundable will depend on your agreement with the particular supplier.

(8) Although we do not charge any additional fees for the initial training program, you are responsible for paying any wages due to your employees as well as travel, food and lodging expenses incurred by you and your employees during initial training. These costs will depend on the distance you and your employees must travel and the type of accommodations you choose. Also, you may have to pay a fee for attending any certification program required by state or local laws or regulations. That fee is not payable to us. These costs are not refundable.

(9) You must spend an amount specified by us to conduct grand opening advertising and promotions. The amount specified is currently $10,000. The grand opening advertising and promotions must be conducted in accordance with a plan that you must submit to us. We have the right to modify your plan and may require you to use a public relations firm to assist with your grand opening. The grand opening advertising and promotions must begin within two to three weeks prior to the opening of the Franchise Business and continue until approximately six weeks after the opening of the Franchise Business. The amount you must spend on grand opening advertising and promotions is separate from and in addition to your other advertising obligations. Whether these grand opening advertising expenses are refundable generally depends on the agreement with your particular supplier.

(10) You will generally lease your Franchise Location. The square footage of a VARA Juice™ Restaurant will generally range from between 900 square feet to 1,200 square feet. For the first three months after the opening of your Franchise Business, we estimate that your monthly rent will range from $0 (if you own the building) to $9,000. The initial charge to you for leasing the Franchise Location is estimated to be one to three months of rent, a portion of which may include a security deposit. Your rent may be subject to escalation clauses based on inflation or other factors as provided in your lease. The annual rent amount may vary significantly depending on the condition, location, and size of the location and the demand for the location among prospective tenants. Our estimates are based on our experience in the markets in which we currently conduct business, which may vary significantly from the market in which your Restaurant is located. Your initial investment will be much greater if you purchase real estate and construct your Franchise Location and we do not have any estimate of those costs. Whether any amount paid to your landlord is refundable will depend on your agreement with your landlord.

(11) The estimate in this table is an estimated range of the initial cost for insurance for your Franchise Business. The types and amounts of insurance coverages are described in Item 8. Whether any of these amounts are refundable will depend on your agreement with your insurance provider.

(12) Your miscellaneous pre-opening expenses may include pre-opening labor expenses, utility deposits, security deposits, installation of telephone services, business licenses, utility payments, employee expenses, etc. Whether any of these amounts are refundable will depend on your agreement with the particular supplier.

(13) This category covers expenses you may incur during the three-month initial phase of your Restaurant. These expenses may include advertising expenses, insurance premiums, licensing fees, payroll costs, additional inventory and supplies, etc. We have relied upon our experience developing and operating Restaurants in our markets when formulating the above estimates. Your costs during this initial phase will depend on factors including: how much you follow our procedures; your management skill, experience, and business abilities; local economic conditions; the local market for the franchise's product; competition; and the sales level reached during this initial phase. These costs are generally not refundable but will depend on your agreement with the particular supplier.

(14) We do not offer any financing for any part of your initial investment.

The above table describes our estimate of your initial investment to develop one VARA Juice™ Restaurant franchise based on our experience developing and operating Restaurants in our

markets. The estimate covers the period before the opening of your franchise and includes a category for additional expenses you may incur during the initial three-month phase after the opening of your franchise. The estimate does not include an owner's salary or draw. We urge you to retain the services of an experienced accountant or financial adviser in order to develop a business plan and financial projections for your franchise.

Your actual investment may vary depending on local conditions peculiar to your geographic area or market. For example, real estate demand, availability and occupancy rates. Additional variables that may impact your initial investment may be: the size of your facility; age of the structure; length of your lease or other instrument granting you the right to occupy the premises; if your space is to be built out by the property developer with no initial out-of-pocket costs to you; lease arrangements; location in the market; whether you are converting existing premises and whether in the same business; costs of demolishing existing leasehold improvements; construction costs; other variable expenses and whether you currently hold a lease for an acceptable location.

YOUR ESTIMATED INITIAL INVESTMENT (AREA DEVELOPMENT AGREEMENT)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Development Fee	$12,500 (1)	Lump sum	On signing the Franchise Agreement	Us
Estimated Initial Investment for First Franchise Business	$251,870 to $647,515	As agreed	As incurred	Contractors, and Suppliers
Estimated Initial Investment for Area Development Agreement	**$264,370 to $660,015**			

(1) The Development Fee is calculated as $25,000 for the first Franchise Business (which amount is included in the Estimated Initial Investment for First Franchise Business) to be developed under the Area Development Agreement plus 50% of the initial franchise fee for each additional Franchise Business to be developed under the Area Development Agreement. This estimate assumes the Area Development Agreement is a 2-unit Area Development Agreement.

We relied on our affiliates' and owners' experience in developing and operating similar businesses to compile these estimates. You should, of course, review these figures carefully with a business advisor before making any decision to purchase the franchise.

Except as may be noted, none of the payments to us are refundable. The refundability of payments to other parties is determined by your agreements with those parties.

We do not offer any financing for any part of your initial investment. You may, however, finance a portion of your initial investment with a third party. The availability and terms of financing

with third parties will depend on factors including the availability of financing generally, your credit history, collateral you may have, and the lending policies of financial or leasing institutions.

ITEM 8—RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General

In order to maintain uniqueness, consistency, uniformity, quality and identity of VARA Juice™ Restaurants and the products and services sold by VARA Juice™ Restaurants and the group purchasing power of VARA Juice™ Restaurants, you must purchase all products and services used in the development and operation of your Franchise Business in accordance with our specifications and, when applicable, only from manufacturers, suppliers, or distributors designated or approved by us, as described in more detail below.

Obligations to Purchase or Lease from the Franchisor or its Designees

We will specify any applicable products and services used in the development and operation of your Franchise Business as "Designated Products or Services." Designated Products and Services must be purchased in accordance with our specifications (which may include brand names) and only from us or a manufacturer, supplier, distributor, or professional or other service provider specifically designated by us (which may be our affiliate, now or not yet in existence) (a "Designated Supplier"). We are not required to approve other suppliers for Designated Products and Services and we do not issue criteria to our franchisees for Designated Products or Services. We impose these requirements so that we can ensure uniformity and quality and sufficient volume purchases to obtain favorable pricing. We will specify Designated Products or Services and Designated Suppliers in an on-line web-based communication portal or in emails, memos, bulletins, and/or in our Brand Standards Manual. We will issue notification of Designated Products or Services status and Designated Supplier status or revocation of the status to you in an on-line web-based communication portal or in emails, memos, bulletins, and/or in our Brand Standards Manual.

We currently designate that you must purchase or lease some products and services used in the development and operation of your Restaurant from Designated Suppliers, including your POS system, advertising and marketing materials, blenders, cups, salad bar equipment, and certain food inventory. Our affiliate VJ Distribution Centers, is currently a Designated Supplier for certain food inventory used in your Franchise Business. Other than VJ Distribution Centers, there is no Designated Supplier in which any of our officers own an interest. We or our affiliates may in the future act as a Designated Supplier of other products, services, or merchandise to our franchisees.

Obligations to Purchase or Lease from Approved Suppliers

Unless otherwise specified by us, all goods or services used in the design, development, construction, and operation of your Franchise Business, other than Designated Products or Services, must be obtained in accordance with our specifications (which may include brand names). We may require that certain goods or services be obtained only from a manufacturer, supplier, distributor, or professional or other service provider that has been approved by us (an "Approved Supplier"). An Approved Supplier will be a supplier that: (a) meets our standards for quality and uniformity of goods and services and other relevant standards established by us; (b) we have designated in writing as an Approved Supplier; and (c) we have not later revoked the

designation as an Approved Supplier. You may request to have a supplier for items other than Designated Products or Services approved by submitting to us the information, samples or agreements necessary for our determination under the procedures specified by us. This request must be in writing and must include information about the product or supplier relating to our specifications, a sample of the product or service to be approved or a person at the manufacturer or supplier that we can contact for information. We may submit the information to an independent laboratory or another independent expert to determine if the product or supplier meets our specifications. We may charge you a fee equal to our actual costs incurred in making this determination. On your request, and only on a confidential basis, we will furnish you with any issued standards and specifications for items other than Designated Products or Services, as well as any issued criteria for supplier approval. We will notify you in writing of our approval or disapproval of a supplier within 60 days after receiving all information that we reasonably believe is necessary to make the determination.

Before we approve a supplier, the supplier may be required to enter into an agreement with us in a form reasonably acceptable to us providing that the supplier will: (a) follow our procedures, specifications and standards, formulas, patterns, and recipes; (b) allow periodic quality control inspections of the supplier's premises and production facilities; (c) provide a reasonable number of samples, without charge, for inspection; (d) keep any trade secrets or other confidential information disclosed to it by us in confidence and have employees to which disclosure is made sign agreements that they will not use or disclose confidential information; and (e) pay a reasonable license fee for a limited license for the production and sale of items using the Intellectual Property. An approval of a supplier is not a blanket approval of the items the supplier may sell but only for specific items sold by that supplier as approved by us.

We will provide information on Approved Suppliers and we will issue approval or disapproval or notification of revocation of approval of products or suppliers to you through an on-line web-based communication portal or in emails, memos, bulletins, and/or in our Brand Standards Manual.

There is currently no Approved Supplier of any products or services in which any of our offices own an interest. We or our affiliates may in the future act as an Approved Supplier of products, services, or merchandise to our franchisees.

Additional Information Relating to Designated and Approved Suppliers

In order to take advantage of group purchasing power and to ensure uniformity and quality, we reserve the right to limit the total number of Approved Suppliers for any items. We may add or delete Designated or Approved Suppliers at any time and you must comply with those changes immediately on written notice from us. If we add a Designated or Approved Supplier, you must immediately, on written notice from us, take the steps necessary to comply with the credit, purchase, and other policies of the Designated or Approved Supplier. If we delete a Designated or Approved Supplier, you must cease purchasing products and services from that supplier immediately on written notice from us.

We may enter into agreements with Designated or Approved Suppliers for and on behalf of all Restaurants or all Restaurants in a particular region (a "Supplier Contract"), which may include price terms. If we enter into a Supplier Contract with a Designated or Approved Supplier, the terms and conditions of your relationship with that Designated or Approved Supplier will be controlled by that contract to the extent covered by the contract.

Obligations to Purchase under Specifications

The Franchise Agreement provides that all products and services used in the design, development, construction, or operation of the Franchise Business must be obtained in accordance with our specifications (which may include brand names), which may involve obtaining such products and services from Designated or Approved Suppliers. Although we have the right to require you to purchase all items used in the Restaurant from Designated and Approved Suppliers, in our discretion we may issue specifications for certain products (which may include brand names) and allow you to purchase those products from any source as long as the products comply with our specifications. Also, we may not issue specifications for some products and supplies and we may allow you to purchase those products and supplies from any source until we do issue specifications and/or supplier requirements for those items.

Your lease must be accepted by us. However, we will not evaluate or be responsible for the commercial reasonableness or suitability of your lease. That is your sole responsibility and we recommend that you engage independent counsel to assist you in the evaluation and negotiation of your lease. Also, unless we otherwise agree, you and your landlord must sign a Lease Addendum acknowledging certain rights we have under the Franchise Agreement that relate to your lease and you must sign a Collateral Assignment of Lease that assigns the lease to us at our option on the occurrence of certain events. A copy of our standard Lease Addendum is attached to the Franchise Agreement as Appendix G and a copy of our standard Collateral Assignment of Lease is attached to the Franchise Agreement as Appendix H.

In addition, your Franchise Location must be constructed or improved in accordance with any specifications we have issued for build-out, décor, signage, equipment layout, front of the house and back of the house space layout, etc. We must approve all drawings, plans and specifications relating to the design, construction and/or improvement of the Franchise Location. We do not approve or designate the design firm, construction managers, or general contractor for the construction of your Location, but must approve construction and architectural plans prior to construction. We will have the right to inspect and approve the construction before you open your Restaurant to make sure the approved plans and any specifications issued by us have been followed. If, in our opinion, the approved plans and any applicable specifications have not been followed, you must resolve any issues to our satisfaction before opening your Restaurant. Although we have the right to review and comment on and must approve all drawings, plans and specifications relating to the design, construction, and/or improvement of your Franchise Location, we are only acting to ensure compliance with the approved plans and any applicable specifications issued by us. We will not evaluate or be responsible for compliance with governmental requirements, legal requirements or adequacy of design and engineering relating to the design and construction and/or improvement of your Franchise Location and you are solely responsible for those matters.

You must acquire, maintain and update the equipment (including POS and computer systems), furniture, fixtures, signs, and other property that we specify for establishing and operating your Franchise Business. Also, all of these items must meet any standards and specifications issued by us.

You must purchase insurance coverage for your business in accordance with our standards and specifications. We currently specify the following insurance coverages:

- General Commercial Liability Insurance with the following limits: general aggregate--$2,000,000; products/completed operations aggregate--$2,000,000; personal and

advertising injury--$1,000,000; each occurrence--$1,000,000; fire damage (any one fire)--$100,000; and medical expense (any one person)--$10,000.

- Commercial Property Insurance

- Coverage Enhancements, including expanded glass coverage; fire extinguisher recharge coverage; fire department service charge coverage; code update coverage; off-premises interruption of service; re-keying lock cylinders; consequential loss to merchandise; extended loss adjustment; pollutant clean up and removal--$10,000.

- Non-owned and hired automobile liability insurance with minimum limits of $1,000,000 per occurrence or the highest attainable limit available in the state in which the Franchise Business is located, if less than $1,000,000.

- Business Owner's Umbrella Policy with limits of $1,000,000 each occurrence and annual aggregate.

- Cyber Security Liability insurance with minimum limits of liability of $1,000,000.

- Employer Practices Liability insurance with limits of liability as provided in our Brand Standards Manual.

- Worker's Compensation and/or Employer's Liability Insurance as required by law.

We may revise these insurance specifications in the future. You must purchase the specified insurance coverage from a supplier designated or approved by us and which meets our standards and specifications, including without limitation carrying an AM Best's Rating of not less than A-IX. Evidence of this insurance must be initially provided at least 14 days before you begin operating your Franchise Business. Certificates of renewal must be provided no later than 14 days before the expiration date of each policy. If you do not provide us with evidence of these insurance policies at any due date, we may purchase that insurance at your expense. You must immediately pay for any insurance obtained by us. Each required policy of insurance must name us as an additional insured and must provide that we will be given 30 days' notice before cancellation, modification or amendment of the policy. Your lease may require higher limits or additional coverages.

We formulate and modify our specifications based on our experience in the business. Factors that we consider include reliability and practicality of equipment for the intended use, and quality and uniformity of products and services. Except as described above with respect to the approval of products or suppliers, we are not required to issue our specifications to our franchisees. We may issue our specifications, changes to our specifications and lists of approved products and suppliers to you through an on-line web-based communication portal or in emails, memos, bulletins, and/or in our Brand Standards Manual.

Right to Refuse to Sell Products

Other than the sale of certain food inventory from our affiliate VJ Distribution Center, Inc., we currently do not sell or lease any products or services to our franchisees but reserve the right to do so in the future. If we sell or lease any products or services to you and you commit any of the defaults listed below, we have the right to refuse to sell products to you and to cause

Designated or Approved Suppliers to refuse to sell products to you and/or to withhold our support services from you. The defaults giving rise to this remedy include: (1) you fail to make a payment to us or our affiliates for more than 30 days after the due date of the payment; (2) you owe us or any Designated or Approved Supplier $5,000 or more in past due payments; or (3) you commit any other default under the Franchise Agreement and fail to cure the default within the applicable cure period. In addition, if you fail to satisfy all the conditions of renewal but continue to operate your Franchise Business after the end of the term of the Franchise Agreement, we have the right to refuse to sell products to you and to cause Designated or Approved Suppliers to refuse to sell products to you and/or to withhold our support services from you.

Revenues of Franchisor and Affiliates

Other than our affiliate VJ Distribution Center, Inc., we do not currently require you to purchase goods or services from us or any of our affiliates but reserve the right to require you to do so in the future. Also, we may, but are not obligated to, negotiate arrangements with suppliers for your benefit. We have the right to receive rebates or other fees from designated or approved suppliers based on sales of products or services to our franchisees. You must cooperate with us in the collection of those rebates or fees.

In the year ending December 31, 2023, VJ Distribution received $109,520.16 in total revenue from required purchases or leases by our franchisees. Neither we, nor any other affiliate, received material consideration from required purchases or leases by our franchisees. Our sources of information for our affiliates' revenues include our affiliates' financial statements kept in the ordinary course of business.

Percentage of Purchases

All of your purchases from Designated Suppliers, Approved Suppliers, or in accordance with our specifications will represent 90 to 100% of your total purchases in the establishment of your franchise and 35 to 45% of your total purchases in operating your franchise.

Cooperatives; Material Benefits to Franchisees

We do not have any formal purchasing or distribution cooperatives. We do not provide material benefits to franchise owners based on a franchisee's use of designated or approved sources.

ITEM 9—FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise and other Agreements. It will help you find more detailed information about your obligations in these Agreements and in other items of this Franchise Disclosure Document.

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 6.1 and 6.2 of the Franchise Agreement ("FA"); Section F of Renewal Addendum; Section F of Transfer Addendum	Items 7, 8, 11 and 17

Obligation	Section in Agreement	Disclosure Document Item
b. Pre-opening purchases/leases	Article 6 of the FA; Section F of Renewal Addendum; Section F of Transfer Addendum	Items 5, 7, and 8
c. Site development and other pre-opening requirements	Sections 6.3 to 6.8 of the FA; Sections F and G of Renewal Addendum; Sections F and G of Transfer Addendum	Items 5, 7 and 11
d. Initial and ongoing training	Article 7 of the FA; Section H of Renewal Addendum	Item 11
e. Opening	Sections 5.5 and 6.8 of the FA; Section G of Renewal Addendum; Section G of Transfer Addendum	Items 11 and 17
f. Fees	Section 3.2, Article 4, Sections 7.1, 7.3, 8.9, Article 9, Sections 14.3, 15.7, 16.5, 17.1, and 18.6; Sections C and D of Renewal Addendum; Sections C and D of Transfer Addendum	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	Sections 2.1, 2.2, 3.2, 4.4, 4.10, Article 6, Sections 7.1, 7.2, Article 8, Sections 9.6, 9.7, Article 10, Sections 11.3 and 14.3 of the FA; Section C of Renewal Addendum; Section C of Transfer Addendum	Items 8, 11, 13 and 16
h. Trademarks and proprietary information	Articles 11 and 12 of the FA	Items 13 and 14
i. Restrictions on products/services offered	Sections 8.3, 8.4, 8.6 and 8.7 of the FA	Items 8, 11 and 16
j. Warranty and customer service requirements	Not Applicable	
k. Territorial development and sales quotas	Section 2.3 of the FA	Item 12
l. Ongoing product/service purchases	Sections 8.3 and 8.5 of the FA	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Section 8.9 of the FA; Section C of Renewal Addendum; Section C of Transfer Addendum	Items 11 and 17
n. Insurance	Section 8.13 of the FA	Items 7 and 8
o. Advertising	Article 9 of the FA; Section I of Renewal Addendum; Section H of Transfer Addendum	Items 6 and 11
p. Indemnification	Sections 8.9, 8.12, 8.13, 8.14, and Article 17 of the FA	Item 6
q. Owner's participation/ management/staffing	Sections 8.10, 8.11, and 8.12 of the FA	Items 11 and 15

Obligation	Section in Agreement	Disclosure Document Item
r. Records and reports	Article 10 of the FA	
s. Inspections and audits	Sections 10.3 and 10.4 of the FA	Item 6
t. Transfer	Article 14 of the FA; Transfer Addendum	Item 6 and 17
u. Renewal	Sections 3.2 and 4.6 of the FA; Renewal Addendum	Item 6 and 17
v. Post-termination obligations	Articles 12, 13, 15 and 16 of the FA	Item 17
w. Non-competition covenants	Article 13 of the FA	Item 17
x. Dispute resolution	Article 18 of the FA	Item 17
y. Other	Not Applicable	

ITEM 10—FINANCING

We do not offer direct or indirect financing for your franchise. We do not guaranty any of your notes, leases or other obligations.

ITEM 11--FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Before Opening

Before you open your business, we will:

1. Approve the area in which you will select the site for your franchise. We will also review your proposed location for our approval (Section 6.1 of Franchise Agreement).

We do not select the site for your franchise. We generally do not own the location of your franchise and lease it to you. You will generally lease your Franchise Location from an unrelated third party. You are responsible for the selection of the site of your franchise, subject to our approval. The factors that we consider when we recommend or approve a site include, without limitation, the surrounding population density, income levels, vehicle traffic counts, pedestrian traffic counts, visibility, ingress and egress, space dimensions, parking availability, signage restrictions, use restrictions, economic terms, and the proximity to other VARA Juice™ locations (see Item 12). We are not obligated to provide you assistance in finding your location and it is your sole responsibility to find a suitable location for your Restaurant and to evaluate the commercial value of the location for operation of your franchise.

You must submit to us a site selection package that we specify or approve, which must include pictures of the site, site plan, traffic counts, evidence confirming your prospects for obtaining the site, demographic information, economic terms use clause, and any other materials

and information we specify before we consider approving the location. We will make our determination of whether to approve the proposed location within 14 days after receiving all required materials and information from you. If we cannot agree on a site and you do not obtain a site for the Restaurant within 3 months of the date of the Franchise Agreement, we may terminate the Franchise Agreement, and your initial franchise fee is non-refundable.

2. Provide written specifications for the Franchise Location, which may include specifications for space requirements and build out, or a template floor plan.

3. Review the lease for your Franchise Location. Although we have the right to review and comment on your lease for the Franchise Location, we will not evaluate or be responsible for the commercial reasonableness or suitability of the lease. You must evaluate and be solely responsible for the commercial reasonableness and suitability of your lease. If you lease the Franchise Location, you and the landlord must sign our standard Lease Addendum and you must sign our Collateral Assignment of Lease before you open (Section 6.2 and Appendices G and H of the Franchise Agreement).

4. Review your plans, drawings, and designs for construction, remodeling, decorating or improvement of the Franchise Location. It is your responsibility to conform the Franchise Location to local ordinances and building codes, and to obtain any required permits. We will have the right to inspect and approve the construction before you open the Restaurant to make sure the approved plans and any specifications issued by us have been followed. If, in our opinion, the approved plans and any applicable specifications issued by us have not been followed, you must resolve any issues to our satisfaction before opening the Restaurant. This may delay the opening of your Restaurant (Section 6.4 of Franchise Agreement).

5. Provide our specifications and/or sources of supply, including the names of any Designated or Approved Suppliers, for the equipment, fixtures, signs, inventory, and other products and services necessary for you to develop and begin operation of the Restaurant (Section 5.2 of Franchise Agreement). We do not deliver or install any of these items at your Franchise Location.

6. Provide you with access to our Brand Standards Manual for use in the operation of your Franchise Business (Section 5.3 of Franchise Agreement). Additional information regarding the Brand Standards Manual is set forth below in this Item under the subheading "Brand Standards Manual."

7. Provide an initial training program to train you to operate the Restaurant (Sections 5.4 and Article 7 of Franchise Agreement). This obligation does not apply on renewal (Section E of Renewal Addendum). The training program is described in more detail below in this Item under the subheading "Training."

8. Provide 1 or more representatives for up to 1 week surrounding the opening (the specific number of days will be determined by us) to assist in the initial operation of your Franchise Business (Section 5.5 of Franchise Agreement). This obligation does not apply on renewal or transfer (Section E of Renewal Addendum and Section E of Transfer Addendum).

9. Designate the Approved Products and Services to be offered by the Restaurant and provide sources of supply and/or our standards and specifications for all products used in the Restaurant (Section 5.6 of Franchise Agreement).

10. Provide guidance on the pricing of your products and services (Section 8.8 of Franchise Agreement).

11. Review for approval your plans for grand opening advertising for the Franchise Business (Sections 5.8 and 9.1 of Franchise Agreement).

Our obligations as outlined above generally will not apply if you are renewing your franchise or acquiring an existing franchise by transfer except that, on a transfer we will provide the initial training described in number 7 above (see the Renewal Addendum and Transfer Addendum).

Time of Opening

We expect franchisees to open their Restaurants no more than 7 months after signing the Franchise Agreement or paying consideration to us. The main factors that we expect to affect this time period are the availability of suitable locations, the ability to obtain mutually acceptable lease terms, the need for rezoning of the location, the ability to obtain financing, the local time frame for obtaining building permits, construction delays, shortages, delayed installation of equipment, fixtures or signs, and your personal timetable. You must sign your lease within 3 months of executing the Franchise Agreement and open for business no later than 4 months after you obtain a signed lease for the Franchise Location, and the failure of either of which, we may terminate the Franchise Agreement.

During Operation

During the operation of your franchise, we will:

1. Continually provide you with access to any updates to our Brand Standards Manual and other specifications for all aspects of the Restaurant (Section 5.3 of Franchise Agreement).

2. Provide ongoing training as specified by us (Section 5.4 and Article 7 of Franchise Agreement).

3. Provide 1 or more representatives for up to 1 week surrounding the opening (the specific number of days will be determined by us) to assist in the initial operation of your Restaurant (Section 5.5) of Franchise Agreement). This obligation does not apply on renewal or transfer (Section E of Renewal Addendum and Section E of Transfer Addendum).

4. Designate the Approved Products and Services to be offered by the Restaurant and continually provide you with updates in our specifications for the Approved Products and Services. We will also provide sources of supply and/or our standards and specifications for all products used in the Restaurant and will review for approval any products, services, or suppliers requested by you, except with respect to any Designated Products or Services (Sections 5.6, 8.6 and 8.7 of Franchise Agreement). The Approved Products and Services that we may authorize you to sell may differ from those that we authorize other Restaurants to sell based on regional differences in products and services authorized by us, sales of products or services on a limited-time-only basis that are not available to all Restaurants, the test marketing of products or services, or other business reasons in our discretion (Section 8.6 of Franchise Agreement).

5. Periodically visit your Restaurant at such intervals we deem appropriate throughout the term of the Franchise Agreement. During these visits, we will evaluate your operations and provide any operational advice and assistance deemed necessary by us. We will also provide reasonable operational advice and assistance to you by email, other internet resources, or telephone, including advice on specific Approved Products and Services, if requested by you (Sections 5.7 and 10.3 of Franchise Agreement). The result of the visit could result in required changes to the operation of the location.

6. Provide guidance on the pricing of your products and services (Section 8.7 of Franchise Agreement). You must follow any maximum or minimum pricing guidelines specified by us, subject to applicable laws (Section 8.7 of Franchise Agreement).

7. Administer and control the Brand Development Fund for the benefit of the Franchise Marks and Franchise Systems and review for approval any local advertising proposed by you (Sections 4.3 and 5.8, and Article 9 of Franchise Agreement).

8. Make all modifications to or substitutions of our Intellectual Property on a uniform basis for all similar situated franchisees in a particular market (Section 11.6 of Franchise Agreement).

9. If your initial location becomes unusable, review for acceptance any alternative location proposed by you (Section 6.1 of Franchise Agreement).

10. Review proposed transferees of your Restaurant for approval (Article 14 of Franchise Agreement).

Advertising

We require that you make periodic contributions to a Brand Development Fund in the amount of 2% of your Gross Sales. We are not obligated to continue the Brand Development Fund and may change the amount or suspend contributions to or operations of the Brand Development Fund or terminate the Brand Development Fund (or reinstate the Brand Development Fund if it is terminated). All VARA Juice™ Restaurant franchises will contribute to the Brand Development Fund at the same rate. VARA Juice™ Restaurants owned and operated by our affiliates will contribute to the Brand Development Fund at the same rate as franchise Restaurants.

We will administer and control the Brand Development Fund in our discretion. We may use the Brand Development Fund to maximize general public recognition and patronage of the Franchise Marks and VARA Juice™ Restaurants; formulate, develop, and produce marketing, advertising and sales support materials for use by our franchisees; conduct marketing, advertising, and promotional programs on a national, regional, or local level; provide marketing support services to franchisees; develop, maintain, and support the Franchise Technology and Digital Marketing (as defined in the Franchise Agreement) for us and our franchisees; obtain public relations services; obtain marketing and advertising services to administer, create, distribute, place, publish, or otherwise provide marketing products and services to the Brand Development Fund; pay the expenses of the Brand Development Fund, including without limitation salaries and other employment expenses of our marketing staff, administrative costs, overhead, and other expenses we incur in connection with the administration of the Brand Development Fund; and other uses as we determine at our discretion. We are not required to spend your Brand Development Fund contributions to place advertising in your market or in any

specific media. We may spend Brand Development Fund contributions in any media and use any source for advertising at our discretion (for example, in-house or a third-party contractor, including without limitation a national or regional advertising agency). All expenses of the Brand Development Fund will be paid from the Brand Development Fund. The Brand Development Fund may borrow money and pay interest or establish credit from us or other entities. Payments of principal and interest on those loans may be deducted from the Brand Development Fund. The Brand Development Fund will not be used for marketing that is principally a solicitation for the sale of franchises but the Brand Development Fund may be used for ancillary or incidental uses for the solicitation or sale of franchises by us or other franchisees, including an area on our website or on print advertisements created or distributed by the Brand Development Fund or an advertising cooperative. We will submit to you, on request, an annual report of the receipts and disbursements of the Brand Development Fund, unaudited, prepared by our management, and provided in the manner we specify. Neither we nor an agency engaged by us will be liable for consequential or incidental damages resulting from administration of the Brand Development Fund or resulting from any marketing or advertising materials produced or placed by or on behalf of us or you, including any claims for loss of business.

We may, in our discretion, administer the Brand Development Fund for some or all markets by disbursing a portion of the Brand Development Fund to one or more individual franchisees or cooperative groups of franchisees for marketing or advertising expenditures in their markets. You must spend any of those disbursements to you on local or regional advertising and media as we determine. You must document these advertising expenditures at the times and in the manner specified by us.

We will use reasonable efforts to spend Brand Development Fund fees contributed to the Brand Development Fund during the fiscal year in which the contributions are made, taking into account reasonable reserves for advertising promotions and campaigns, repayment of debt, and other reasonable business needs in the next fiscal year. If we spend less than the total amount of funds available in the Brand Development Fund during any fiscal year, we will spend the unused funds during a future fiscal year. If we spend an amount greater than the amount available to the Brand Development Fund, and we have contributed the additional amounts to the Brand Development Fund, we will be entitled to be reimbursed by the Brand Development Fund for all those excess expenditures.

We have the right to incorporate the Brand Development Fund or manage the Brand Development Fund through a separate entity whenever we deem appropriate. We may assign some or all of our rights and duties related to the Brand Development Fund to the separate Brand Development Fund entity. We may change the separate Brand Development Fund entity or assign management of the Brand Development Fund back to us at any time in our discretion. Regardless of the entity, you consent to the automatic withdrawal of Brand Development Fund fees by electronic funds transfer on a weekly basis in the same manner as Royalty.

You must spend a minimum of 2% of your Gross Sales each month for advertising in your local market. You must provide us with documentation, at the times and in the form and manner specified by us, to prove that you spent the required amount on local advertising or, in our discretion, we may require you to pay the minimum local advertising amounts to us for advertising in your local market. If we require you to pay the minimum local advertising amounts to us, we may use these amounts, in our discretion, for local advertising and promotion for you (including but not limited to Digital Advertising, flyers, promotions, mailers, etc.) or as part of joint advertising or cooperative advertising. Your minimum local advertising requirement is separate from and in addition to your obligations for grand opening advertising and for contributions to the Brand

Development Fund. If we require you to pay the minimum local advertising amounts to us, we will submit to you, on request, an annual report of the receipts and disbursements of those amounts, which may be unaudited and prepared by us.

We may designate a local, regional, or national advertising area that includes a group of Restaurants (an "Advertising Area"). If your Franchise Business is in a designated Advertising Area, you must participate in and pay your proportionate cost of any joint advertising programs specified by us for that Advertising Area. This amount would be included in the 2% required local marketing spend.

In addition, we may require an advertising cooperative to be formed and operated in an Advertising Area. If your Franchise Business is within that designated Advertising Area, you must join, maintain a membership in, and sign and abide by the cooperative agreement for the advertising cooperative in that Advertising Area. Each advertising cooperative must adopt a cooperative agreement governing the organization and operation of the advertising cooperative. If specified by us, the cooperative agreement must require contributions to the advertising cooperative to be paid to us or to the advertising cooperative by electronic funds transfer. We must approve the structure of the advertising cooperative as well as the cooperative agreement and any changes to that agreement. The cooperative agreement must be submitted to us for prior approval. If we have not approved the cooperative agreement in writing within 14 days after receipt, the cooperative agreement will be deemed not approved. If the members of the advertising cooperative do not adopt and sign an approved cooperative agreement within 30 days after we designate the Advertising Area for the advertising cooperative, the advertising cooperative must adopt and you must sign our then current recommended cooperative agreement. The cooperative agreement cannot modify the terms of the Franchise Agreement but may require you to make contributions to the advertising cooperative in addition to any Brand Development Fund contributions you are required to make to us. You must make contributions to the advertising cooperative at the times and in the amounts as determined by the advertising cooperative. Each Restaurant in the advertising cooperative (including Restaurants operated by us or our affiliates) will have one vote on matters before the advertising cooperative. Decisions will be made as provided in the cooperative agreement, or if not otherwise specified, based on a majority of the votes entitled to be cast by the members of the advertising cooperative. Any franchisee holding an officer, management, executive, or committee position with the advertising cooperative must be a franchisee-in-good-standing as defined in Section 8.17 of the Franchise Agreement. The administration, costs, and expenses of each advertising cooperative will be the responsibility of the advertising cooperative. The advertising cooperative will be responsible for the collection of contributions from its members and we will not be responsible to you if other franchisees in the advertising cooperative fail to pay contributions or to otherwise abide by the cooperative agreement or the decisions of the advertising cooperative. We will have the authority to form, change, dissolve, or merge advertising cooperatives. As of the date of the Disclosure Document, no advertising cooperatives have been formed.

The amounts you spend for joint advertising, and cooperative advertising specified by us will apply to your minimum local advertising obligation. Except for grand opening advertising under Section 9.1, you will not be required to spend more than 2% of your Gross Sales per month for local advertising, joint advertising, and cooperative advertising specified by us unless you agree otherwise. This limit does not apply to Brand Development Fund contributions paid to us.

During the fiscal year ending December 31, 2023, we collected $5,206.99 in the Brand Development Fund and spent $53,732.57 in the following categories of expenses: 73% for media placement, 27% for production of advertising, and 0% for administrative expenses. We did not

use any portion of the Brand Development Fund payments principally a solicitation for the sale of franchises.

Your use of the Internet, email, websites, social networks, wikis, podcasts, online forums, content sharing communities, blogging, other social media accounts or participations (including, without limitation, Facebook, Twitter, LinkedIn, YouTube, Pinterest, and Instagram), mobile technology, and other digital media, digital coupons, keyword or adword purchasing programs, search engine optimization, search engine marketing, marketing using other forms of digital media, and toll-free telephone numbers ("Digital Marketing") in connection with the operation, advertising, and marketing of your Restaurant is subject to the trademark, advertising, marketing, and other requirements of this Agreement and the Brand Standards Manual. You must not use any Digital Marketing in connection with the Restaurant, except with our written consent and then only in accordance with any policies and procedures specified by us. We have the sole right to control all Digital Marketing used to promote Restaurants (including the Franchise Business) and/or associated with the Franchise Marks. If we authorize you to use Digital Marketing, we may require you to only use Digital Marketing through central accounts established by us. You must provide us with login, password, administrative password, security codes, and other information necessary for us to access and use (including use for marketing to your customers) any Digital Marketing accounts we authorize you to use. We have the right to control all responses to postings by customers and/or the public on Digital Marketing platforms relating to the Restaurant.

All advertising by you in any medium, including signage, must be factual and dignified, must conform to our standards and specifications, and to the highest standards of ethical advertising practice, and must be approved by us in writing before it is used. You must submit to us for approval all marketing and promotion materials, including signage, prepared by you for the Restaurant and not prepared by or previously approved by us. These materials must be submitted at least 14 days before use. We have the right to disapprove the use of any advertising materials by you at any time. You must discontinue the use of advertising materials immediately on receipt of our written notice, even if we previously approved the use of advertising materials. You must not use any advertising materials not approved by us. You agree to refrain from any business or advertising that may be injurious to our business or the goodwill associated with the Franchise Marks and Franchise Systems and other Restaurants. You are not allowed to advertise any products or services for your business using the Franchise Marks except the Approved Products and Services. If specified by us, all of your advertising must contain notices of: (a) our website domain name or other Digital Marketing specified by us; and/or (b) a statement regarding the availability of VARA Juice™ Restaurant franchises. To the extent possible, you must include the following language in all advertising: "Each VARA Juice™ restaurant is independently owned and operated."

There is currently no advertising council composed of franchisees that advises us on advertising policies We form an advertising council in the future at our discretion.

Point of Sale (POS) and Computer Systems

We require you to use certain technology in connection with the Restaurant in our discretion, which may include websites, point of sale, and customer and restaurant management systems (which may include computer hardware, software, back office systems, web-based systems, licenses to use proprietary software or systems, etc.), Wi-Fi, intranet, extranet, web-based systems, mobile applications, other electronic media, and/or other technology specified by us (the "Franchise Technology"). Uses of the Franchise Technology may include advertising for all VARA Juice™ Restaurants, lists of VARA Juice™ Restaurants, on-line ordering, gift card and

loyalty programs, inventory control for Restaurants, entering sales and other information, making schedules, projecting sales, reviewing reports, entering payroll, placing orders with suppliers, posting the Brand Standards Manual and communication between us, franchisees, and customers. You must acquire and use the Franchise Technology specified by us in the Restaurant and in the manner specified by us. Your access to and use of the Franchise Technology is subject to your compliance with the terms and conditions of use and other policies and procedures specified by us. You agree to comply with those terms, conditions, policies, and procedures. You must pay all required license fees, service fees, and support, maintenance, update, and upgrade costs to use and maintain the Franchise Technology in the manner specified by us or a third-party supplier. We may change or modify the Franchise Technology in the future, including changes in the specifications and components relating to the Franchise Technology. In that case, you must obtain and begin to use the changed or modified Franchise Technology within 30 days after you receive written notice from us. There are no contractual limitations on the frequency or cost of these obligations. The Franchise Technology and its content are provided "AS-IS." We disclaim all warranties with respect to the Franchise Technology.

The Franchise Technology that we currently specify for establishing a VARA Juice™ Restaurant includes a point-of-sale and order management system (the "POS Systems"). The POS Systems for a VARA Juice™ Restaurant include: 1 to 2 computer tablet terminals with tap payment capability, printer, 1 wall-mounted kitchen computer monitor, and the designated POS software. In addition, you may, if approved by us, choose to purchase or lease a self-ordering kiosk station from our Designated Supplier. The specified computer equipment and software will be used in your business to record sales transactions, including providing a break-down of credit card, check and cash sales, discounts, products sold, labor dollars spent, etc., be the time clock of the business (time/attendance), be the method of delivering the order to the production line, be used for receipts of transactions, be used for online ordering, delivery ordering, be used to manage gift card and loyalty programs, and be used to provide sales data to our home office. We estimate that the initial cost for purchasing and installing the POS and computer systems for a VARA Juice™ Restaurant will range from $3,636 to $5,232, depending on the number of terminals, online ordering, location, and discounts. This estimate includes the first three monthly payments for the designated POS software. The POS Systems must be acquired from a Designated Supplier. The POS Systems are not our proprietary property. We do not have an obligation to maintain, update, upgrade, or support the hardware or software; however you must enter into a maintenance agreement with a Designated Supplier. The annual costs of required or optional maintenance to the POS Systems are included in your monthly software license payments, which we estimate to range from $376 to $471. We may require you to upgrade and/or update the Franchise Technology during the term of your Franchise Agreement as we deem necessary in our discretion, and there are no contractual limitations on the frequency or costs of this obligation.

We will have the right to independently access the sales and other data generated or stored by the Franchise Technology, including your POS systems. There are no contractual limitations on our right to access the information and data. You must provide us access to the information contained in or produced by the Franchise Technology in the manner specified by us and must supply us with any security codes necessary to obtain that access. We may retrieve, analyze, download and use the software and all data contained in or produced by the Franchise Technology at any time as long as the access does not unreasonably interfere with the operation of your Restaurant.

You must maintain high-speed Internet access at all times in the manner specified by us for communication with us, use of the Franchise Technology, and to allow us to access information

from the Franchise Technology. Our rights to use the Franchise Technology data includes the right to deliver the data to any third party we deem appropriate in our sole discretion; provided that the identity and other personal information of your employees, agents, and customers are not improperly disclosed.

When implemented by us, you must pay us a periodic technology fee. We may use the technology fees for expenses relating to planning, design, development, maintenance, and/or support of the Franchise Technology. Although you may pay technology fees to us, you will still be responsible for any license fees and the expense of maintenance and updates, including service contracts, relating to point of sale ("POS") computer system software and other technology used in your Restaurant.

You are responsible for securing the data of your customers. You must comply with industry standards and all applicable laws relating to the protection of customer information and other personal information. You must comply with the PCI Requirements in connection with your Restaurant. It is recommended that you also comply with the ISO/IEC 27000-series information security standards (or other comparable third party information security standards) ("Information Security Standards") in connection with the Restaurant. It is your responsibility to research and understand the PCI Requirements and Information Security Standards, other industry standards, and applicable laws and to ensure that your business policies and practices comply with these requirements. You must periodically participate in audits of your information technology systems and data security policies by third party auditors as specified by us. We have the right to engage a vendor to consult with and advise VARA Juice™ Restaurant franchisees on compliance with the PCI Requirements and Information Security Standards and to require you to pay a portion of the cost of the vendor's services as determined under our policies or to directly engage the vendor for these purposes. Also, we will have the right to acquire a cyber insurance policy for the VARA Juice™ franchise system and to require you to pay a portion of the cost of the cyber insurance policy as determined under our policies and procedures.

Brand Standards Manual

Our Brand Standards Manual provides detail concerning the methods of operation of the Restaurant. As of the date of this Franchise Disclosure Document, the Brand Standards Manual consists of a total of approximately 175 pages. The Table of Contents of the Brand Standards Manual is attached as Exhibit E, which shows the number of pages dedicated to each subject matter. You will be given a paper copy, an electronic copy, or access on-line to an electronic copy of the Brand Standards Manual after signing the Franchise Agreement. You will be provided updates as they become available (Sections 5.3 and 8.2 of the Franchise Agreement).

Training

You must not begin to operate the Restaurant unless a Designated Owner, and the General Manager, if the Designated Owner is not the General Manager (see Item 15) has attended and completed our initial training program. The training program must be completed to our satisfaction no less than 30 days prior to the opening of your Franchise Business.

The instructional materials used in our training program include training manuals and the Brand Standards Manual. Ali Albadani currently oversees our entire training program. Mr. Albadani has approximately five years of experience in the restaurant industry, all with the VARA Juice™ system. Other staff will assist in the training program and generally will have no less than

three years of experience in the restaurant industry and one year of experience in the topic for which they have responsibility.

The length of training program will be approximately 2 weeks depending on your experience in the restaurant industry. The training program will be conducted without charge for up to two persons (at least 1 Designated Owner and 1 General Manager). We will train additional persons if you request, but we may charge a reasonable fee for each additional person trained. The training program will be conducted at a VARA Juice™ Restaurant in Detroit, Michigan. You are responsible for any traveling and living expenses of you or your employees during the training program. The persons attending training may be required to sign an agreement relating to confidentiality and/or noncompetition in a form approved by us before beginning the training program (see Exhibit F and Item 14).

Your Restaurant must always be under the supervision of a General Manager that has attended and satisfactorily completed our training program (see Item 15).

Our training program will be conducted as often as necessary to ensure that new franchisees complete training before opening their Restaurant.

The following table provides additional information about the training program and an approximate time estimate.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction to the VARA Juice Franchise System	2 Hours	5 Hours	VARA Juice Restaurant in Detroit, Michigan
Understanding Your Role as a Franchisee	2 Hours	2 Hours	VARA Juice Restaurant in Detroit, Michigan
Pre-Opening Procedures	2 Hours	2 Hours	VARA Juice Restaurant in Detroit, Michigan
Training and Managing Your Team Members	4 Hours	4 Hours	VARA Juice Restaurant in Detroit, Michigan
Daily Operations Overview	6 Hours	4 Hours	VARA Juice Restaurant in Detroit, Michigan
Cash Register, Telephone, and Equipment Operations and Procedures	10 Hours	8 Hours	VARA Juice Restaurant in Detroit, Michigan
Cleaning and Sanitation Operations and Procedures	2 Hours	3 Hours	VARA Juice Restaurant in Detroit, Michigan

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Preparing Menu Items Operations and Procedures	3 Hours	4 Hours	VARA Juice Restaurant in Detroit, Michigan
Managing Inventory	2 Hours		VARA Juice Restaurant in Detroit, Michigan
Marketing and Public Relations	3 Hours		VARA Juice Restaurant in Detroit, Michigan
Franchisee Resources	4 Hours		VARA Juice Restaurant in Detroit, Michigan

In addition, and immediately prior to your Restaurant opening, we will provide 1 representative for up to 1 week surrounding the opening of your Restaurant (the specific number of days will be determined by us) to assist in the initial operation of your Franchise. This obligation does not apply on renewal or transfer.

You and your management employees may be required to attend additional training, sales programs, and meetings reasonably specified by us. We will give you reasonable notice of any additional specified training, sales programs, or meetings. We may impose a reasonable charge on you for any training provided beyond the initial training program. Any training fees will be uniform as to all persons attending training at that time. We may require you to complete additional training before offering new products or services from the Restaurant. These additional programs will generally be conducted at a VARA Juice™ Restaurant in Detroit, Michigan, or by remote or video format if it is an effective option.

You are responsible for training all of your employees who work in any capacity in the Restaurant and are responsible for your employees' compliance with the operations standards that are part of the Franchise Systems. You must establish and maintain a continual program of training for your management and staff personnel in accordance with our specifications. Each of your employees must complete each part of the specified training program and you must not employ anyone who refuses or fails to complete each part of the specified training program.

ITEM 12—TERRITORY

Franchise Location; Relocation

You must operate your Restaurant only from a specific location, which will be designated in Item 1 on Appendix A to the Franchise Agreement. If the exact location for your Restaurant has not been determined before signing of the Franchise Agreement, you must use your best efforts to find a suitable location that we approve for your Restaurant within the area designated in Item 1 on Appendix A to the Franchise Agreement. You must always operate your Franchise Business only at a location approved in writing by us.

You shall not relocate your franchise without our approval. If your lease or sublease for the Franchise Location expires or terminates without your fault or if the Franchise Location is condemned, destroyed, or rendered unusable or you have other reasonable business reasons to relocate, you may request that we consent to the relocation of the Franchise Location. If the new location proposed by you is approved by us as a viable location and you have submitted a lease to us for review as provided in Section 6.2 of the Franchise Agreement, we will not unreasonably withhold consent to the relocation of the Franchise Location. The factors we consider for approving a new location are the same factors we consider for your initial location, which include, without limitation, the surrounding population density, income levels, vehicle traffic counts, pedestrian traffic counts, visibility, ingress and egress, space dimensions, parking availability, signage restrictions, use restrictions, economic terms, and the proximity to other VARA Juice™ locations. We will not be required to consent to a new location if the location is outside of your Protected Area or if we believe the new location will encroach on the location of another Restaurant. If the Franchise Location becomes unusable for the Restaurant through no fault of yours (not including expiration of the Lease term) and a substitute location is not available within a reasonable period of time, the Franchise Agreement will terminate on conclusion of operation of the Restaurant at the Franchise Location.

No Exclusive Territory

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Rights in Protected Area

As long as your Franchise Agreement is in effect and you are not in default, we will not open or authorize any other person to open a VARA Juice™ Restaurant at a location in the area that is within a 1-mile radius from the front door of the Franchise Location (the "Protected Area"). If the Franchise Location is in a densely populated area, the Protected Area may be less than a 1-mile radius. In that case, the Protected Area will be determined through mutual agreement and will be described in Item 2 of Appendix A to the Franchise Agreement. Your rights to the Protected Area relate to location only and do not grant you any exclusivity of marketing or customers.

As exceptions to your limited rights in your Protected Area, we and our affiliates may operate or authorize other persons to operate businesses under the Franchise Marks and Franchise Systems and/or to offer and sell products and services offered at Restaurants at the following types of locations in the Protected Area: corporate cafeterias; institutional accounts (including grocery stores and warehouse clubs); offsite events (e.g. art fairs, fundraisers, etc.); stadiums; and locations with relatively fixed populations (e.g. airports, military bases, college campuses, hospitals and other medical facilities, indoor regional malls, certain large office buildings where a substantial portion of the inhabitants do not leave the building for breakfast/lunch and few people from outside the building come in for lunch); and similar locations. We may also license or authorize a ghost or virtual kitchen within your Protected Area.

Limitations; Reservation of Rights

The rights granted to you in the Franchise Agreement relate only to the sale of products over-the-counter at the Franchise Location, and you are not granted any exclusive area or other territorial rights, except as described above. You will not have the right to provide catering or online ordering services except as authorized in writing by us and then only under the policies and procedures specified by us. You will not have the right to solicit or conduct business through

the use of toll-free telephone numbers, catalogs, direct mail, internet, or other advertising or solicitation methods not involving only sales over-the-counter at the Franchise Location unless you have our prior written approval.

You are not granted a minimum or maximum territory in which to operate your Franchise Business. As long as you provide your products and services from your Franchise Location and comply with applicable catering and marketing restrictions, you are not limited in the area from which you may draw your customers. You must not use any Digital Marketing in connection with the Restaurant, except with our written consent and then only in accordance with any policies and procedures specified by us. We have the sole right to control all Digital Marketing used to promote Restaurants (including your Restaurant) and/or associated with the Franchise Marks.

Other than the rights described above, we reserve all rights relating to the Franchise Marks and Franchise Systems, including the right to: (a) operate and authorize others to operate Restaurants at any location outside the Protected Area; (b) operate and authorize others to operate businesses that are the same or similar to a Restaurant under names or trademarks other than the Franchise Marks at any location inside or outside the Protected Area; (c) operate and authorize others to operate businesses that are different from the business of a Restaurant under the Franchise Marks or any other names or trademarks at any location inside or outside the Protected Area; (d) use or authorize others to use the Franchise Marks and/or Franchise Systems, or any other trademarks or systems, in connection with the manufacture and sale of products at wholesale or retail, through the use of toll free telephone numbers, catalogs, direct mail, over the Internet, or through any other distribution channels; (e) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at a Restaurant, and franchising, licensing, or creating similar arrangements with respect to those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating (including in the Protected Area); and (f) be acquired (whether through acquisition of assets, ownership interests, or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided by Restaurants, or by another business, even if the business operates, franchises, and/or licenses competitive businesses in the Protected Area. Although we have the right to establish other franchise or company owned outlets with similar products or services using different trademarks, we have no present intention of doing so. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Area.

Franchisee Options; Additional Franchises

You will not have any options, rights of first refusal or similar rights to acquire additional franchises within any specified territory or any contiguous territories. We may allow you to acquire additional franchises if you meet our qualifications in place at that time for acquiring a franchise and ownership of multiple locations. These qualifications may include standards of character, business experience, financial strength, credit standing, health, reputation, business ability, experience, availability of management personnel, etc.

ITEM 13—TRADEMARKS

Principal Trademarks

You receive the right to operate your Restaurant under the name VARA Juice™, which is the primary Franchise Mark used to identify our Franchise System. You may also use any other

current or future Franchise Marks to operate your Restaurant that we designate, including the logo on the front of this Disclosure Document and the service mark listed below. By "Franchise Marks," we mean any trade name, trademark, service mark, or logo licensed to you to identify your Franchise Business.

The following is a description of the Franchise Marks we will license to you. The following table discloses the Franchise Marks that are either registered or pending on the U.S. Patent and Trademark Office ("USPTO") Principal Register and the Franchise Marks for which we have filed applications for registration on the Principal Register.

Mark	Registration Number	Application Number	Principal or Supplemental Register of the USPTO	Registration Date	Application Date
(Design Plus Words, Letters, and/or Numbers)	7,123,085		Principal	July 25, 2023	
VARA JUICE (Standard Characters)		98,007,354	Principal		May 22, 2023

VJ Investment Holdings, LLC ("VJ Investment") owns the Trademarks listed in this Item. Pursuant to a Trademark License Agreement dated May 24, 2023 ("License Agreement'). VJ Investment has licensed us the right to use the Trademarks listed in this Item and to sublicense the use of the Trademarks listed in this Item in association with the Franchise System. The term of the License Agreement is perpetual unless terminated in accordance with its terms, including if we no longer desire to use the Trademarks, we fail to perform our obligations under the License Agreement with respect to the quality control standards set by VJ Investment, or by mutual agreement of us and VJ Investment. If the License Agreement is terminated, your franchise agreement will not be affected and you will continue to be able to operate your franchised Restaurant under the terms of your Franchise Agreement, with VJ Investment assuming the obligations and benefits of the franchisor. The License Agreement may only be modified in a writing signed by us and VJ Investment. If you fail to comply with the qualify control standards set by VJ Investment with regard to the use of the Trademarks, VJ Investment may terminate your Franchise Agreement.

Neither we, nor VJ Investment, have a federal registration for the last principal trademark listed in the above table. Therefore, the above trademark does not have as many legal benefits and rights as federally registered trademarks. If our or VJ Investment's right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

As of the date of this Disclosure Document, the federal registration identified in the above table has not become due for renewal and no affidavits have been required to be filed. VJ Investment intends to timely renew the federal registration and file any required affidavits when they become due.

You retain no rights in the Franchise Marks upon expiration or termination of your Franchise Agreement. You are not permitted to make any changes or substitutions of any kind in or to the use of the Franchise Marks unless we direct in writing. We may change the System presently identified by the Franchise Marks including the adoption of new Franchise Marks, new Approved Products, new equipment, or new techniques and you must adopt the changes in the System, as if they were part of the Franchise Agreement at the time of its execution. You must comply, within a reasonable time, if we notify you to discontinue or modify your use of any Franchise Mark. We will have no liability or obligation as to your modification or discontinuance of any Franchise Mark.

Determinations, Agreements or Uses Affecting Trademarks

Except as may be described above, there are no currently effective material determinations of the USPTO, Trademark Trial and Appeal Board, the Trademark Administrator of any state, or any court, any pending interference, opposition or cancellation proceeding nor any pending material federal or state court litigation involving our principal Franchise Marks. There are no agreements currently in effect that limit our rights to use or license the principal Franchise Marks in any manner material to your franchise. We do not know of any superior prior rights or infringing uses of the principal Franchise Marks that could materially affect your use of our principal Franchise Marks.

Franchisee's Obligations

You must use our Franchise Marks only in connection with the operation of your Restaurant pursuant to the Franchise Systems and only in the manner specified in the Franchise Agreement or by us. You must operate your Restaurant under our Franchise Marks and under no other name or mark. You must not use our Franchise Marks in connection with any products or services not specifically approved by us in writing. You must not reproduce or cause to be reproduced our Franchise Marks in any manner, including production on forms or invoices, in connection with advertising, marketing or promotion, or on the Internet or in an Internet domain name, in connection with a website, or in connection with any Digital Marketing without our prior written approval. You must not use our Franchise Marks in your business, corporate, partnership, or limited liability company name. However, you must register to do business under the assumed business name of "VARA Juice™" with an additional number or designation as determined by us to distinguish the assumed name from other Restaurants (for example: "VARA Juice™ of _____").

You must promptly notify us of any claim, suit, or demand against you on account of any alleged infringement, unfair competition, or similar matter relating to your use of the Franchise Marks. You must promptly notify us if you receive notice or are informed or learn that any third

party, who you believe is using the Franchise Marks or any name or mark confusingly similar to the Franchise Marks without our authorization.

Defense of Trademarks

If we become aware of a claim against you on account of any alleged infringement, unfair competition, or similar matter relating to your use of the Franchise Marks, we may take action as we deem necessary and appropriate to protect and defend you against the claim by any third party. You must not settle or compromise any claim by a third party without our prior written consent. We will have the sole right to defend, compromise, or settle any claim, in our discretion, using attorneys of our choosing, and you agree to cooperate fully with us in connection with the defense of the claim. You may participate at your own expense in the defense or settlement, but our decisions with regard to the Franchise Marks will be final. We do not have an obligation under the Franchise Agreement to participate in your defense or to indemnify you for expenses or damages in a proceeding involving the Franchise Marks licensed to you.

Prosecution of Infringers

If we become aware that a third party is using the Franchise Marks or any name or mark confusingly similar to the Franchise Marks without our authorization, we will, in our sole discretion, determine whether or not we will take any action against the third party on account of the alleged infringement of the Franchise Marks. You will not have any right to make any demand against any alleged infringer or to prosecute any claim of any kind or nature whatsoever against the alleged infringer for or on account of the infringement. If we choose to prosecute any infringement of the Franchise Marks, you must sign all documents and do all acts necessary or incidental to that action as our counsel may reasonably request. We do not have an obligation under the Franchise Agreement to take affirmative action when notified of infringement. We will have exclusive rights in any damages awarded or recovered in any prosecution of an infringement claim related to the Franchise Marks and we will not have any obligation to share any awards or recoveries with you.

Modification of Trademarks

We may change the authorization to use the Franchise Marks contained in the Franchise Agreement, including adding, discontinuing or modifying Franchise Marks, or substituting different Franchise Marks, by issuing, in a written notice, a description of the changes and the products or services to which they relate. You must use and abide by these changes or substitutions at your expense. We may make the changes because of the rejection of any pending registrations or the revocation of any existing registrations of the Franchise Marks, or due to the rights of senior users, or for other business reasons, except we will make the changes in the Franchise Marks on a uniform basis for all similarly situated Restaurants in a particular market.

ITEM 14—PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not own any patents that are material to your franchise. We do not have any pending patent applications that are material to your franchise. We claim copyright protection for our Brand Standards Manual and similar materials, although these materials are not registered with the U.S. Registrar of Copyrights.

Proprietary Information and other Intellectual Property

The Brand Standards Manual and other aspects of the Franchise Systems are considered proprietary and confidential. This information may include Brand Standards Manuals, training methods, operations methods, knowledge and experience relating to VARA Juice™ Restaurants, advertising, marketing techniques and advertising programs, information regarding the identities and business transactions of customers and suppliers, computer software and similar technology, digital passwords and identifications, source code, data reports, knowledge of operating results and financial performance of VARA Juice™ Restaurants, and related Intellectual Property.

Determinations, Agreements or Uses Affecting Copyrights or Proprietary Information

There are no currently effective material determinations of the copyright office or any court regarding any of our copyrighted or proprietary information. There are no agreements currently in effect that limit our rights to use or license the copyrighted materials or any of our proprietary information. We do not know of any superior prior right or infringing uses of our copyrighted materials or our proprietary information that could materially affect your use of those materials or information.

Franchisee's Obligations

You must use our Intellectual Property only in accordance with our rules. You must use our Intellectual Property only in connection with the operation of the Franchise Business pursuant to the Franchise Systems and only in the manner specified in the Franchise Agreement or by us. You must not use our Intellectual Property in connection with any products or services not specifically authorized by us in writing. You must take reasonable steps to prevent disclosure of this information to others. We require that all of your individual owners (if you are a business entity) sign an agreement relating to confidentiality and/or non-competition related to VARA Juice's system. We may require that you have your employees sign an agreement relating to confidentiality and/or non-competition before disclosing confidential information to them. This agreement must be in a form approved by us and we have the right to be a third-party beneficiary of that agreement with independent enforcement rights. Attached as Exhibit F is a form of Confidentiality and Noncompetition Agreement approved by us for use by our franchisees. We provide this form as an example of the form of agreement acceptable to us; however, we do not represent or suggest that this is the appropriate form for use by you or that the form complies with the applicable laws in your jurisdiction. You should have any employee confidentiality and/or noncompetition agreement forms you intend to use reviewed by your attorney to ensure the form provides you with the protections that you desire and that the form complies with the applicable laws in your jurisdiction.

Under the Franchise Agreement, you agree not to contest, directly or indirectly, our right or interest in our copyrights, trade secrets, methods, and procedures which are part of our business or contest our sole right to register, use or license others to use such copyrights, trade secrets, methods, and procedures.

You must promptly notify us of any claim, suit, or demand against you on account of any alleged infringement, unfair competition, or similar matter relating to your use of our Intellectual Property. You must promptly notify us if you receive notice or are informed or learn that any third party who you believe is using our Intellectual Property without our authorization.

Defense of Copyrights and Proprietary Information

If we become aware of a claim against you on account of any alleged infringement, unfair competition, or similar matter relating to your use of the Intellectual Property, we may take action as we deem necessary and appropriate to protect and defend you against the claim by any third party. You must not settle or compromise any claim by a third party without our prior written consent. We will have the sole right to defend, compromise, or settle any claim, in our discretion, using attorneys of our choosing, and you agree to cooperate fully with us in connection with the defense of the claim. You may participate at your own expense in the defense or settlement, but our decisions with regard to the Intellectual Property will be final. We do not have an obligation under the Franchise Agreement to participate in your defense or to indemnify you for expenses or damages in a proceeding involving the Intellectual Property licensed to you.

Prosecution of Infringers

If we become aware that a third party is using the Intellectual Property without our authorization, we will, in our sole discretion, determine whether or not we will take any action against the third party on account of the alleged infringement of the Intellectual Property. You will not have any right to make any demand against any alleged infringer or to prosecute any claim of any kind or nature whatsoever against the alleged infringer for or on account of the infringement. If we choose to prosecute any infringement of the Intellectual Property, you must sign all documents and do all acts necessary or incidental to that action as our counsel may reasonably request. We do not have an obligation under the Franchise Agreement to take affirmative action when notified of infringement. We will have exclusive rights in any damages awarded or recovered in any prosecution of an infringement claim related to the Intellectual Property and we will not have any obligation to share any awards or recoveries with you.

Modification of Copyrights and Confidential Information

We may change the authorization to use the Intellectual Property contained in the Franchise Agreement, including adding, discontinuing or modifying Intellectual Property, or substituting different Intellectual Property, by issuing, in a written notice, a description of the changes and the products or services to which they relate. You must use and abide by these changes or substitutions at your expense. We may make the changes because of the rejection of any pending registrations or the revocation of any existing registrations, or due to the rights of senior users, or for other business reasons, except we will make the changes on a uniform basis for all similarly situated Restaurants in a particular market. All ideas, concepts, techniques, or materials concerning the Franchise System, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the system and works made-for-hire for us. To the extent that any item does not qualify as a “work made-for-hire” for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing an assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

ITEM 15—OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE RESTAURANT

The individual or at least 1 of the individuals designated in Paragraph 3 on Appendix A to the Franchise Agreement (a "Designated Owner”), must: (a) preserve and exercise ultimate

authority and responsibility with respect to the management and operation of the Franchise Business; and (b) represent and act on behalf of the franchisee in all dealings with us. Each Designated Owner must have an ownership interest in the franchise. If all of the Designated Owners resign, die or become incapacitated, it will be considered a transfer under the Franchise Agreement. We may assume operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred to a third party approved by us, up to a maximum of 60 days.

The Franchise Business must, at all times, be under the direct supervision of a general manager as described in this Section (the "General Manager"). The General Manager must: (i) devote his or her full time and effort to the day-to-day active management and operation of the Restaurant; (ii) be personally responsible for the Restaurant at all times; and (iii) personally exercise his or her best efforts to market the Restaurant and maximize customer satisfaction. The General Manager must meet the following requirements before beginning to serve as General Manager for the Restaurant: (1) successful completion of our initial training program and any retraining or refresher training programs specified by us; (2) signing an agreement relating to confidentiality and non-competition in a form approved by us; and (3) if specified by us, the General Manager must have an equity or profit participation interest in the Restaurant.

If a Designated Owner is not the General Manager, the General Manager must be under the direct supervision of a Designated Owner. It is your responsibility to ensure that the Restaurant is always under the supervision of a trained General Manager. Your failure to have the Restaurant under the supervision of a trained General Manager is a material default under this Agreement.

ITEM 16—RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell all products and provide all services that we specify be provided by the Restaurant. You must not sell any products, provide any services, or engage in any business at the Restaurant or Franchise Location other than those specified by us without our written authorization. The products and services that we may specify or approve from time to time for Restaurants are referred to as the "Approved Products and Services." The Approved Products and Services are divided into two categories—"Required Products and Services" and "Optional Products and Services." You must offer the Required Products and Services. You may, but are not required to, offer the Optional Products and Services. You must receive our written approval before offering or providing any Optional Products or Services.

We may add, delete, or change Approved Products or Services that you can and must offer. You must abide by any additions, deletions and modifications and there are no limits on our rights to make these changes. We may change an Optional Product or Service to a Required Product or Service and *vice versa*. If we add any Approved Products or Services, you must obtain any necessary qualifications, training, and equipment and supplies necessary for providing the products or services. If an Approved Product or Service is deleted, you must cease offering that product or service immediately on written notice from us. You acknowledge that the Approved Products and Services we may authorize or require you to sell may differ from those that we authorize or require other Restaurants to sell based on regional differences in products and services we authorize, sales of products or services on a limited-time-only basis that are not available to all Restaurants, the test marketing of products or services, or other business reasons in our discretion. We will not have any liability or responsibility to you if you are not able or are not authorized to sell all the same products or services as other Restaurants.

You will have no right to solicit or conduct business through the use of toll-free telephone numbers, catalogs, direct mail, internet, social media or other advertising or solicitation methods not involving only sales over-the-counter at, or on the premises of, the Franchise Location. You may only sell the System's products and services at retail and you may not engage in the wholesale and/or distribution of any product, service, equipment or other component, or any related product or service, of the System.

ITEM 17—RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise and related Agreements. You should read these provisions in the Agreements attached to this Franchise Disclosure Document.

Provision	Section in Agreement	Summary
a. Length of the franchise term	Section 3.1 of Franchise Agreement	10 years.
b. Renewal or extension of the term	Section 3.2 of Franchise Agreement and Renewal Addendum	10 years. You must comply with all obligations of Section 3.2 of the Franchise Agreement in order to renew.

Provision	Section in Agreement	Summary
c. Requirements for you to renew or extend	Section 3.2 of Franchise Agreement	You and your affiliates: are not in default of any agreements with us; have not received 2 or more notices of default of the Franchise Agreement or any of our specifications, standards, or operating procedures within the last 12 months; provide notice in compliance with the Franchise Agreement; provide proof that you are able to maintain possession of Franchise Location, or proof that you have been able to secure and develop, in compliance with our then applicable standards used in the granting of a franchise, suitable alternative premises within your Protected Area for your Franchise Business; must take any action specified by us to comply with current appearance, equipment, and signage requirements, including refurbishment of the Franchise Location which refurbishment obligations may not be uniformly applied; have satisfied all material reporting requirements and monetary obligations to us and our affiliates, suppliers and creditors; have satisfied any additional training requirements for new or existing franchisees; have signed a general release in a form specified by us; have signed the then current Franchise Agreement; have paid the renewal fee; comply with current specifications, standards, and operating procedures; and we approve the renewal. As a condition of renewal, you may be asked to sign a Franchise Agreement with materially different terms and conditions than your original Franchise Agreement.
d. Termination by you	Section 15.1 of Franchise Agreement	If we materially breach the Agreement and do not cure after notice.
e. Termination by us without cause	None	Not Applicable
f. Termination by us with cause	Section 15.5 of Franchise Agreement	We have the right to terminate the Franchise Agreement before its expiration only for good cause and only in accordance with the requirements of the Franchise Agreement. Good cause for termination of this Agreement by us includes any default by you as defined in Article 15 of the Franchise Agreement or elsewhere in the Franchise Agreement.

Provision	Section in Agreement	Summary
g. “Cause” defined—curable defaults	Sections 15.4 and 15.5 of Franchise Agreement	Notice and cure period is 10 days for monetary defaults and 30 days for other defaults. Curable defaults include: failure to enter into a lease for the Franchise Location; we determine that you are unable to complete or you have not completed our pre-opening training programs to our satisfaction, or you fail to demonstrate the qualities and abilities that we determine are necessary for the successful operation of the Franchise Business; you are unable to obtain necessary permits; you or we receive a substantial number of complaints from customers; you operate the business in a way that presents a health or safety hazards to customers; you fail or are unable to pay debts or you file a voluntary petition in bankruptcy or are adjudicated bankrupt or insolvent or make an assignment for the benefit of creditors; filing a petition or other pleading (or having one filed against you and you permit the continuance for more than 30 days) seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or other similar relief; seek, consent to, or acquiesce in the appointment of any trustee, receiver, or liquidator of your business, or all or a substantial part of your assets, or fail to vacate the appointment of any trustee, receiver, or liquidator for any purpose within 30 days of appointment; you fail, within 30 days of the entry of a final judgment against you in any amount exceeding $5,000, to discharge, vacate, or reverse the judgment or to stay execution on the judgment pending appeal or to discharge any judgment that is not vacated or reversed within 30 days after the expiration of the stay of execution; you allow a levy of execution to be made on the Franchise Business; you fail to promptly pay your obligations to us, our affiliates, or third-party suppliers as they become due or default under lease or finance agreement for real or personal property involved in Franchise Business; you fail to operate in accordance with standards, fail to meet current quality control standards, or fail to permit quality control checks and inspections; you fail to purchase from Designated or Approved Suppliers; disputes among owners that materially affect the business; other material breaches by you of the Franchise Agreement or

Provision	Section in Agreement	Summary
		any other agreement entered into with us or our affiliates, including breach of covenants of confidentiality, restrictions on competition, or personal guaranties; and cancellation of a guaranty.
h. "Cause" defined—non-curable defaults	Sections 15.3 of Franchise Agreement	Termination is effective on receipt of notice. Non-curable defaults include: your or a Designated Owner make any material misrepresentations or omissions or submit to us any report or statement that you know or should have known is false or misleading; fraud; you fail to have employees and agents sign confidentiality or noncompetition agreements; conviction of you or a Designated Owner of a crime as specified in the Franchise Agreement; you received 2 or more prior notices of default and/or to terminate for the same or a similar default during any consecutive 12 month period; you received 3 or more prior notices of default and/or to terminate, whether or not for the same or similar default, during any consecutive 12 month period; you fail to attend 2 or more mandatory meetings within any consecutive 12 month period; you abandon the franchise; you or a Designated Owner engage in substance abuse that interferes with the business; you engage in conduct that reflects materially and adversely on the Marks or Systems; your lease is terminated or mortgage foreclosed by reason of your failure to pay rent or mortgage payments or for any other cause for which you are responsible; you lose the right to occupy Franchise Location and fail to begin to immediately look for a substitute site and locate a substitute site accepted by us and begin to operate the Franchise Business at that substitute site within 90 days; you are assessed liquidated damages under the Franchise Agreement 3 or more times in a calendar year; you or any member of your team fails to complete the training program to our satisfaction, in our sole and unfettered judgement.
i. Your obligations on termination/ non-renewal	Article 16 of Franchise Agreement	Immediately and permanently de-identify and discontinue the use of the Intellectual Property, the Confidential Information, the Franchise Systems, and any trademarks, names, and logos confusingly similar to the Marks and Trade Dress, and any other materials that may, in any

Provision	Section in Agreement	Summary
		way, indicate that you are or were a VARA Juice™ franchisee, or in any way associated with us; immediately discontinue all advertising placed or ordered, and remove and deliver to us all sign faces, advertising and promotional material, letterhead, forms, and any other items containing the Intellectual Property or the Confidential Information; cease using the Brand Standards Manual, the Confidential Information, and all other proprietary business information provided by us and must return to us all copies of the Brand Standards Manual, the Confidential Information, and other bulletins or other materials received from us containing information about the Intellectual Property and Restaurants; immediately and permanently cease to use and transfer Telephone Numbers and all Electronic Media; cease using any business name containing any of the marks and file an abandonment or discontinuance of the name with the appropriate local, county or state agency; immediately pay all sums and debts owing to us and our affiliates, notwithstanding the fact that those sums and debts may not at that time be fully due and payable; sell to us all or part of your inventory or products on hand as of the date of termination or expiration that are uniquely identified with us, if any, as we may request in writing within 30 days after the date of termination or expiration; and pay to us all costs and expenses incurred by us in connection with the successful enforcement of your post-termination obligations.
j. Assignment of contract by us	Section 14.6 of Franchise Agreement	No restriction on our right to assign.
k. “Transfer” by you—defined	Section 14.1 of Franchise Agreement	Includes directly or indirectly or contingently, whether voluntarily or by operation of law, selling, assigning, transferring, conveying, giving away, pledging, mortgaging or otherwise encumbering any interest in: (a) the Franchise Agreement; (b) the Franchise Business or any of the assets of the Franchise Business; (c) the Franchise Location; (d) any equity or voting interest in you (if you are an entity); or any other act defined as a transfer in the Franchise Agreement. You do not have the right to sublicense any of the rights granted by the Franchise Agreement.

Provision	Section in Agreement	Summary
l. Our approval of a transfer by you	Sections 14.2 and 14.3 of Franchise Agreement	You must have our prior written consent to transfer your franchise. We will not unreasonably withhold consent to a permitted transfer.
m. Conditions for our approval of the transfer	Section 14.3 of Franchise Agreement	The proposed transferee follows the same application procedures as a new franchisee and meets the conditions we have set for any new franchisee; we find the terms of the proposed transfer to not place unreasonable burdens on the proposed transferee; you must be in compliance with all obligations to us and must pay us and all suppliers all monies owing; you and the Seller must signa a termination agreement and a release of us and our affiliates, owners, officers, directors, employees, and agents; the proposed transferee completes training; the proposed transferee signs, at our option, a new Franchise Agreement on the standard form in use by us at the time of the transfer or an assumption of the existing Franchise Agreement; transfer fee paid by the proposed transferee; you or the proposed transferee must take any action specified by us to comply with current appearance, Franchise Trade Dress, equipment, and signage requirements; proposed transferee and affiliates are not in competition with a VARA Juice™ Restaurant; subordination agreement signed by the Seller (if installment payments required); landlord permits assignment of lease; and you and the proposed transferee comply with other standard procedures specified by us.
n. Our right of first refusal to acquire your business	Section 14.2 of Franchise Agreement	We can match any offer for the purchase of your business.
o. Our option to purchase your business	Section 16.3 of Franchise Agreement	We have the option to purchase the assets of your business for fair market value on termination or expiration of your franchise.
p. Your death or disability	Section 14.4 of Franchise Agreement	Your estate may operate the franchise if we approve a manager; we may, under the Franchise Agreement, have the option to operate the franchise for your estate.
q. Non-competition covenants during the term of the franchise	Section 13.1 of Franchise Agreement	No involvement in competing business anywhere.
r. Non-competition covenants after the	Section 13.2 of Franchise	No competing business for 2 years within (i) the Franchise Location; (ii) the area within 25 miles

Provision	Section in Agreement	Summary
franchise is terminated or expires	Agreement	of the Franchise Location; and (iii) the areas within 25 miles of any other VARA Juice™ Restaurant existing or in development at the time you begin to operate the Competing Business.
s. Modification of Franchise Agreement	Section 20.11 of Franchise Agreement	No modifications unless in writing, but specifications subject to change by us.
t. Integration/merger clause	Section 20.11 of Franchise Agreement	Only the terms of the Franchise Agreement are binding (subject to state law); however, no claim made in a Franchise Agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	Article 18 of the Franchise Agreement	Except for claims relating to the Trademarks, confidential information, trade secrets, covenants not to compete, termination of the Franchise Agreement, any action initiated by us seeking equitable relief, and your financial deficiencies, and subject to state law, all disputes must be arbitrated in the county of our principal place of business at the time that the action is filed.
v. Choice of forum	Section 18.4 of Franchise Agreement	Litigation must be in the state in which our principal place of business is located at the time that the litigation is commenced (subject to state law).
w. Choice of law	Section 18.3 of Franchise Agreement	Michigan law applies (subject to state law).

APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT K TO THIS FRANCHISE DISCLOSURE DOCUMENT.

TERMINATION OF THE FRANCHISE AGREEMENT ON BANKRUPTCY OR INSOLVENCY MAY NOT BE ENFORCEABLE UNDER FEDERAL BANKRUPTCY LAW (11 U.S.C. § 101 ET SEQ.).

ITEM 18—PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19—FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The information provided in the tables below is a historical financial performance representation about 3 existing outlets and is not a forecast of the prospective franchisee's future financial performance.

As of December 31, 2023, there were 3 VARA Juice™ Restaurant franchise outlets and 3 VARA Juice™ Restaurant outlets operated by our affiliates in operation. Out of those 6 outlets, 2 of the Restaurants operated by our affiliates and 1 of the franchise Restaurants were open the entire calendar year 2023. The information in the table below is a presentation of the performance of the 3 Restaurants in operation for the full calendar year 2023. Restaurants 2 and 3 represented in the below table were operated by our affiliates the entire calendar year 2023. Restaurant 1 represented in the below table was operated by our affiliate from January 1, 2023 through October 23, 2023. On October 23, 2023, Restaurant 1 was sold to a franchisee and thereafter operated by the franchisee through December 31, 2023. Certain categories of expenses are shown in the table. You will have additional expenses that are not listed in the table, including rent.

January 1, 2023 to December 31, 2023

	Restaurant 1	Restaurant 2	Restaurant 3
Gross Sales	$317,918.95	$427,144.69	$1,193,419.14
Food Costs	$117,294.27	$155,694.55	$442,346.50
% of Gross Sales	37%	37%	37%
Labor Costs	$101,076.87	$95,072.84	$274,278.44
% of Gross Sales	32%	22%	30%
Royalty	$15,895.94	$21,357.23	$59,670.96
% of Gross Sales	5%	5%	5%
Brand Development Fund	$6,358.37	$8,542.89	$23,868.38
% of Gross Sales	2%	2%	2%
Gross Profit	**$77,293.50**	**$146,477.18**	**$393,254.86**
% of Gross Sales	24%	34%	33%

Notes to Tables

1. The figures for Restaurant 2 and Restaurant 3 in the table were prepared by management of the affiliated entities and were not audited. The Restaurant 1 figures in the table were prepared by management of the affiliated entity through October 23, 2023, and then by the franchisee from October 23, 2023 through December 31, 2023.

2. The 3 Restaurants represented in the above table were open at least one full calendar year as of December 31, 2023.

3. We have added to the above table Royalty (5% of Gross Sales) and Brand Development Fund fees (2% of Gross Sales) to demonstrate the difference in expenses from the Restaurants operated by our affiliates that you will incur. Except as otherwise disclosed in these notes and the above table, we do not believe there are any material financial and operational characteristics of the affiliate-owned outlets that are reasonably anticipated to differ materially from future operational franchise outlets.

4. Gross Sales includes all retail revenue of the Restaurants, including sales taxes collected and paid to the tax authorities. The Gross Sales amounts for the Restaurant included in Table 1 do not include any non-retail revenue (e.g. wholesale or commissary revenue). Food costs includes all food costs related to preparing all of the Approved Products in the VARA Juice™ System. Labor costs includes all expenses related to hourly and management employees, including payroll expenses and payroll taxes. Although our affiliates do not pay Royalty or at this time Brand Development Fund Fees, we have adjusted this Item 19 to include those fees since a franchisee will be required to pay them to us.

5. The sales and expense information in the above table does not reflect the actual potential net income of a VARA Juice™ Restaurant. There are a number of fixed and variable costs associated with the development and operation of a VARA Juice™ Restaurant that are not reflected in the above table and that vary among individual VARA Juice™ Restaurants. These expenses include but are not limited to the following: rent; costs described in Items 6 and 7 of this Franchise Disclosure Document; other occupancy costs; other taxes; other insurance; advertising expenses; interest or finance charges if you finance some or all of the cost of the franchise; depreciation on property and equipment; legal and accounting fees; other general administrative expenses; any pre-opening or amortization of organization costs; costs associated with regulatory compliance; and management costs. We strongly encourage you to consult with your financial advisors in reviewing the information in this Item 19, in particular, in estimating the categories and amount of expenses you will incur in establishing and operating a VARA Juice™ Restaurant.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

Written substantiation for the financial performance representation will be made available to the prospective franchisee on reasonable request.

Financial Information for Specific Operating Units

We may give a prospective franchisee who is seeking to buy a specific operating unit, whether owned by us, an affiliate or another franchisee, actual operating results of that unit.

We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable to you. We suggest strongly that you consult your financial advisor or personal accountant concerning financial projections and federal, state and local income taxes and any other applicable taxes that you may incur in operating a VARA Juice™ Restaurant.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Ali Albadani at 3231 S. Gulley Road, Suite C, Dearborn, Michigan 48124 or 313-908-0002, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20—OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary For Years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	3	+3
Company-Owned	2021	2	4	+2
	2022	4	4	0
	2023	4	3	-1
Total Outlets	**2021**	**2**	**4**	**2**
	2022	**4**	**4**	**0**
	2023	**4**	**6**	**+2**

Table No. 2

Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor) For Years 2021 to 2023

State	Year	Number of Transfers
None	2021	0
	2022	0
	2023	0
Totals	**2021**	**0**
	2022	**0**
	2023	**0**

Table No. 3

Status of Franchised Outlets For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of Year
CA	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1*	0	0	0	1*	0
MI	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	3	0	0	0	0	3
NJ	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Totals	**2021**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2022	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2023	**0**	**5**	**0**	**0**	**0**	**1**	**4**

* This Franchised Outlet refers to the licensee under the single license agreement that we offered in 2023. Although this was not a franchisee, it is included because it was an outlet type substantially similar to that offered to prospective franchisees.

Table No. 4

Status of Company-Owned Outlets For Years 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
IL	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
MI	2021	2	2	0	0	0	4
	2022	4	0	0	0	0	4
	2023	4	1	0	1	1	3

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
NY	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
Totals	**2021**	**2**	**2**	**0**	**0**	**0**	**4**
	2022	**4**	**0**	**0**	**0**	**0**	**4**
	2023	**4**	**1**	**0**	**1**	**1**	**3**

Table No. 5

Projected Openings as of December 31, 2023

State	Franchise Agreements Signed But Outlets Not Yet Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Michigan	2		
North Carolina	1		
Totals	**3**		

We did not begin offering franchises until 2023.

The information in the tables is as of December 31st of each year.

The names, addresses, and telephone numbers of all VARA Juice™ Restaurants as of the date of the Franchise Disclosure Document are listed on Exhibit H. A list of the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who has had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the calendar year 2023 or who has not communicated with us within ten weeks of our application date (or the date of this Franchise Disclosure Document, if this Franchise Disclosure Document is not for use in a state requiring registration of franchises) is attached as Exhibit I. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

We have not had franchisees sign confidentiality clauses within the last three fiscal years. In some instances, current and former franchisees may be asked to sign provisions restricting their ability to speak openly about their experience with our franchise system. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

At this time there are no trademark-specific franchisee organizations associated with our franchise system that have been created, sponsored or endorsed by us or that have asked to be included in our Franchise Disclosure Document.

ITEM 21—FINANCIAL STATEMENTS

Our financial statements listed below are attached as Exhibit J. We were organized in 2023 and began operating in 2023. We have not been in business for three years, so we are not able to provide the financial statements that are normally required, which includes balance sheets for the previous two fiscal years and statements of operations, stockholders' equity and cash flows for the previous three fiscal years.

- Financial Statements for our fiscal year ended December 31, 2023.
- Interim unaudited balance sheet and statement of operations as of March 31, 2024.

ITEM 22—CONTRACTS

The following contracts are attached to this Franchise Disclosure Document:

- Franchise Agreement -- Exhibit B
- Addendum to Franchise Agreement-Renewal – Exhibit C
- Addendum to Franchise Agreement-Transfer – Exhibit D-1
- Franchise Termination and Release Agreement-Transfer – Exhibit D-2
- Confidentiality/Non-Competition Agreement -- Exhibit F

ITEM 23—RECEIPTS

Two copies of a Receipt of this Franchise Disclosure Document, including all Exhibits, are attached as Exhibit M. You must date and sign one copy of the Receipt and deliver it to us.

EXHIBIT A

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA (filing required)	California Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, California 94104	California Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344
ILLINOIS (filing required)	Illinois Office of Attorney General Franchise Bureau 500 South Second St. Springfield, IL 62706 (217) 782-4465	Illinois Office of Attorney General Franchise Bureau 500 South Second St. Springfield, IL 62706
INDIANA (notice filing)	Indiana Secretary of State Securities Division 302 West Washington Street Room E-111 Indianapolis, IN 46204 (317) 232-6681	Same
MARYLAND (filing required)	Office of Attorney General Securities Division 200 St. Paul Place 20th Floor Baltimore, Maryland 21202 (410) 576-6360	Maryland Securities Commissioner Office of Attorney General Securities Division 200 St. Paul Place 20th Floor Baltimore, Maryland 21202 (410) 576-6360
MICHIGAN (only notice required)	Department of Attorney General Consumer Protection Division Franchise G. Mennen Williams Building 525 W. Ottawa Street P.O. Box 30213 Lansing, MI 48909 (517) 335-7567	Michigan Department of Commerce Corporations and Securities Bureau P.O. Box 30054 6546 Mercantile Way Lansing, MI 48909
MINNESOTA (filing required)	Commissioner Minnesota Department of Commerce 85 Seventh Street East Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600	Same
NEW YORK (filing required)	Office of the New York State Attorney General Investor Protection Bureau Franchise Section 120 Broadway, 23rd Floor New York, New York 10271 (212) 416-8236	New York Secretary of State Once Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231 (518) 473-2492

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NORTH DAKOTA (filing required)	Franchise Division Office of Securities Commission 600 East Boulevard, 5th Floor Bismarck, North Dakota 58505 (701) 328-2910	North Dakota Securities Department State Capitol – 5th Floor 600 East Boulevard Bismarck, North Dakota
OREGON (no filing)	Corporate Securities Section Department of Insurance & Finance Labor & Industries Bldg. Salem, OR 97310 (503) 378-4387	N/A.
RHODE ISLAND (filing required)	Franchise Office Division of Securities 233 Richmond Street, Suite 232 Providence, Rhode Island 02903 (401) 277-3048	Director of Department of Business Regulation John O, Pastore Complex 1511 Pontiac Avenue Building 69, 1st Floor Cranston, Rhode Island 02920
SOUTH DAKOTA (filing required)	Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-4013	Department of Revenue and Regulation Division of Securities 445 East Capitol Avenue Pierre, South Dakota 57501
VIRGINIA (filing required)	State Corporation Commission Division of Securities and Retail Franchising Tyler Building, 9th Floor 1300 E. Main Street, Ninth Floor Richmond, Virginia 23219 (804) 371-9276	Clerk, State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street, First Floor Richmond, Virginia 23219
WASHINGTON (filing required)	Department of Financial Institutions Securities Division PO Box 9033 Olympia, Washington 98507-9033 (360) 902-8760	Director, Department of Financial Institutions Securities Division 150 Israel Road Southwest Tumwater, Washington 98501
WISCONSIN (filing required)	Department of Financial Institutions Division of Securities 4th Floor 345 W. Washington Avenue Madison, Wisconsin 53703 (608) 266-3364	Same

EXHIBIT B

FRANCHISE AGREEMENT

VARA JUICE

FRANCHISE AGREEMENT

BETWEEN

VARA Juice Franchising, LLC
("Franchisor")

AND

_____
("Franchisee")

EFFECTIVE DATE: _____, 2024

LOCATION: _____
_____
_____

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VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is made this _____ day of _____, 2024, between VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ ("Franchisee"). In this Agreement, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

ARTICLE 1 - INTRODUCTION

1.1 Franchise Systems.

We and our affiliates, as the result of the expenditure of time, skill, effort and money, have developed a quick-service restaurant concept offering made to order fruit and vegetable smoothies, fruit cups, fruit and vegetable juice blends, vegetable salads, iced coffee beverages, and ice cream using fresh ingredients for dine-in or takeout. The restaurant concept includes technical information and expertise relating to the preparation and serving of food products; the use of recipes, syrups, juice blends, and other food and beverage products, all of which constitute trade secrets and are identified by the public with VARA Juice™; prescribed exterior and interior design, decor, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; training and assistance; and advertising and promotional programs (collectively "Systems"); all of which may be changed, improved, and further developed by us. The Systems we specify for use by the Restaurant concept to be licensed to you under to this Agreement are referred to as the "Franchise Systems."

1.2 Franchise Marks and Trade Dress.

We identify our Restaurant concept by means of certain trademarks, service marks, trade names, logos, and other marks (our "Marks"). We also identify by means of, including without limitation, each and every detail of the design, layout, décor, color, scheme, supplies utilized, services offered, appearance of the premises, personnel, and other elements of the Franchised Business (our "Trade Dress"). We may, in the future, develop, use, and register additional or different trademarks, service marks, logos, trade dress, and other elements, all of which will be included as Marks and Trade Dress, that we may make available for use by you. The Marks and Trade Dress we authorize for use by the Restaurant concept licensed to you under this Agreement are referred to as the "Franchise Marks" and the "Franchise Trade Dress."

1.3 Franchise Business.

A business operated under the Franchise Systems, Franchise Marks, and Franchise Trade Dress, whether operated by us or our affiliates or other persons authorized by us, will be referred to in this Agreement as a "Restaurant." The Restaurant that you are licensed to operate under this Agreement will be referred to in this Agreement as the "Franchise Business."

1.4 Your Desire to Obtain a Franchise.

You recognize the advantages of operating under the Franchise Systems, Franchise Marks, and Franchise Trade Dress and desire to obtain the right to operate a Restaurant. We are willing to grant you a license to open and operate a Restaurant on the terms and conditions in this Agreement.

ARTICLE 2 - GRANT OF FRANCHISE

2.1 Grant of Franchise.

We grant you the nonexclusive right to use the Franchise Marks, Franchise Trade Dress, and the Franchise Systems in connection with the operation of a single Restaurant in accordance with this Agreement and our "Brand Standards Manual" (as defined in Section 8.2). The Franchise Business must be operated at the location designated in accordance with Section 6.1 (the designated location is referred to as the "Franchise Location").

2.2 Limitations.

The rights we grant you in this Agreement relate only to the sale of products over-the-counter at the Franchise Location only, and you are not granted any exclusive area or other territorial rights, except as specifically provided in Section 2.3. You will not have the right to provide catering, delivery (including delivery by third-party delivery services), or online ordering services except as authorized in writing by us and then only under the policies and procedures specified by us. You will not have the right to solicit or conduct business through the use of toll-free telephone numbers, catalogs, or other advertising or solicitation methods not sales of products at the Franchise Location unless you have our prior written approval.

2.3 Protected Area; Limited Exclusivity; Exceptions.

Except as otherwise provided in this Agreement, as long as this Agreement is in effect and you are not in default under this Agreement, we will not open or authorize any other person to open a Restaurant location in the area that is described in Appendix A (the "Protected Area"). Your limited rights relate to location only and do not grant you any exclusivity of marketing or customers.

Notwithstanding your rights in the Protected Area under this Section, we and our affiliates may operate or authorize other persons to operate businesses under the Franchise Marks and Franchise Systems and/or to offer and sell products and services offered at Restaurants at the following types of locations in the Protected Area: (i) hotels, motels, resorts, casinos, or similar operations; (ii) hospitals and other health care facilities; (iii) universities, schools, and education facilities, (iv) condominiums, apartment buildings and complexes, and dormitories; (v) military bases; (vi) office buildings and business complexes; (vii) private clubs; and (viii) similar locations. We may also license or authorize a ghost or virtual kitchen within your Protected Area.

2.4 Reservation of Rights.

Other than the rights expressly granted to you in this Agreement, we reserve all rights relating to the Franchise Marks and Franchise Systems, including the right to: (a) operate and authorize others to operate Restaurants at any location outside the Protected Area, regardless of its proximity to the Franchise Location; (b) operate and authorize others to operate businesses that are the same or similar to a Restaurant under names or trademarks other than the Franchise Marks at any location inside or outside the Protected Area; (c) operate and authorize others to operate businesses that are different from the business of a Restaurant under the Franchise Marks or any other names or trademarks at any location inside or outside the Protected Area; (d) use or authorize others to use the Franchise Marks and/or Franchise Systems, or any other trademarks or systems, in connection with the manufacture and sale of products at wholesale or retail, through the use of toll free telephone numbers, catalogs, direct mail, over the Internet or through any other distribution channels, such as, without limitation, grocery stores, convenience stores, or other retail establishments; (e) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at a Restaurant, and franchising, licensing or creating similar arrangements with respect to those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating (including in the Protected Area); and (f) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided by Restaurants, or by another business, even if the business operates, franchises and/or licenses competitive businesses in the Protected Area. We are not required to pay you any compensation for soliciting or accepting orders from inside your Protected Area.

ARTICLE 3 - TERM AND OPTION

3.1 Term.

This Agreement will begin on the date of this Agreement and continue until ten (10) years after the date that your Franchise Business opens for business unless sooner terminated as provided in this Agreement.

3.2 Option.

You will have the option to remain a VARA Juice™ franchisee for one additional period of ten (10) years if, at the beginning of the option period, all of the following conditions are fulfilled:

(a) You are not in default under this Agreement or any other agreement with us or our affiliates and no affiliate of yours is in default under any agreement with us or our affiliates.

(b) Within the last twelve (12) months we have not sent you two (2) or more notices of default of the terms of this Agreement or of any of our specifications, standards, or operating procedures (whether or not the notices related to the same or different violations and whether or not you have remedied those violations).

(c) You provide written notice of your intent to continue as a franchisee not

more than twelve (12) months and not less than six (6) months before the beginning of the option period.

(d) You are able to maintain possession of the Franchise Location or you have been able to secure and develop, in compliance with our then applicable standards used in the granting of a franchise, suitable alternative premises within your Protected Area for your Franchise Business. Any alternative premises must be acceptable to and accepted in advance by us.

(e) You agree to take any action specified by us to make the Franchise Business comply with current appearance, Franchise Trade Dress, equipment, and signage requirements. You acknowledge that we may impose refurbishing obligations of you on renewal that may be different from other franchises at renewal based on numerous factors and that we may require you to take steps to refurbish the Franchise Location that we have not required of other franchisees.

(f) Throughout the term of this Agreement you have satisfied all material reporting requirements and all monetary obligations to us and our affiliates, suppliers and creditors within the amount of time specified for satisfaction or cure of default with respect to the obligation.

(g) You have satisfied any additional training requirements for new or existing franchisees.

(h) You have signed a general release, in a form specified by us, of any and all claims against us and our affiliates, and their respective officers, directors, agents, members, managers, and employees.

(i) You must have signed and delivered to us our standard franchise agreement in use at the time of your notice to renew together with the other documents we are then using to grant new franchises, all of which will replace this Agreement (the new standard franchise agreement signed by you may have materially different terms and conditions from this Agreement).

(j) You have paid the renewal fee specified in Section 4.6. This fee must be paid at the time the new standard franchise agreement is signed by you and delivered to us.

(k) You must comply with the then current specifications, standards, and operating procedures.

(l) We have approved the renewal. We will not withhold approval of renewal without good cause.

If you fail or refuse to sign the franchise agreement and other documents and pay the renewal fee within thirty (30) days after delivery of the franchise agreement and other documents to you, when we have approved renewal of the franchise, it will be deemed that you have elected not to renew the franchise. If you do not elect to renew your franchise relationship, do not qualify for renewal, or do not comply with the requirements for renewal specified above, the franchise

relationship between you and us will automatically expire on completion of the term of this Agreement.

ARTICLE 4 - FEES

4.1 Initial Franchise Fee.

You must pay us an initial franchise fee in the amount of Twenty-Five Thousand and 00/100 Dollars ($25,000.00). The initial franchise fee is payable at the time you sign this Agreement. The initial franchise fee is considered earned at the time we sign this Agreement and is not refundable.

4.2 Royalty Fee; Gross Sales.

You must pay us a weekly royalty fee ("Royalty") in an amount equal to five percent (5%) of your Gross Sales or Three Hundred and Fifty and 00/100 Dolars ($350), whichever is greater. Your obligation to pay the Royalty will commence upon the earlier of the date of you opening your Franchised Business or seven (7) months after execution of this Agreement. You must report Gross Sales and pay Royalty weekly in the manner specified in Section 4.10 on the Monday of each calendar week based on your Gross Sales for the preceding calendar week (Saturday to Friday). You must make Royalty payments daily or monthly or at some other interval, instead of weekly, if specified by us. Royalty fees are not refundable.

"Gross Sales" means the entire amount of all of your revenues from the ownership or operation of the Franchise Business and any business at or about the Franchise Location including sales at or from the Franchise Location or any approved remote locations including the proceeds of any business interruption insurance and any revenues received from the lease or sublease of a portion of the Franchise Location, whether the revenues are evidenced by cash, credit, checks, gift certificates or gift cards, electronic payment, digital currency, food stamps, coupons and premiums (unless exempted by us), services, property or other means of exchange, minus: (a) the amount of any sales taxes that are collected and paid to the taxing authority; (b) approved discounts given to customers if the non-discounted price is included in the revenues; and (c) cash refunded and credit given to customers and receivables uncollectible from customers if the cash, credit or receivables are or were included in revenues; and (d) complimentary customer or employee meals, up to one percent (1%) of Gross Sales. You are deemed to receive Gross Sales at the time the goods, products, merchandise, or services from which they derive are delivered or rendered or at the time the relevant sale takes place, whichever occurs first. Gross Sales consisting of property or services (for example, "bartering" or "trade outs") are valued at the prices applicable to the products or services exchanged for those revenues at the time the revenues are received.

4.3 Brand Development Fund Contributions.

We require you to make weekly contributions to a Brand Development Fund in the amount of two percent (2%) of your Gross Sales or One Hundred Thirty Eight and 00/100 Dollars ($138), whichever is greater. Your obligation to pay Brand Development Fund contributions will commence upon the earlier of the date of you opening your Franchised Business or seven (7) months after execution of this Agreement. You must pay Brand Development Fund contributions to us weekly, in the manner specified in Section 4.10, on the Monday of each calendar week

based on your Gross Sales for the preceding calendar week (Sunday to Saturday). You must make required Brand Development Fund contributions daily or monthly or at some other interval, instead of weekly, if specified by us. We will use your Brand Development Fund contributions in the manner described in Section 9.2. Your Brand Development Fund contributions are in addition to the amounts you must spend on grand opening and local advertising (see Article 9). You acknowledge and agree that we are not obligated to continue the Brand Development Fund and may suspend contributions to or operations of the Brand Development Fund or terminate the Brand Development Fund (or reinstate the Brand Development Fund if it is terminated).

4.4 Training Fees and Expenses.

We do not charge training fees for the initial training program (see Section 7.1). We may charge training fees on a per diem basis if you request to have additional people attend the initial training program or when you request or we require additional training at rates provided in our Brand Standards Manual. Also, we may charge for expenses we incur when providing additional training, including reimbursement for the costs of materials, travel (if any), and a reasonable charge to cover our personnel costs. In addition, you will be responsible for paying wages or salaries, expenses for travel, and food and lodging incurred by your employees during the initial training program and any additional training programs.

4.5 Renewal Fee.

You must pay us a renewal fee in the amount of fifty percent (50%) of the then-current initial franchise fee paid by new franchisees at the time of renewal if you elect to renew your franchise at the end of the initial term of the franchise.

4.6 Transfer Fee.

You must pay us a transfer fee of Ten Thousand and 0/100 Dollars ($10,000) if you undertake a Transfer as defined in Section 14.1. Except, if you are a business entity, and the Transfer is of equity interest in you, you must only pay the transfer fee if the Transfer is of a controlling interest. We may require you to place a deposit of up to the full amount of the $10,000 at the time that you request the Transfer. We will refund the amount of the transfer fee less our costs and expenses if the Transfer is not completed. For purposes of this Agreement, “controlling interest” means of an equity interest of ten percent (10%) or more.

4.7 Late Charges, NSF Fees, and Interest.

You must pay us or our affiliates the charges, fees, and interest described in this Section in connection with any payments due to us or our affiliates under this Agreement or under any other agreement or arrangement with us or our affiliates. You must pay us or our affiliates, on demand, a late charge of Fifty and 00/100 Dollars ($50.00) for any payment not made within five (5) days of the due date of the payment. In addition, you must pay us or our affiliates, on demand, a fee equal to any charges we or our affiliates incur as a result of checks or debits returned for non-sufficient funds or other similar reasons, but not less than Fifty and 00/100 Dollars ($50.00) for each item returned. Also, you must pay us or our affiliates, on demand, interest on all overdue payments from the date the payment was due until paid equal to the lesser of (i) one and a half percent (1.5%) per month or (ii) the maximum rate of interest permitted by law. The assessment of

late charges and interest will not be our sole remedies for late payments and this Agreement may be subject to termination under Article 15.

4.8 Relocation Fee.

You must pay us a relocation fee of Ten Thousand and 00/100 Dollars ($10,000.00), plus our costs, fees, and expenses incurred to review and approve the transfer, including without limitation travel, room and board for site review and acceptance if the Franchise Business is relocated as provided in Section 6.1. The relocation fee is one of the conditions imposed on the relocation and must be paid before we will grant acceptance to relocate the Franchise Business.

4.9 Manner and Timing of Payment.

You agree that all fees are imposed and payable to us except minimum local advertising expenses, renovation and remodeling expenses, and insurance, which may be paid directly to the relevant suppliers. All fees paid to us are non-refundable. You must make all payments owed to us or our affiliates by electronic funds transfer (automatic bank transfers). You must install, at your expense, and use pre-authorized payment systems, electronic funds transfer systems, or automatic banking systems as we may specify. We may specify these requirements to fulfill any business purpose reasonably related to the operation of your Franchise Business and the Franchise Systems and to allow us to access reports of Gross Sales and other information and to initiate electronic or other transfers of all payments you are required to make to us. You must make payments at the times specified in this Agreement or as we may otherwise specify. You agree that we may specify payment by electronic fund transfers that we initiate. You must sign and deliver to your bank and to us the documents necessary to authorize and effectuate fund transfers as specified by us. You agree not to terminate the authorization as long as this Agreement is in effect. You agree not to close your bank account without providing us prior written notice and establishing a substitute bank account for the transfers. You agree that we may specify that any or all required payments to us be made daily, weekly, monthly, or another interval, instead as otherwise provided in this Agreement. You acknowledge that we may require you to make required payments at different intervals than other VARA Juice™ franchisees.

4.10 No Setoff; Application of Payments.

Your obligations for the full and timely payment of the fees described in this Agreement and all other amounts owed to us are absolute and unconditional. You must not delay or withhold payment to us of all or part of those amounts based on our alleged nonperformance or for any other reason or put the fees or other amounts in escrow or setoff against any claims you may allege against us. We may apply any of your payments first to any accrued late charges or interest and then to any delinquent fees or other amounts outstanding before crediting the payment in the manner specified by you or to the current amount due.

ARTICLE 5 – SERVICES PROVIDED TO YOU

5.1 Specifications for Franchise Location.

We or a designated representative will provide written specifications for the Franchise Location, which may include specifications for space requirements and build out, or a template floor plan. We may, in our discretion, consult with you in the process of construction or

improvement of the Franchise Location. You acknowledge that we will have no other obligation to provide assistance in the selection and acceptance of the Franchise Location other than the provision of written specifications and acceptance or non-acceptance of a proposed Franchise Location. At your reasonable request, we may, in our sole discretion and subject to the availability of our personnel, furnish you with additional site selection and/or development guidance and assistance that is beyond the nature and scope of the services we are then providing to new franchisees. If we elect to provide those additional services, we and you must agree in writing on the nature and scope of the additional services. We may charge you a reasonable fee for the additional services. You acknowledge that these additional services charges are not uniformly applied and we may offer other franchisees these services at a different or no cost.

5.2 Equipment, Fixtures, Signs and Suppliers.

We will provide our specifications and/or sources of supply for the equipment, fixtures, signs, inventory, and other products and services necessary for you to develop and operate the Franchise Business.

5.3 Brand Standards Manual; Update Specifications.

We will provide you with access to our Brand Standards Manual for use in the operation of the Franchise Business. We will provide you with any updates to the Brand Standards Manual as they become available.

5.4 Training.

We will provide an initial program to train you to operate the Franchise Business. We may provide ongoing training programs. See Article 7. This obligation does not apply on renewal.

5.5 Setup and Opening.

We will provide one (1) or more representatives for up to one (1) week surrounding the opening of your Franchise Business (the specific number of days before and after the opening will be determined by us) to assist in the opening and initial operation of your Franchise Business. If you request the assistance of our representatives beyond this initial period, we may provide the representatives for an additional period of time, but you must pay a charge for the additional services in an amount determined by us. This obligation does not apply to renewal or transfer.

5.6 Products and Services; Suppliers.

We will designate the "Approved Products and Services" (defined in Section 8.6) to be offered by your Franchise Business and will provide you with any updates in our specifications for the Approved Products and Services to be offered by your Franchise Business, which may include, without limitation, new products and service offerings and equipment. We will also provide sources of supply and/or our standards and specifications for all products used in the Franchise Business and will review for approval any products, services, or suppliers requested by you, except with respect to any Designated Products or Services.

5.7 Other Operational Assistance.

We will have a representative periodically visit your Franchise Business at intervals we deem appropriate throughout the term of this Agreement. During these visits, our representative will inspect and evaluate your operations and provide any operational advice and assistance deemed necessary by the representative. We will also provide reasonable operational advice and assistance to you by email, other internet resources, or telephone, including advice on specific Approved Products, if requested by you. The result of the visit could result in required changes to the operation of your Franchise Business. We will notify you in writing of any required changes to bring your operations into compliance with our specifications and/or Brand Standards Manual, and failure to immediately implement such required changes shall constitute a default by you of this Agreement.

At our discretion, and upon your reasonable request or our requirement after evaluating your operations, we may, at our sole discretion, provide a representative to provide reasonable operational guidance and assistance in the operation of your Restaurant at your Franchise Location. We will charge you a reasonable fee of $350 to $700 for this additional operational assistance per representative, per day of assistance, plus our representative's costs and expenses of food, travel, and lodging, as provided in our Brand Standards Manual (we may increase the fee from time to time based on reasonable inflationary increases).

5.8 Advertising.

We will review for approval your plans for grand opening advertising for your Franchise Business. We or a person designated by us will administer the Brand Development Fund for the benefit of the Franchise Marks and Franchise Systems and review for approval, any local advertising proposed by you. See Section 4.3 and Article 9.

ARTICLE 6 - LOCATION, LEASE, DEVELOPMENT, AND OPENING OF RESTAURANT

6.1 Location Selection and Acceptance; Relocation.

You must obtain our prior written acceptance of the location for your Franchise Business and you must always operate your Franchise Business only at a location we have accepted in writing (the location accepted by us in writing is referred to as the "Franchise Location"). If the exact location for your Franchise Business has not been determined before signing this Agreement, you must use your best efforts to find a suitable location for the Franchise Business within the area designated in Paragraph 2 on Appendix A. You must submit to us a site selection package that we specify or accept, which must include pictures of the site, site plan, traffic counts, evidence confirming your prospects for obtaining the site, demographic information, economic terms, use clause, and any other materials or information we specify before we will consider accepting the location. The factors that we consider when we recommend or accept a location include, without limitation, the surrounding population density, income levels, vehicle traffic counts, pedestrian traffic counts, visibility, ingress and egress, space dimensions, parking availability, signage restrictions, use restrictions, and economic terms. We may use a third party to research the market prior to accepting the site which would be paid by you. We will make our determination of whether to accept the proposed location within fourteen (14) days after receiving all required materials and information from you. Once the physical address of the Franchise Location is

determined and accepted, we will insert the address in Paragraph 1 of Appendix A. If we cannot agree on a site and you do not obtain a site for the Franchise Business within three (3) months of the Effective Date of this Agreement, we may terminate this Agreement.

We may provide our assistance to help you obtain a location. Although we may provide assistance in finding your location, it is your sole responsibility to find a suitable location for your Franchise Business and to evaluate the commercial value of the location for operation of your franchise. Our location assistance, recommendations, and/or our acceptance of your location do not constitute a representation or guaranty of the commercial value, profitability, or success of your location or your business. We will not be responsible or liable to you for any claims relating to selection of the Franchise Location and you waive and release us from any of those claims.

You cannot relocate your franchise without our prior written acceptance. You may request that we consent to the relocation of the Franchise Location if the lease or sublease for the Franchise Location expires or terminates without your fault or if the location is condemned, destroyed or rendered unusable or you have other reasonable business reasons to relocate. The factors we consider for accepting the new location proposed by you are the same factors we consider for your initial location. We will not be required to consent to a new location if the location is outside of the Protected Area or if we believe the new location will encroach on the location of another Restaurant. If the new location proposed by you is accepted by us as a viable location and you have submitted to us a lease for the new location for review as provided in Section 6.2, we will not unreasonably withhold consent to the relocation of the Franchise Location. Any relocation will be at your sole expense, including payment to us of the relocation fee specified in Section 4.8. If the Franchise Location becomes unusable for the Franchise Business through no fault of yours and a substitute location is not available within a reasonable period of time, this Agreement will terminate on conclusion of operation of the Franchise Business at the Franchise Location.

6.2 Lease Requirements.

If you lease the Franchise Location, you must obtain our prior written acceptance of the lease. In order to obtain our acceptance, you must submit to us a description of the proposed site, evidence confirming your prospects for obtaining the site, economic terms, use clause, and any other materials we specify. You must obtain our prior written acceptance of the location under Section 6.1 and our acceptance of the lease under this Section before you sign the lease for the Franchise Location. You must deliver to us a fully signed copy of the lease for the Franchise Location within five (5) days after the lease is fully signed. However, we will not evaluate or be responsible for the commercial reasonableness or suitability of the lease. That is your sole responsibility and we recommend that you engage independent counsel to assist you in the evaluation and negotiation of your lease.

Unless we agree otherwise, the lease must contain the provisions included in the form of Addendum to Lease attached to this Agreement as Appendix G (except to the extent we agree to waive any of the provisions) and other provisions that we reasonably specify. The lease must not be terminated, renewed or in any way altered or amended by you and the landlord without our prior written consent. In addition, as a condition to acceptance of the lease, you must sign a Collateral Assignment of Lease and obtain your landlord's written acknowledgment and acceptance of the Collateral Assignment of Lease in the form attached to this Agreement as Appendix H. Except in accordance with this Agreement, you must not assign your lease or let or

sublet the Franchise Location or any portion of the Franchise Location without our prior written consent.

6.3 Licenses and Permits.

You must obtain all authorizations, permits, and licenses as required under federal, state, and local law for the lawful construction and operation of the Franchise Business, including zoning and other approvals, occupancy permits, all certifications from government authorities having jurisdiction over the site that all requirements for construction and operation have been met, building and other required construction permits, licenses to do business and fictitious name registrations, sales tax permits, health and sanitation permits, ratings and fire clearances. You must keep copies of all health department, fire department, building department and other similar state and local agency and entity certifications, other licenses, and reports of inspections on file and available for our review.

6.4 Development of Franchise Location.

You must fully develop the Franchise Business in accordance with our specifications. You must construct and/or improve the Franchise Location in compliance with our specifications, including specifications for build-out, décor, signage, equipment layout, front of house and back of house space layout, etc. You must obtain our prior written acceptance of all drawings, plans, and specifications relating to the design, construction and/or improvement of the Franchise Location. We do not approve or designate the design firm, construction managers, or general contractor for the construction of your Location, but must approve construction and architectural plans prior to construction. You must obtain all customary contractors' sworn statements and partial and final lien waivers for construction, remodeling, decorating, and installation of equipment at the Franchise Location. You must acquire, maintain and update the equipment (including POS and computer systems), furniture, fixtures, signs, and other property that we specify for establishing and operating the Franchise Business. Also, all of these items must meet any standards and specifications issued by us. We have the right to inspect and accept the construction before you open the Franchise Business to make sure the approved plans and our specifications have been followed. If, in our opinion, the approved plans or our specifications have not been followed, you must resolve any issues to our satisfaction before opening the Franchise Business.

Although we have the right to review and comment on and must designate or accept all drawings, plans and specifications relating to the design, construction and/or improvement of the Franchise Location, we are only acting to ensure compliance with the approved plans and any applicable specifications issued by us. We will not evaluate or be responsible for compliance with governmental requirements, legal requirements, or adequacy of design and engineering relating to the design and construction and/or improvement of the Franchise Location and you are solely responsible for those matters.

6.5 Telephone Numbers, Internet Access, and Email Address.

You must maintain high-speed Internet access at all times in the manner specified by us for communication with us, use of the Franchise Technology, and to allow us to access information from the Franchise Technology. You acknowledge our rights to use the Franchise Technology data include the right to deliver the data to any third-party we deem appropriate in our sole discretion; provided that the identity and other personal information of your employees,

agents, and customers are not improperly disclosed. You must acquire and maintain telephone lines dedicated solely to the Franchise Business. You must also acquire and maintain high speed Internet access and an e-mail address so that you may communicate with us by e-mail, access any web-based computer systems and our intranet or extranet (if applicable) and so your customers may communicate with you by e-mail. If we specify, you must use the e-mail addresses provided or specified by us, and no other e-mail address, in the Franchise Business. You authorize us to have access to and to monitor all of your email correspondence.

6.6 Completion of Training.

You must successfully complete our initial training program, to our satisfaction, no less than thirty (30) days before beginning operation of the Franchise Business.

6.7 Employees.

You must hire and train sufficient management and other employees for the Franchise Business to comply with the Franchise Systems.

6.8 Opening of Franchise Business.

You must have fully developed the Franchise Business in accordance with our specifications and have complied with all other conditions to opening specified in this Agreement or otherwise by us before you open the Franchise Business to the public. You must sign your lease within three (3) months of executing this Agreement and open for business no later than four (4) months after you obtain a signed lease for the Franchise Location, and the failure of either of which, we may terminate this Agreement.

ARTICLE 7 – TRAINING

7.1 Initial Training.

We will make available an initial program to train you to operate the Franchise Business. You must not begin operating the Franchise Business unless a "Designated Owner" (defined in Section 8.9) and the "General Manager" (defined in Section 8.9), if the Designated Owner will not be the General Manager, has attended and completed the initial training program to our satisfaction. You may have up to two (2) persons (at least one (1) Designated Owner and one (1) General Manager) attend the initial training program without paying any additional fees to us. We will train additional management personnel if you request, but may, in that case, charge you a reasonable fee for each additional person trained. Also, you will be responsible for any traveling and living expenses of you or your employees during the training program. The training program will be conducted at a VARA Juice™ Restaurant that we designate or at our offices in Southeastern Michigan. The persons attending the initial training program must sign an agreement relating to confidentiality and/or non-competition in a form approved by us before beginning the training program. You must complete the initial training to our satisfaction no less than (30) days prior to opening.

If we determine that you have not completed the training program to our satisfaction or that you or your team of employees is not ready to open the Franchise Business to the public in accordance with our standards, we may: (a) require you and/or your management employees to

attend additional training before the Franchise Business opens to the public; and/or (b) require you to use additional assistance from our representatives for a period of time during and after opening of the Franchise Business. We have the right to charge you for the additional training and/or assistance.

Any replacement of the General Manager or Designated Owner shall be appointed by you within ten (10) days of the prior General Manager's or Designated Owner's resignation or termination. If we conduct any training for the replacement General Manager or Designated Owner, you shall pay to us all costs and expenses related to such training at the then-current rates for additional training, as well as all expenses related to such General Manager or Designated Owner, including without limitation, wages, meals, lodging and travel to attend the training. All of our training programs are provided to protect our brand and the Franchise Marks and not to control the day-to-day operations of your business. You acknowledge that we may, from time-to-time, provide optional templates for certain employment policies and procedures, including without limitation, a sexual harassment policy. You have sole discretion as to adoption of any such policies and procedures and the specific terms of such policies and procedures. Training with respect to all such policies and procedures shall be your sole responsibility.

In addition to the initial training program for the Designated Owner and General Manager described above, we will assist you in the opening of your Franchise Business by providing training to your management employees at your Franchise Business one (1) representative to your Franchise Location to provide training to your staff employees for up to one (1) week surrounding the opening of your Franchise Business (the specific number of days before and after the opening will be determined by us) and assist you in the initial operation of your Franchise Business as provided in our Brand Standards Manual. This obligation does not apply on renewal or transfer.

7.2 Your Training Program for Employees.

You shall maintain competent and conscientious personnel to operate the Franchise Business in accordance with this Agreement, the Franchise System, and the Brand Standards Manual. You are responsible for training all of your employees who work in any capacity in the Franchise Business and are responsible for your employees' compliance with the operations standards that are part of the Franchise Systems. You must establish and maintain a continual program of training for your management and staff personnel in accordance with our specifications. Each of your employees must complete each part of the specified training program and you must not employ anyone who refuses or fails to complete each part of the specified training program.

7.3 Additional Training, Sales Programs and Meetings.

A Designated Owner (or, if specified by us, the General Manager or other management employees) must, solely at your expense, attend additional training, sales programs, and meetings reasonably specified by us. We will give reasonable notice of any additional specified training, sales programs, and meetings. We may require you to pay a reasonable charge for any training provided to you or your managers beyond the initial training program described in Section 7.1. Any fees we charge will be uniform as to all persons attending additional training at that time. We may require that you complete additional training, or we may provide additional training at

your request in our sole discretion, before offering new Approved Products or Services from the Franchise Business.

We may require that your managers, including replacement managers in the event any previously trained manager-level employees are no longer employed at the Franchise Business, satisfactorily complete our training programs and additional training programs. We may charge reasonable fees for training managers. You are responsible for paying the wages or salaries, expenses for travel, food and lodging incurred by your employees during all training courses and programs. If requested by us, you agree to assist us in training other VARA Juice™ franchisees; provided that, we must reimburse you for any expenses you incur in providing this assistance.

In our sole discretion, we may create an audio and/or video recording of any training programs at our expense. You will be responsible for any fee related to your participation in or attendance of such training program, including without limitation any online training or examination programs we may implement.

If you request additional training either at the opening or otherwise, you will be responsible for our trainer's per diem fee and related travel costs. You must also pay wages, employment related expenses, travel, and living expenses for your employees. If we, in our sole discretion, complete the opening assistance and training and determine that your management staff needs additional training, you are responsible for the additional training costs, including wages, travel, and living expenses of our staff. You and your team members must complete the training program to our satisfaction in our sole and unfettered judgement.

We will not be obligated to continue any specific ongoing training or advice we provide based on course of dealing or otherwise. We may discontinue or modify any ongoing training or advice at any time.

ARTICLE 8 – OPERATIONS AND SYSTEM STANDARDS

8.1 Continuing Operations and Best Efforts.

You acknowledge that the reputation and goodwill of the Franchise System is based in large part on offering high quality products and services to its customers. Accordingly, you shall use, provide, or offer for sale at the Franchise Business only those menu items, products, supplies, uniforms, proprietary apparel, proprietary promotional items, small wares, paper products, and grocery items (including without limitation, certain required fruit and juice mixes) and other items, products and services that we from time to time approve (and which are not thereafter disapproved) and that comply with our Brand Standards Manual. You must continually operate the Franchise Business after opening in accordance with the provisions of this Agreement throughout the term of this Agreement. You must use your best efforts to promote and maximize the sales of the Franchise Business throughout the term of this Agreement. You must maintain at all times, sufficient equipment, supplies, and personnel to operate the Franchise Business at optimal capacity and efficiency as specified by us.

8.2 Standards of Operation; Brand Standards Manual.

You acknowledge that every component of the Franchise Systems is important to us and to the operation of the Franchise Business. You must, at all times, operate and maintain the

Franchise Business in a competent manner and in full compliance with all aspects of the Franchise Systems specified by us. In all business dealings with the public, you must be governed by the highest standards of honesty, integrity, fair dealing and ethical conduct.

You must comply with all lawful and reasonable policies and procedures specified by us in connection with the operation of the Franchise Business. These specifications may include standards, techniques and procedures for: (a) the safety, maintenance, cleanliness, sanitation, function, hours of operation, and appearance of the Franchise Business and the equipment, fixtures, furniture, décor, signs, and Trade Dress used in the Franchise Business; (b) qualifications, dress, uniforms, grooming, general appearance, and demeanor of employees; (c) the products and services required or authorized to be offered and sold by the Franchise Business; (d) type, shelf life, quality, taste, portion control, and uniformity and manner of preparation and sale of all of the products sold by the Franchise Business; (e) methods and procedures relating to receiving and preparing customer orders; (f) receiving and processing online or delivery orders, (g) sales, advertising, and promotional techniques and programs; (h) construction, maintenance, and appearance of the Franchise Business and the Franchise Location; (i) payment, credit, accounting, and financial reporting policies and procedures; (j) use of our intranet or extranet (if established) for entering sales and other information, projecting sales, ordering supplies, entering expenses, receiving reports and other operational requirements as specified by us; (k) purchase and maintenance of equipment, fixtures, signs, and inventory; (l) insurance coverage; (m) use of standard forms and the Franchise Marks; (n) use and illumination of exterior and interior signs, displays, and similar items; (o) atmosphere of the Franchise Location, including music and lighting; (p) warranties to customers and the handling of customer complaints and customer communications; (q) identification, pursuant to our specifications, of the Franchise Business as an independently owned and operated business; (r) attendance by you and your management employees at required training programs and meetings; (s) using and honoring gift certificates, coupons, and other local and national promotional programs authorized or specified by us; and (t) other details of the operation of the Franchise Business and your relationship with us. Notwithstanding the foregoing, and consistent with the goals of the Franchise System, you will be responsible for the day-to-day operation of the Franchise Business.

The policies and procedures we specify may be contained in our training, operating, and/or policy manuals or in memos, bulletins, newsletters, emails, or other written or electronic materials prepared by us (for the purposes of this Agreement, "Brand Standards Manual" will mean all manuals or other written materials relating to the Franchise Systems or containing our specifications). We will provide you with a digital or paper copy or give you on-line access to any currently existing Brand Standards Manual after the signing of this Agreement or when and if prepared by us and made available to franchisees. We will provide you with a digital or paper copy or give you on-line access to any applicable modifications or additions to the Brand Standards Manual as they become available. The Brand Standards Manual remains our property, must not be duplicated, and must be returned to us or destroyed immediately on request or on expiration or termination of this Agreement.

You must at all times ensure that your copy of the Brand Standards Manual is kept current and up to date. If there is a dispute as to the contents of the Brand Standards Manual, the terms and dates of the master copy of the Brand Standards Manual maintained by us at our place of business or as available on our intranet will be controlling.

Due to the nature of operation of the Franchise Business and the fact that the specifications for the Franchise Business may change, we reserve the right to change the Franchise Systems after the signing of this Agreement and to change the terms of the Brand Standards Manual after the signing of this Agreement to reflect those changes. You must comply with all changes immediately on receipt of written notice from us of the change. The Brand Standards Manual cannot change the terms of this Agreement but will be in addition to this Agreement and will have the same effect as if included in this Agreement. If the Brand Standards Manual is inconsistent with this Agreement, this Agreement will control. We agree to specify our policies and procedures in a reasonable manner.

8.3 Acquisition of Products and Services.

You must acquire, maintain, use, and update all equipment (including POS and computer systems), furniture, fixtures, signs, and other property that we specify for establishing and operating your Franchise Business. All of these items must meet any standards and specifications issued by us.

8.4 Use of the Franchise Technology in Operations.

We require you to use certain technology in connection with the Franchise Business in our discretion, as described in our Brand Standards Manual, which may include websites, point of sale, and customer and restaurant management systems (which may include computer hardware, software, back office systems, web-based systems, licenses to use proprietary software or systems, etc.), Wi-Fi, intranet, extranet, other web-based systems, mobile applications, other electronic media, and/or other technology specified by us (the "Franchise Technology"). Uses of the Franchise Technology may include advertising for all VARA Juice™ Restaurants, lists of VARA Juice™ Restaurants, on-line ordering, gift card and loyalty programs, inventory control for Restaurants, entering sales and other information, projecting sales, reviewing reports, placing orders with suppliers, posting the Brand Standards Manual and communication between us, franchisees, and customers. You must acquire and use the Franchise Technology specified by us in the Franchise Business and in the manner specified by us. Your access to and use of the Franchise Technology is subject to your compliance with the terms and conditions of use and other policies and procedures specified by us. You agree to comply with those terms, conditions, policies, and procedures. You must pay all required license fees, service fees, and support, maintenance, update, and upgrade costs to use and maintain the Franchise Technology in the manner specified by us or a third-party supplier. We may change or modify the Franchise Technology in the future, including changes in the specifications and components relating to the Franchise Technology. In that case, you must obtain and begin to use the changed or modified Franchise Technology within thirty (30) days after you receive written notice from us.

We have the right to independently access the sales information and other data generated or stored by the Franchise Technology, including your POS systems. There are no contractual limitations on our right to access and use that information and data. You must provide us access to the information contained in or produced by the Franchise Technology in the manner specified by us and must supply us with any security codes necessary to obtain that access. We may retrieve, analyze, download, and use the software and all data contained in or produced by the Franchise Technology at any time as long as the access does not unreasonably interfere with the operation of your Franchise Business. You must maintain high-speed Internet access at all times

in the manner specified by us for communication with us, use of the Franchise Technology, and to allow us to access information from the Franchise Technology. Our rights to use the Franchise Technology data includes the right to deliver the data to any third party we deem appropriate in our sole discretion; provided that the identity and other personal information of your employees, agents, and customers are not improperly disclosed.

THE FRANCHISE TECHNOLOGY AND ITS CONTENT ARE PROVIDED "AS-IS'. WE AND OUR AGENTS AND LICENSORS DISCLAIM ANY AND ALL WARRANTIES RELATING TO THE FRANCHISE TECHNOLOGY, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, REGARDING ANY CONTENT AND YOUR ABILITY OR INABILITY TO USE THE FRANCHISE TECHNOLOGY AND ITS CONTENT.

USE OF THE FRANCHISE TECHNOLOGY IS AT YOUR SOLE RISK. WE WILL NOT BE LIABLE TO YOU OR ANY PERSON CLAIMING THROUGH YOU FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES UNDER ANY THEORY OR LAW FOR ANY ERRORS IN OR THE USE OF OR INABILITY TO USE THE FRANCHISE TECHNOLOGY AND ITS CONTENT INCLUDING DAMAGES FOR LOST PROFITS, BUSINESS, DATA, OR DAMAGE TO ANY COMPUTER SYSTEMS. `

8.5 Specifications and Suppliers for Products and Services.

The purpose of the product, service, and supply requirements described in this Section is to maintain uniqueness, consistency, uniformity, quality, and identity of Restaurants and the products and services offered and sold by Restaurants and the group purchasing power of Restaurants.

We will specify any applicable products and services used in the development and operation of the Franchise Business as "Designated Products and Services." Designated Products and Services must be purchased in accordance with our specifications (which may include brand names) and only from us or a manufacturer, supplier, distributor, or professional, or other service provider specifically designated by us (which may be our affiliate, now or not yet in existence) (a "Designated Supplier"). We will specify Designated Products and Services and Designated Suppliers in an on-line web-based communication portal or in emails, memos, bulletins, and/or in our Brand Standards Manual. We will issue notification of Designated Products and Services status and Designated Supplier status or revocation of the status to you in an on-line web-based communication portal or in emails, memos, bulletins, and/or in our Brand Standards Manual. We currently designate that you must purchase some products and services used in the development and operation of your Franchise Business from Designated Suppliers, including your POS system and certain food and beverage inventory.

Unless otherwise specified by us, you must acquire all products and services used in the design, development, construction, and operation of the Franchise Business, other than Designated Products and Services, in accordance with our specifications (which may include brand names) and, if we further specify in writing, only from a manufacturer, supplier, distributor, or professional or other service provider that has been approved by us (an "Approved Supplier"). An Approved Supplier will be a supplier that: (a) meets our standards for quality and uniformity of goods and services and other relevant standards established by us; (b) we have designated in writing as an Approved Supplier; and (c) we have not later revoked the designation as an

Approved Supplier. You may request to have a supplier for items other than Designated Products and Services approved by submitting to us the information, samples, and agreements necessary for our determination under the procedures specified by us. Your request must be in writing and must include information about the product or supplier relating to our specifications, a sample of the product or service to be approved, and a person at the manufacturer or supplier that we can contact for information. We may submit the information to an independent laboratory or another independent expert to determine if the product or supplier meets our specifications. We may charge you a fee equal to our actual costs incurred in making this determination. On your request, and only on a confidential basis, we will furnish you with any issued standards and specifications for items other than Designated Products and Services, as well as any criteria for supplier approval. We will notify you in writing of our approval or disapproval of a supplier within sixty (60) days after receiving all information that we reasonably believe is necessary to make the determination.

Before we approve a supplier, the supplier may be required to enter into an agreement with us in a form reasonably acceptable to us that requires the supplier to: (a) follow our procedures, specifications and standards, formulas, patterns, and recipes; (b) allow periodic quality control inspections of the supplier's premises and production facilities; (c) provide a reasonable number of samples, without charge, for inspection; (d) keep any trade secrets or other confidential information disclosed to it by you or us in confidence and have employees to whom disclosure is made sign agreements that they will not use or disclose confidential information; and (e) pay a reasonable license fee for a limited license for the production and sale of items using the Intellectual Property (defined in Section 11.1). Our approval of a supplier is not a blanket approval of the items the supplier may sell but only for specific items sold by that supplier as approved by us.

We will provide information on Approved Suppliers and we will issue approval or disapproval or notification of revocation of approval of products or suppliers to you through an on-line web-based communication portal or in emails, memos, bulletins, and/or in our Brand Standards Manual.

In order to take advantage of group purchasing power and to ensure uniformity and quality, we reserve the right to limit the total number of Approved Suppliers for any items. We may add or delete Designated or Approved Suppliers at any time and you must comply with those changes immediately on written notice from us. If we add a Designated or Approved Supplier, you must immediately, on written notice from us, take the steps necessary to comply with the credit, purchase, and other policies of the Designated or Approved Supplier. If we delete or revoke the designation of a Designated or Approved Supplier, you must cease purchasing products and services from that supplier immediately on written notice from us.

We may enter into agreements with Designated or Approved Suppliers for and on behalf of all Restaurants or all Restaurants in a particular region (a "Supplier Contract"), which may include price terms. If we enter into a Supplier Contract with a Designated or Approved Supplier, the terms and conditions of your relationship with that Designated or Approved Supplier may be controlled by that contract to the extent covered by the contract.

Our designation of a Designated or Approved Supplier or manufacturer, or other provider of products or services, does not create any express or implied promise, guaranty or warranty by us as to the quality of products or services, availability of products and services, and timely

delivery of products and services of the Designated or Approved Supplier or other provider of products and services and we disclaim any promises, guaranties, or warranties. You agree that we will not have any liability to you for any claims, damages or losses suffered by you as a result of or arising from the products or services provided by or the acts or omissions of any Designated or Approved Supplier.

You acknowledge and agree that we and/or our affiliates have the right to receive rebates, commissions, dividends, distributions or other fees, discounts or payments from Designated and Approved Suppliers or other providers of products or services based on sales of products or services to the Franchise Business and other Restaurants ("Supplier Payments"). You agree that we and our affiliates will have the right to collect all Supplier Payments and to use the Supplier Payments for any purpose in our sole discretion, including without limitation, our retention of all Supplier Payments for our use and benefit. You must cooperate with us and our affiliates in the collection of Supplier Payments. You also acknowledge and agree that we may, in our sole discretion, and on a non-uniform basis: (i) pay, pass-through or waive some or all of the Supplier Payments to or for the benefit of franchisees in certain markets or to or for the benefit of some, but not all, franchisees in a particular market; or (ii) use the Supplier Payments for any other purpose, including purposes that may benefit certain markets or some, but not all, franchisees in a particular market.

Any products or services sold by or through us or our affiliates will be sold in accordance with the terms contained in memos, bulletins, emails, franchisee meetings, or otherwise in writing by us, our affiliates or by the manufacturer of the products. These terms may be modified on written notice from us, our affiliates or by the manufacturer of the products.

EXCEPT AS EXCLUSIVELY SET FORTH IN WRITING, WE AND OUR AFFILIATES MAKE NO WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY PRODUCTS OR SERVICES SOLD BY OR THROUGH US OR OUR AFFILIATES, INCLUDING THE IMPLIED WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WE WILL NOT BE LIABLE FOR PERSONAL INJURY OR PROPERTY DAMAGE, LOSS OF PROFIT, OR OTHER INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE PRODUCTS AND SERVICES SOLD BY OR THROUGH US OR OUR AFFILIATES, IF ANY, OR FOR ANY DAMAGES (REGARDLESS OF THEIR NATURE) CAUSED BY OUR FAILURE TO FULFILL OUR RESPONSIBILITIES UNDER THIS AGREEMENT. OUR AND OUR AFFILIATES' SOLE LIABILITY FOR ANY WARRANTIES GRANTED IS TO REPAIR OR REPLACE, AT OUR OR OUR AFFILIATES' OPTION, ANY PRODUCTS AND SERVICES SOLD BY OR THROUGH US AND OUR AFFILIATES THAT ARE NOT IN COMPLIANCE WITH THE WARRANTY. OUR AND OUR AFFILIATES' LIABILITY RELATING TO PRODUCTS AND SERVICES SOLD BY OR THROUGH US AND OUR AFFILIATES WILL IN NO EVENT EXCEED THE STATED SELLING PRICE OF THE PRODUCTS AND SERVICES TO YOU. ANY WARRANTIES GRANTED WILL BE VOID AND OF NO FORCE AND EFFECT WITH RESPECT TO ANY PRODUCTS THAT ARE DAMAGED AS A RESULT OF (A) NEGLECT, ALTERATION OR ACCIDENT OR (B) IMPROPER USE, INCLUDING FAILURE TO FOLLOW OPERATING AND MAINTENANCE PROCEDURES SPECIFIED BY US AND OUR AFFILIATES.

8.6 Products and Services Offered by the Franchise Business.

You must sell all products and provide all services that we specify be provided by the Franchise Business. You must not sell any products, provide any services, or engage in any business at the Franchise Business or Franchise Location other than those specified by us without our written authorization. The products and services that we may specify or approve from time to time for Restaurants will be referred to as the "Approved Products and Services." The Approved Products and Services are divided into two categories—"Required Products and Services" and "Optional Products and Services." You must offer the Required Products and Services. You may, but are not required to, offer the Optional Products and Services. You must receive our written approval before offering or providing any Optional Products or Services.

We may add, delete, or change Approved Products and Services that you can and must offer. You must abide by any additions, deletions, and modifications and there are no limits on our rights to make these changes. We may change an Optional Product or Service to a Required Product or Service, and *vice versa*. If we add any Approved Products or Services, you must obtain any necessary qualifications, training, and equipment and supplies necessary for providing the products or services. If an Approved Product or Service is deleted, you must cease offering that product or service immediately on written notice from us. You acknowledge that the Approved Products and Services we may authorize or require you to sell may differ from those that we authorize or require other Restaurants to sell based on regional differences in products and services we authorize, sales of products or services on a limited-time-only basis that are not available to all Restaurants, the test marketing of products or services, or other business reasons in our discretion. We will not have any liability or responsibility to you if you are not able or are not authorized to sell all the same products or services as other Restaurants.

8.7 Pricing; Promotional Programs; Gift Cards.

We may exercise rights with respect to the pricing of Approved Products and Services to the fullest extent permitted by then-applicable law in order to enhance the competitive position and consumer acceptance for the products and services of Restaurants. These rights may include: (a) prescribing the maximum and/or minimum retail prices that you may charge customers for the products and/or services offered and sold at the Franchise Business; (b) recommending retail prices; (c) advertising specific retail prices for some or all products or services sold by the Franchise Business and requiring you to observe those prices; (d) engaging in marketing programs, promotional programs, drives, giveaways, contests, and other campaigns and requiring you to participate in those programs, which may directly or indirectly impact your retail prices; and (e) otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices that the Franchise Business may charge the public for the products and services it offers. We may engage in this activity either periodically or throughout the term of this Agreement. Further, we may engage in this activity only in certain geographic areas (e.g. cities, states, regions) and not others, or with regard to certain subsets of franchisees (e.g. airports, arenas, other captive audiences) and not others. You acknowledge and agree that any maximum, minimum, or other prices we prescribe or suggest may or may not optimize the revenues or profitability of the Franchise Business and you irrevocably waive all claims arising from or related to our specification or suggestion of retail prices for the Franchise Business.

You must participate in any gifts cards, electronic or money cards (E-cards), frequency cards, awards or loyalty programs, or other programs specified by us and honor all such cards, awards, and other programs issued by us or by other franchise owners in accordance with our policies. We or a person designated by us will administer any of these programs specified by us. We may charge an administrative fee for administering those programs. You must provide us with all information collected and databases created in connection with these programs. If we establish a gift card or E-card program, we may incorporate the gift card or E-card fund or manage the gift card or E-card fund through a separate entity whenever we deem appropriate. We may assign some or all our rights and duties related to the gift card or E-card fund to a separate gift card or E-card fund entity. We may change the separate E-card fund entity or assign management of the gift card or E-card fund back to us at any time in our discretion.

8.8 Signage.

All signage and decorating materials at the Franchise Business must conform to our specifications. In particular, you must post a prominent sign in the Franchise Business identifying you as a franchisee in a format that we deem acceptable, including statements (1) that you independently own and operate the Franchise Business, (2) that the Franchise Marks are owned by us, and (3) that you use the Franchise Marks pursuant to a license we have issued to you

8.9 Maintenance; Refurbishing; Alterations.

You must maintain the Franchise Location, premises, equipment, furniture, fixtures, signs, Franchise Trade Dress, and other property of the Franchise Business in a clean, attractive, and safe condition and in good maintenance and repair and in compliance with the standards specified by us. You must, at your expense, engage in any program of preventative maintenance specified by us for the equipment, furniture, fixtures, signs, Franchise Trade Dress, and other property of the Franchise Business. We may specify the timing and manner of performing the maintenance services and may designate one or more suppliers that you may be required to use for preventative maintenance services.

If at any time, in our reasonable judgment, the general state of repair, appearance or cleanliness of the Franchise Location or its equipment, furniture, fixtures, signs, Franchise Trade Dress, or other property do not meet our standards or specifications, we may notify you in writing, specifying the action you must take to correct the deficiency. You must initiate the specified action within thirty (30) days after receipt of the notice and diligently proceed to complete the specified action. If you fail to initiate any required repairs or maintenance within thirty (30) days after receipt of written notice from us describing the specific repairs or alterations that are required or if you fail to diligently proceed to complete the specific repairs, then we may have the repairs completed, at your expense, to maintain the Franchise Business in accordance with our required standards. If this occurs, you must immediately reimburse us for all costs we incurred to make the repairs.

In addition to regular maintenance obligations, you must renovate and modernize the Franchise Location, premises, equipment, furniture, fixtures, signs, Franchise Trade Dress, and other property of the Franchise Business on our request once during the initial term of this Agreement at any time after the end of the 5th year of the initial term of this Agreement, and thereafter no more frequently than once every five (5) years, to conform with our specifications for the then current image of Restaurants using the Franchise Marks; provided, however, that the

cost of each renovation and modernization will not exceed Ten Thousand and 00/100 Dollars ($10,000) for each year since the last renovation and modernization undertaken by you at the Franchise Location. Renovations and modernizations shall not include routine maintenance or repairs to the Franchise Location, premises, equipment, furniture, fixtures, signs, Franchise Trade Dress, and other property of the Franchise Business. You must initiate the specified renovations within thirty (30) days after receipt of the notice and diligently proceed to complete the specified action.

If you fail to initiate any required renovations and modernizations within thirty (30) days after receipt of written notice from us describing the specific renovations or alterations that are required or if you fail to diligently proceed to complete the specific renovations or alterations, then we may have the renovations or alterations completed, at your expense, to maintain the Franchise Business in accordance with our required standards. If this occurs, you must immediately reimburse us for all costs we incurred to make the renovations or alterations.

You must not make any material alterations to the leasehold improvements or appearance of the Franchise Location and must not make any material alterations to the equipment, furniture, fixtures, signs, Franchise Trade Dress, or other property of the Franchise Business without our prior written approval. We agree not to unreasonably withhold acceptance provided that the alterations are consistent with the image of the Franchise Systems and are not prohibited by your lease or by law.

8.10 Management of the Franchise Business.

The individual or at least one of the individuals designated in Paragraph 3 on Appendix A (a "Designated Owner"), must: (a) preserve and exercise ultimate authority and responsibility with respect to the management and operation of the Franchise Business; and (b) represent and act on your behalf in all dealings with us. Each Designated Owner must have an ownership interest in Franchisee. If all of the Designated Owners listed in Paragraph 3 of Appendix A resign, die, or become incapacitated, it will be considered a Transfer under the provisions of Article 14.

The Franchise Business must, at all times, be under the direct supervision of a general manager as described in this Section (the "General Manager"). The General Manager must: (i) devote his or her full time and effort to the day-to-day active management and operation of the Franchise Business; (ii) be personally responsible for the Franchise Business at all times; and (iii) personally exercise his or her best efforts to market the Franchise Business and maximize customer satisfaction. The General Manager must meet the following requirements before beginning to serve as General Manager for the Franchise Business: (1) successful completion of our initial training program and any retraining or refresher training programs specified by us; (2) signing an agreement relating to confidentiality and non-competition in a form approved by us; and (3) if specified by us, the General Manager must have an equity or profit participation interest in the Franchise Business.

If a Designated Owner is not the General Manager, the General Manager must be under the direct supervision of a Designated Owner. It is your responsibility to ensure that the Franchise Business is always under the supervision of a trained General Manager. Your failure to have the Franchise Business under the supervision of a trained General Manager is a material default under this Agreement.

8.11 Hours of Operation.

You will operate the Franchise Business during such days, nights, and hours as may be designated by us from time to time. You acknowledge and agree that the hours of operation are integral to the value of the Franchise Systems and the Marks, and any failure by you to operate during the designated hours of operation is detrimental to the Franchise Systems and the Marks. You further acknowledge and agree that the day-to-day operational decisions relating to the opening and closing procedures of the Franchise Business, including any security, staffing, and other similar matters, shall be made solely by you.

8.12 Other Employee Matters.

You must hire all employees for the Franchise Business and must be exclusively responsible for the terms and conditions of their employment and compensation. We will not exercise direct or indirect control of your employees' working conditions, or the terms and conditions of their employment. We do not share or codetermine the terms and conditions of employment of your employees or participate in matters relating to the employment relationship between you and your employees, such as hiring, promotion, demotion, termination, hours or schedule worked, rate of pay, benefits, work assigned, discipline, response to grievances and complaints or working conditions. You have sole responsibility and authority for these terms and conditions of employment. You are responsible for compliance with all federal, state, county, municipal, and other civil and criminal statutes, laws, ordinances, regulations, rules, and orders of public authorities applicable to your employment practices and employees, including the Fair Labor Standards Act and comparable laws regulating minimum wage, overtime pay, recordkeeping, youth employment standards, and other aspects of employment. We will not control and will not be responsible for your payroll or other employee matters regardless of any information that we may provide in operations or training manuals or otherwise. You must prominently post signs at the Franchise Location (including in the area in which all official employment relating notices are posted) and at your offices informing employees and independent contractors that their relationship is solely with you and that they are not an employee of us or any of our affiliates. You must include similar language in all employment contracts, offer letters, employee handbooks, paychecks, and other materials. We may specify the language for the required postings and notices. You must indemnify us and hold us harmless from and against any liability relating to or arising from employment related decisions and obligations, including joint employer liability and labor and employment law violations by you or your employees.

You must implement a training program for your employees in compliance with our standards. You must maintain at all times a staff of trained employees sufficient to operate the Franchise Business in compliance with our standards. You must require your employees and agents to sign an agreement relating to confidentiality and/or non-competition in a form approved by us. You must ensure that all of your employees, while engaged in the operation of the Franchise Business, wear uniforms conforming in color and design to those standard in the Franchise Systems and approved by us. You must ensure that all of your employees present a neat and clean appearance and must render competent, sober and courteous service to the customers of the Franchise Business.

8.13 Insurance.

You must purchase the following specified insurance coverage for your business in accordance with our standards and specifications, and from a supplier designated or approved by us:

- General Commercial Liability Insurance with the following limits: general aggregate--$2,000,000; products/completed operations aggregate--$2,000,000; personal and advertising injury--$1,000,000; each occurrence--$1,000,000; fire damage (any one fire)--$100,000; and medical expense (any one person)--$10,000.

- Commercial Property Insurance

- Coverage Enhancements, including: expanded glass coverage; fire extinguisher recharge coverage; fire department service charge coverage; code update coverage; off-premises interruption of service; re-keying lock cylinders; consequential loss to merchandise; extended loss adjustment; pollutant clean up and removal--$10,000.

- Non-owned and hired automobile liability insurance with minimum limits of $1,000,000 per occurrence or the highest attainable limit available in the state in which the Franchise Business is located, if less than $1,000,000.

- Business Owner's Umbrella Policy with limits of $1,000,000 each occurrence and annual aggregate.

- Cyber Security Liability insurance with minimum limits of liability of $1,000,000.

- Employer Practices Liability insurance with limits of liability as provided in our Brand Standards Manual.

- Worker's Compensation and/or Employer's Liability Insurance as required by law.

We may revise these insurance specifications in the future. Evidence of this insurance must be initially provided at least fourteen (14) days before you begin operating your Franchise Business. Certificates of renewal must be provided no later than fourteen (14) days before the expiration date of each policy. If you do not provide us with evidence of these insurance policies at any due date, we may purchase that insurance at your expense. You must immediately pay for any insurance obtained by us. Each required policy of insurance must name us as an additional insured and must provide that we will be given thirty (30) days' notice before cancellation, modification or amendment of the policy. Your lease may require higher limits or additional coverages.

Each required insurance policy must meet the following requirements: (a) the policy must name us (and any of our affiliates or representatives that we may reasonably specify) as an additional insured on the form specified by us; (b) the policy must not be subject to cancellation, modification, or amendment except after thirty (30) days written notice to us; (c) the policy must be obtained from or through a Designated or Approved Supplier, as applicable, and an insurance carrier with an AM Best's Rating of not less than A-IX; (d) the policy must provide that your failure to comply with any term, condition, or provision of the insurance contract, or other conduct by you,

will not void or otherwise affect the coverage of us or our affiliates or representatives (e.g. we, although named as an insured, will nevertheless be entitled to recover under the policy on any loss incurred by us or our agents or employees by reason of your negligence or the negligence of your agents and employees); (e) the applicable policies must cover your indemnification obligations under this Agreement; (f) the policy must be primary to and without right of contribution from any insurance purchased by us; and (g) the policy must contain a waiver of subrogation in our favor for casualty losses. Your obligation to obtain and maintain the policies of insurance in the minimum amounts specified by us will not be limited in any way by reason of any insurance that we maintain and will not relieve you of your indemnification obligations under this Agreement.

You acknowledge that the insurance coverages and amounts specified by us reflect minimum required amounts and are not meant to reflect your actual insurance coverage needs. It is your responsibility to carefully evaluate your insurance needs and to obtain the insurance coverages and amounts necessary to satisfy those insurance needs.

8.14 Data Security Requirements.

You shall, at your expense, lease or purchase the necessary equipment and/or software and shall have arrangements in place with Visa, MasterCard, American Express and such other credit card issuers as we may designate, from time to time, to enable the Restaurant to accept such methods of payment from customers. You shall also accept debit cards, stored value gift cards or other non-cash payment systems specified by us to enable customers to purchase Approved Products and Services. You shall obtain all necessary hardware and/or software used in connection with these non-cash payment systems. At all times, you shall maintain credit card relationships with the credit and debit card issuers or sponsors, check or credit verification services, financial center services, and electronic funds transfer systems (together, "Credit Card Vendors") that we designate as mandatory. The term Credit Card Vendors includes among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet"). You may not use any Credit Card Vendors that we have not approved in writing or for which we have revoked approval. We have the right to modify the requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke approval of any such service provider. You are responsible for securing the data of your customers. You agree to comply with the then-current Payment Card Industry Data Security Standards ("PCI Requirements") as those standards may be revised and modified by the PCI Security Standards Council (see www.pcisecuritystandards.org), or any successor organization or standards that we may reasonably specify. Among other things, you agree to implement the enhancements, security requirements, and other standards that the PCI Security Standards Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards. You must demonstrate compliance upon reasonable request, which may include having an independent third-party Qualified Security Assessor (QSA) conduct a PCI/DSS audit. In the event you are unable to demonstrate full compliance, we may require that you engage the services of an Approved Supplier to assist you on an ongoing basis. Having a securely managed firewall that meets our system standards is one part of the current requirement. You will be required to enter into a contractual relationship directly with an approved managed firewall supplier, if we so determine.

You are responsible for securing the data of your customers. You must comply with industry standards and all applicable laws relating to the protection of customer information and other personal information. You must comply with the PCI Requirements in connection with the

Franchise Business. It is recommended that you also comply with the ISO/IEC 27000-series information security standards (or other comparable third-party information security standards) ("Information Security Standards") in connection with the Franchise Business. It is your responsibility to research and understand the PCI Requirements and Information Security Standards, other industry standards, and applicable laws and to ensure that your business policies and practices comply with these requirements. You must periodically participate in audits of your information technology systems and data security policies by third party auditors as specified by us. We have the right to engage a vendor to consult with and advise VARA Juice™ Restaurant franchisees on compliance with the PCI Requirements and Information Security Standards and to require you to pay a portion of the cost of the vendor's services as determined under our policies or to directly engage the vendor for these purposes. Also, we will have the right to acquire a cyber insurance policy for the VARA Juice™ franchise system and to require you to pay a portion of the cost of the cyber insurance policy as determined under our policies and procedures.

If you detect or are notified of a data breach involving the data of your customers ("Data Breach"), you must immediately notify us of the Data Breach. You must cooperate with us in investigating and halting the Data Breach, including giving us access to your information technology systems. We will have the right to name legal counsel to deal with the Data Breach and to control media communications relating to the Data Breach. You must not make any public statements about the Data Breach without our approval. You must indemnify us and hold us harmless for all claims and costs, including attorneys' fees, incurred by us as a result of any Data Breach that is your responsibility.

We have the right to engage a vendor to consult with and advise VARA Juice™ franchisees on compliance with the PCI Requirements and to require you to pay a portion of the cost of the vendor's services as determined under our policies or to directly engage the vendor for these purposes. Also, we will have the right to acquire a cyber insurance policy for the VARA Juice™ franchise system and to require you to pay a portion of the cost of the cyber insurance policy as determined under our policies and procedures. We will have the right to collect your share of the costs of the vendor and/or cyber insurance policy on a periodic basis in the manner provided in Section 4.10 of this Agreement.

8.15 Compliance with Laws and Other Obligations; Taxes.

You must obtain and keep in force every registration, charter, license, and permit required for the Franchise Business. In addition to all other references in this Agreement, you shall comply with all requirements of federal, state and local laws, rules, regulations, and orders related to the operation of your Franchise Business, including but not limited to all federal, state, and local laws, rules, regulations, or ordinances that govern food preparation and service and sanitary conditions, the federal Clean Air Act and various implementing state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide and particulate matters, including caps on emissions from commercial food preparation, all federal, state, and local laws, rules, regulations, and ordinances that govern your employment relationship with your employees, and other laws, rules and regulations that apply to businesses generally, such as the Americans With Disabilities Act, Fair Labor Standards Act, Family and Medical Leave Act, Affordable Care Act, Federal Wage and Hour Laws, Title VII of the Civil Rights Act, Age Discrimination in Employment Act, Affordable Care Act, Employee Retirement Income Security Act, and the Occupational Safety and Health Act, also apply to Restaurants, and comparable laws

regulating minimum wage, overtime pay, recordkeeping, youth employment standards, and other aspects of employment), environmental regulation, and taxation.

You must pay, when due, all taxes of every kind applicable to the Franchise Business or the income of the Franchise Business, including all local, state, and federal taxes. We will not be responsible for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied on you or the Franchise Business, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must reimburse us for any taxes that we pay to any federal, state, or local taxing authority on account of your operations or payments that you make to us.

We may, but have no obligation to, advise you on legislative or other legal developments that may affect the Franchise Business. Any information we provide to you does not relieve you of your responsibility to consult with your own legal advisors regarding laws applicable to the Franchise Business. You acknowledge that you are solely responsible for complying with all laws applicable to the Franchise Business.

8.16 Separate Identification of Franchise Business.

You must identify the Franchise Business as a separate business by filing an assumed name certificate as appropriate in the state and/or county of location of the Franchise Business. You must conspicuously post at the Franchise Location a notice to the effect that the Franchise Business is independently owned and operated by you and not by us. You must conspicuously identify yourself in all dealings with customers, suppliers, public officials, your employees, and others as the owner of the Franchise Business under a franchise granted by us and to place notice of independent ownership on the forms, business cards, stationery, advertising, job postings, employment applications, and other materials specified by us.

8.17 Participation in Franchisee Advisory and other Committees.

We may establish committees of franchisees to advise us on various matters involving the Franchise Systems. You will be eligible to participate on those committees, in accordance with the rules established by us and each committee, but only if you are a franchisee-in-good-standing at that time and have been a franchisee-in-good-standing for the six (6) month period before serving on the committee. In order to be a franchisee-in-good-standing, you must be: (a) current in all obligations to us and our affiliates; and (b) operating in accordance with all requirements of the Franchise Systems, including requirements relating to quality, cleanliness and service.

ARTICLE 9 – ADVERTISING

9.1 Grand Opening Advertising.

You agree to spend Ten Thousand and 00/100 Dollars ($10,000.00) to conduct grand opening advertising and promotions. The grand opening advertising and promotions must be conducted in accordance with a plan that you must submit to us. We have the right to modify your plan and may require you to use a public relations firm to assist with your grand opening. The grand opening advertising and promotions must occur within the period beginning two (2) to three (3) weeks prior to the opening of the Franchise Business and ending approximately six (6) weeks

after the opening of the Franchise Business. The amount you must spend on grand opening advertising and promotions is separate from and in addition to your other advertising obligations.

9.2 Administration of Brand Development Fund.

You must make contributions to the Brand Development Fund as provided in Section 4.3. You acknowledge and agree that we are not obligated to continue a Brand Development Fund and may suspend contributions to our operations of the Brand Development Fund or terminate the Brand Development Fund (or reinstate the Brand Development Fund if it is terminated). We will administer and control the Brand Development Fund in our sole discretion. We may use the Brand Development Fund to: maximize general public recognition and patronage of the Franchise Marks and VARA Juice™ Restaurants; formulate, develop and produce marketing, advertising, and sales support materials for use by franchisees; conduct marketing, advertising, and promotional programs on a national, regional, or local level; provide marketing support services to franchisees; develop, maintain, and support the Franchise Technology and "Digital Marketing" (defined in Section 9.7) for us and/or franchisees; obtain public relations services; obtain marketing and advertising services from third parties to administer, create, distribute, place, publish, or otherwise provide marketing products and services to the Brand Development Fund and to develop and implement Franchise Technology and Digital Marketing; pay the expenses of the Brand Development Fund, including without limitation, salaries and other employment expenses of our marketing staff, administrative costs, overhead, and other expenses we incur in connection with the administration of the Brand Development Fund; and other uses determined in our discretion.

We are not required to spend your Brand Development Fund contributions to place advertising in your market or in any specific media. All expenses of the Brand Development Fund will be paid from the Brand Development Fund. The Brand Development Fund may borrow money and interest on those loans may be deducted from the Brand Development Fund. The Brand Development Fund will not be used for marketing that is principally a solicitation for the sale of franchisees but the Brand Development Fund may be used for ancillary or incidental uses for the solicitation or sale of franchises by us or other franchisees, including an area on our website or on print advertisements created or distributed by the Brand Development Fund or an advertising cooperative. We will submit to you, on request, an annual report of the receipts and disbursements of the Brand Development Fund, which may be unaudited and prepared by us and provided in a manner we specify. Neither we nor an agency engaged by us will be liable for consequential or incidental damages resulting from administration of the Brand Development Fund or resulting from any marketing or advertising materials produced or placed by or on behalf of us or you, including any claims for loss of business.

We may, in our discretion, administer the Brand Development Fund for some or all markets by disbursing a portion of the Brand Development Funds to one or more individual franchisees or cooperative groups of franchisees for advertising expenditures in their markets. You must spend any of those disbursements to you on local or regional advertising and media as we determine. You must document these advertising expenditures at the times and in the manner specified by us.

We will use reasonable efforts to spend Brand Development Fund fees contributed to the Brand Development Fund during the fiscal year in which the contributions are made, taking into account reasonable reserves for advertising promotions and campaigns, repayment of debt, and

other reasonable business needs in the next fiscal year. If we spend less than the total amount of funds available in the Brand Development Fund during any fiscal year, we will spend the unused funds during a future fiscal year. If we spend an amount greater than the amount available to the Brand Development Fund, and we have contributed the additional amounts to the Brand Development Fund, we will be entitled to be reimbursed by the Brand Development Fund for all those excess expenditures.

The Brand Development Fund is established as a separate banking account and monies received for the Brand Development Fund are accounted for separately from our other funds. There is no fiduciary or trust relationship created by our administering the Brand Development Fund. We have the right to incorporate the Brand Development Fund or manage the Brand Development Fund through a separate entity whenever we deem appropriate. We may assign some or all of our rights and duties related to the Brand Development Fund to the separate Brand Development Fund entity. We may change the separate Brand Development Fund entity or assign management of the Brand Development Fund back to us at any time in our discretion. Regardless of the entity, you consent to the automatic withdrawal of Brand Development Fund fees by electronic funds transfer on a weekly basis in the same manner as Royalty. We anticipate all of our franchisees will contribute to the Brand Development Fund, although there is no prohibition against us charging higher or lower rates for future franchisees. We also may forgive, waive, settle, or compromise claims by or against the Brand Development Fund. We may defer or reduce a franchisee's contribution based on the peculiarities of a particular territory or circumstance, existing business practices or other factors that we deem to be important to the operation of any VARA Juice™ Restaurant or the Franchise Systems. If we terminate the Brand Development Fund, we will distribute all unused monies to the contributors in proportion to their respective contributions during a pre-determined period.

9.3 Minimum Local Advertising.

You must monthly spend a minimum of two percent (2%) of your Gross Sales, for advertising in your local market. You must provide us with documentation, at the times and in the form and manner specified by us, to prove that you spent the required amount on local advertising or, in our discretion, we may require you to pay the minimum local advertising amounts to us for advertising in your local market. If we require you to pay the minimum local advertising amounts to us, we may use these amounts, in our discretion, for local advertising and promotion for you (including but not limited to Digital Advertising, flyers, promotions, mailers, etc.) or as part of joint advertising or cooperative advertising described in Section 9.4. Your minimum local advertising requirement is separate from and in addition to your obligations for grand opening advertising and for contributions to the Brand Development Fund. If we require you to pay the minimum local advertising amounts to us, we will submit to you, on request, an annual report of the receipts and disbursements of those amounts, which may be unaudited and prepared by us.

9.4 Joint Advertising and Advertising Cooperatives.

We may designate a local, regional or national advertising area that includes a group of Restaurants (an "Advertising Area"). If your Franchise Business is in a designated Advertising Area, you must participate in and pay your proportionate cost of any joint advertising programs specified by us for that Advertising Area.

In addition, we may require an advertising cooperative to be formed and operated in an Advertising Area. If your Franchise Business is within that designated Advertising Area, you must join, maintain a membership in, and sign and abide by the cooperative agreement for the advertising cooperative in that Advertising Area. Each advertising cooperative must adopt a cooperative agreement governing the organization and operation of the advertising cooperative. If specified by us, the cooperative agreement must require contributions to the advertising cooperative to be paid to us or to the advertising cooperative by electronic funds transfer. We must approve the structure of the advertising cooperative as well as the cooperative agreement and any changes to that agreement. The cooperative agreement must be submitted to us for prior approval. If we have not approved the cooperative agreement in writing within fourteen (14) days after receipt, the cooperative agreement will be deemed not approved. If the members of the advertising cooperative do not adopt and sign an approved cooperative agreement within thirty (30) days after we designate the Advertising Area for the advertising cooperative, the advertising cooperative must adopt and you must sign our then current recommended cooperative agreement. The cooperative agreement cannot modify the terms of this Agreement but may require you to make contributions to the advertising cooperative in addition to any Brand Development Fund contributions you are required to make to us. You must make contributions to the advertising cooperative at the times and in the amounts as determined by the advertising cooperative. Each Restaurant in the advertising cooperative (including Restaurants operated by us or our affiliates) will have one vote on matters before the advertising cooperative. Decisions will be made as provided in the cooperative agreement, or if not otherwise specified, based on a majority of the votes entitled to be cast by the members of the advertising cooperative. Any franchisee holding an officer, management, executive, or committee position with the advertising cooperative must be a franchisee-in-good-standing as defined in Section 8.15 of this Agreement. The administration, costs, and expenses of each advertising cooperative will be the responsibility of the advertising cooperative. The advertising cooperative will be responsible for the collection of contributions from its members and we will not be responsible to you if other franchisees in the advertising cooperative fail to pay contributions or to otherwise abide by the cooperative agreement or the decisions of the advertising cooperative. We will have the authority to form, change, dissolve, or merge advertising cooperatives.

All advertising or promotional programs and materials used by an advertising cooperative or furnished to the members of the advertising cooperative must be approved in advance by us under Section 9.6 and must comply with the other requirements of Section 9.6. We may require an advertising cooperative to work with us or an agency designated by us in coordinating and placing local, regional or national advertising for the members of the advertising cooperative.

9.5 Limits on Your Local Advertising Obligations.

The amounts you spend for joint advertising and cooperative advertising specified by us will apply to your minimum local advertising obligation under Section 9.3. Except for grand opening advertising under Section 9.1, you will not be required to spend more than two percent (2%) of your Gross Sales per month for local advertising, joint advertising, and cooperative advertising unless you agree otherwise. This limit does not apply to Brand Development Fund contributions paid to us under Section 4.3.

9.6 Advertising by You; Approval of Advertising Materials.

We have the right to set advertising policies and procedures that you must follow. These advertising policies and procedures may include required promotions, limiting marketing to a certain area so that you are not directing marketing to another franchisee's area, and limiting the type of marketing that you may use.

All advertising by you in any medium, including signage, must be factual and dignified, must conform to our standards and specifications, and to the highest standards of ethical advertising practice, and must be approved by us in writing before it is used. You must submit to us for approval all marketing and promotion materials, including signage, prepared by you for the Franchise Business and not prepared by or previously approved by us. These materials must be submitted at least fourteen (14) days before use. We have the right to disapprove the use of any advertising materials by you at any time. You must discontinue the use of advertising materials immediately on receipt of our written notice, even if we previously approved the use of advertising materials. You must not use any advertising materials not approved by us. You agree to refrain from any business or advertising that may be injurious to our business or the goodwill associated with the Franchise Marks and Franchise Systems and other Restaurants. You are not allowed to advertise any products or services for your business using the Franchise Marks except the Approved Products.

If specified by us, all of your advertising must contain notices of: (a) our website domain name or other Digital Marketing specified by us; and/or (b) a statement regarding the availability of VARA Juice™ Restaurant franchises. To the extent possible, you must include the following language in all advertising: "Each VARA Juice™ Restaurant is independently owned and operated."

9.7 Digital Marketing.

Your use of the Internet, email, websites, social networks, wikis, podcasts, online forums, content sharing communities, blogging, other social media accounts or participations (including, without limitation, Facebook, Twitter, LinkedIn, YouTube, Pinterest, and Instagram), mobile technology, and other digital media, digital coupons, keyword or adword purchasing programs, search engine optimization, search engine marketing, marketing using other forms of digital media, and toll-free telephone numbers ("Digital Marketing") in connection with the operation, advertising, and marketing of your Franchise Business is subject to the trademark, advertising, marketing, and other requirements of this Agreement and the Brand Standards Manual. You must not use any Digital Marketing in connection with the Franchise Business, except with our written consent and then only in accordance with any policies and procedures specified by us. We have the sole right to control all Digital Marketing used to promote Restaurants (including the Franchise Business) and/or associated with the Franchise Marks. If we authorize you to use Digital Marketing, we may require you to only use Digital Marketing through central accounts established by us. You must provide us with login, password, administrative password, security codes, and other information necessary for us to access and use (including use for marketing to your customers) any Digital Marketing accounts we authorize you to use. We have the right to control all responses to postings by customers and/or the public on Digital Marketing platforms relating to the Franchise Business.

ARTICLE 10 – REPORTS, ACCESS AND AUDIT, CUSTOMER LISTS

10.1 Reports and Financial Statements.

You must use the standard reporting systems and forms specified by us. You must submit to us a complete statement of Gross Sales and other information specified by us for the reporting periods and on the forms specified by us. You must provide us with copies of all sales or similar tax returns, annual income tax returns, monthly profit and loss statements, monthly balance sheets, monthly inventory statements, and annual financial statements. You must provide copies of monthly statements or reports to us within fifteen (15) days of the end of each month and copies of annual statements or reports within thirty (30) days of the end of your fiscal year. We may specify other requirements relating to reporting in the Brand Standards Manual. Your failure to timely provide required reports or financial statements may result in liquidated damages amounts being assessed against you under Section 15.7.

You agree that we may receive information directly from suppliers and you authorize your suppliers to provide information directly to us. You agree to sign separate authorizations or additional documents requested by suppliers or that we deem necessary for us to obtain information directly from suppliers.

All financial or other statements, reports, and/or records provided by you under this Article 10 shall be accompanied by a certificate signed by your chief financial officer, or comparable executive, to the effect that such statements, reports, and/or records fairly and accurately reflect the matters reported therein and are complete and correct. We may disclose your financial records in future Franchise Disclosure Documents and reporting analyses presented to third parties and to our actual and potential lenders. Also, we may share information in your financial or other statements, reports, and/or records with other franchisees or prospective franchisees in the ordinary course of our business as a tool to improve the VARA Juice™ franchise system's volume of business and as required to support any financial performance representation we make in our Franchise Disclosure Document.

10.2 Records.

You must keep complete and correct books of account, business records, and records of Gross Sales, in accordance with the procedures specified by us and in accordance with generally accepted accounting principles. You must keep all of your business records for the greater of: (a) seven (7) years; or (b) the time period specified by any applicable federal, state or local law or regulation.

10.3 Inspection; Shopping Service.

We and our designated agents have the right, at any reasonable time and without prior notice, to: (a) inspect the Franchise Business; (b) confer with you and your management employees; and (c) inspect your equipment, signage, fixtures, furniture, and operating methods. We may require that you furnish your customers with an evaluation form specified by us pre-addressed to us. Also, we may require that you maintain a comment box at the Franchise Location, which may only be opened by us. You must fully cooperate with our representatives making any inspection or retrieving information from the comment box.

We may ourselves or through a third-party shopping service evaluate the operation and quality of the Franchise Business, including the food quality, drink quality, inventory availability, customer service, cleanliness, merchandising, franchise compliance and proper use of the Franchise Technology. We may use service evaluations to inspect the Franchise Business at any time at our expense, without prior notification to you. We may make the results of any service evaluation available to you, in our sole discretion.

You must take action as may be necessary to immediately correct any deficiencies detected during any inspection by us or agents. If you fail to make these corrections within a reasonable period of time, we will have the right, but not the obligation, to correct any deficiencies that may be susceptible of correction, including removal from the premises of any non-conforming products, fixtures, furnishings, equipment, supplies, advertising, or promotional materials and signs, and to charge you a reasonable fee for any expenses we incur in correcting the deficiencies. You must also reimburse our cost for any repeat inspections deemed necessary, in our discretion, based on previously identified repeat inspections, or of any necessary third-party safety or qualify inspections. Your violations of this Agreement or our specifications observed in any inspection or other evaluation may result in liquidated damages amounts being assessed against you under Section 15.7.

10.4 Our Right to Access Records and Audit.

We or our designated representatives may at any reasonable time examine and copy your books, records, and tax returns. We may, and reserve the right to, require you to use the professional services of an accountant or accounting firm in connection with preparing your books, records, and tax returns. You hereby waive any accountant-client privilege to allow your accountant or accounting firm to disclose to use information required to be disclosed under this Agreement. You agree and consent to our use of the financial information of your Franchise Business and financial or other statements, reports, and/or records you provide to us in future franchise disclosure documents. We also may, on five (5) days written notice to you, have an independent audit made of your books and records. If an audit reveals that you have understated your Gross Sales in any report to us, you must immediately pay us the amount due on the understated amount on demand, in addition to any interest and late charges under Section 4.8 from the date originally due to the date paid.

We will conduct the audit at our expense; however, if an audit is made necessary by your failure to furnish reports, financial statements, or tax returns, or discloses an understatement of two percent (2%) or more of the Gross Sales of your Franchise Business, or an underpayment of two percent (2%) or more to the Brand Development Fund or Royalty fees, in any report, then you must pay for the costs of the audit, including any travel expenses, meals, lodging and compensation of our employees or agents and reasonable accounting and attorney's fees.

You understand that nothing contained in this Section constitutes our agreement to accept any payments after they are due or a commitment by us to extend credit to or otherwise finance the operation of your Franchise Business. Your payment of our expenses and/or late charges and interest are not our sole remedies in those circumstances and this Agreement may be subject to termination under Article 15.

10.5 Notices of Certain Events.

You must notify us in writing of the details of any of the following events, within one (1) business day of the occurrence of the event:

(a) The start of any civil or criminal action, suit, countersuit or other proceeding against you or any Designated Owner, or the General Manager.

(b) You, any Designated Owner, or the General Manager receives a notice of noncompliance with any law, rule, or regulation.

(c) The issuance of any conviction or plea of guilty or no contest in a criminal matter, order, writ, injunction, award, or decree of any court or other tribunal, any agency, or other governmental organization against you, any Designated Owner, or the General Manager.

(d) Any governmental department or agency begins an investigation of the Franchise Business, schedules a review, inspection, or audit of the Franchise Business, issues a complaint, report, warning, certificate, or rating concerning you or the Franchise Business, or takes any action against the Franchise Business.

You must provide us with any additional information we request, within five (5) days of request, about the status, progress or outcome of any of the events listed in this Section. Your failure to provide the notice and/or additional information required by this Section will be considered a material default under this Agreement.

10.6 Customer Information.

If we request, you must provide us with complete information about your customers, including names, addresses, email addresses, phone numbers, LinkedIn, Facebook, Twitter and other social media addresses, other contact information, and other information specified by us ("Customer Information"). The Customer Information must be provided in the manner and format specified by us, which may include having you deliver written or electronic copies or our remotely accessing the information on your computer systems. We may also access and obtain the Customer Information from your records (including computer records) and from software and other service providers that can provide us access to that information. The Customer Information will be our property and we may use the Customer Information for our business purposes.

ARTICLE 11 – INTELLECTUAL PROPERTY

11.1 Intellectual Property Defined.

Our intellectual property includes: (a) the Marks; (b) the Trade Dress; (c) the Franchise System; (d) any present or future copyrights relating to the Systems or the VARA Juice™ Restaurant concept, including, but not limited to, the Brand Standards Manual and marketing materials; (e) any present or future inventions, patents, and patents pending that are part of the Systems; (f) the Confidential Information (defined in Section 12.1); and (g) any other proprietary rights, trade secrets, methods, or procedures that are part of the Systems (collectively referred to in this Agreement as the "Intellectual Property").

11.2 Acknowledgements; No Contesting Our Rights.

You acknowledge the validity of the Intellectual Property and that we and our affiliates are the exclusive owners of the Intellectual Property. You agree that any further rights or goodwill that may develop in any of the Intellectual Property in the future will inure solely to the benefit of us and our affiliates. You do not now and will not in the future assert a claim to any goodwill, reputation, or ownership of the Intellectual Property by virtue of your non-exclusive license to use the Intellectual Property or for any other reason. Nothing in this Agreement gives you any right, title, or interest in or to any of the Intellectual Property, except a mere privilege and license during the term of this Agreement, to display or use the Intellectual Property according to the terms and conditions of this Agreement. During the term of this Agreement and after its expiration or termination, you agree not to directly or indirectly contest our ownership, title, right, or interest in or to, or our license to use, or the validity of the Intellectual Property, or contest our sole right to register, use, or license others to use the Intellectual Property.

11.3 Use of Intellectual Property.

You must use the Intellectual Property only in accordance with our rules. You must use the Intellectual Property only in connection with the operation of the Franchise Business pursuant to the Franchise Systems and only in the manner specified in this Agreement or by us. You must operate the Franchise Business under the Franchise Marks and you must not use any other name or mark in connection with the Franchise Business without our prior written consent. You must not use the Intellectual Property in connection with any products or services not specifically authorized by us in writing. You must take reasonable steps to prevent disclosure of this information to others. We require that all of your individual owners (if you are a business entity) sign an agreement relating to confidentiality and/or non-competition related to the Franchise Systems, approved by us and we have the right to be a third-party beneficiary of that agreement with independent enforcement rights. You must not reproduce or cause to be reproduced any Franchise Marks in any manner, including reproduction on forms or invoices, in connection with advertising, marketing or promotion, or on the Internet or in an Internet domain name, in connection with a website, or in connection with any Digital Marketing, without our prior written consent. You must not use the Franchise Marks in your business, corporate, partnership, or limited liability company name. However, you must register to do business under the assumed business name of "VARA Juice™" with an additional designation as determined by us to distinguish the assumed name from other Restaurants (for example: "VARA Juice ™ of _____") as authorized in Appendix B.

On expiration or termination of this Agreement, we may, if you do not do so, sign in your name and on your behalf, any documents necessary in our judgment to end and cause discontinuance of your use of the Franchise Marks and you irrevocably appoint and designate us as your attorney-in-fact for that purpose.

11.4 Defense of Intellectual Property.

You must promptly notify us of any claim, suit, or demand against you on account of any alleged infringement, unfair competition, or similar matter relating to your use of the Intellectual Property. We will then take action as we deem necessary and appropriate to protect and defend you against the claim by any third party. You must not settle or compromise any claim by a third party without our prior written consent. We will have the sole right to defend, compromise, or settle any claim, in our discretion, using attorneys of our choosing, and you agree to cooperate

fully with us in connection with the defense of the claim. You may participate at your own expense in the defense or settlement, but our decisions with regard to the Intellectual Property will be final. We do not have an obligation under this Agreement to participate in your defense or to indemnify you for expenses or damages in a proceeding involving Intellectual Property licensed to you.

11.5 Prosecution of Infringers.

You must promptly notify us if you receive notice or are informed or learn that any third party, who you believe is using the Intellectual Property or any name or mark confusingly similar to the Marks without our authorization. We will then, in our sole discretion, determine whether or not we will take any action against the third party on account of the alleged infringement of the Intellectual Property. You will not have any right to make any demand against any alleged infringer or to prosecute any claim of any kind or nature whatsoever against the alleged infringer for or on account of the infringement. If we choose to prosecute any infringement of the Intellectual Property, you must sign all documents and do all acts necessary or incidental to that action as our counsel may reasonably request. We do not have an obligation under this Agreement to take affirmative action when notified of infringement. We will have exclusive rights in any damages awarded or recovered in any prosecution of an infringement claim related to the Intellectual Property and we will not have any obligation to share any awards or recoveries with you.

11.6 Modification or Substitution of Intellectual Property.

We may change the authorization to use the Intellectual Property contained in this Agreement, including adding, discontinuing or modifying Intellectual Property, or substituting different Intellectual Property, by issuing, in a written notice, a description of the changes and the products or services to which they relate. You must use and abide by these changes or substitutions at your expense. We may make the changes because of the rejection of any pending registrations or the revocation of any existing registrations of the Intellectual Property, or due to the rights of senior users, or for other business reasons, except we will make the changes in the Intellectual Property on a uniform basis for all similarly situated Restaurants in a particular market. All ideas, concepts, techniques, or materials concerning the Franchise Systems, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the system and works made-for-hire for us. To the extent that any item does not qualify as a "work made-for-hire" for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing an assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

11.7 Innovations.

All ideas, concepts, techniques, variations, improvements, marketing programs, techniques, materials or other intellectual properties that relate to or enhance the Franchise Business or the Systems ("Innovations"), whether or not protectable intellectual property and whether created by or for us or by or for you, must be promptly disclosed to us and will be our sole and exclusive property, part of the Franchise Systems, and works made-for-hire for us. You hereby permanently and irrevocably assign ownership of the Innovations, and all related rights to

the Innovations, to us to the extent the Innovations do not qualify as a "work made-for-hire" for us. You agree to take whatever action (including signing an assignment or other documents) that we request to evidence our ownership of the Innovations or to help us obtain intellectual property rights in them.

ARTICLE 12 - CONFIDENTIAL INFORMATION

12.1 Confidential Information Defined.

You acknowledge that prior to or during the term of this Agreement we may disclose to you, either orally or in writing, certain proprietary and/or confidential information relating to developing and operating a Restaurant (the "Confidential Information"). The Confidential Information includes:

(a) Brand Standards Manuals, training methods and materials, menus, recipes, food preparation techniques and other techniques, processes, policies, procedures, systems and data;

(b) Knowledge and experience relating to VARA Juice™ Restaurants;

(c) Advertising, marketing techniques and strategies, and advertising programs used in developing and operating VARA Juice™ Restaurants;

(d) All information regarding the identities and business transactions of customers and suppliers, including but not limited to customer information and product source information;

(e) Computer software and similar technology and systems that have been or may be developed by or for us or our agents, which is proprietary to us, including digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;

(f) Financial information, including but not limited to knowledge of the operating results and financial performance of VARA Juice™ Restaurants;

(g) New ventures, pending projects and proposals, and product development information; and

(h) Other aspects of the Franchise Systems now or later revealed to you under this Agreement and all changes and enhancements in the Franchise Systems, even if developed by you.

(i) Other property and information that we describe as being Confidential Information or trade secrets of the Franchise Systems.

12.2 Ownership and Use of Confidential Information.

You acknowledge that we own the Confidential Information. You agree that you will not acquire any interest in the Confidential Information, other than the right to use it as we specify solely for the purpose of establishing and operating the Franchise Business during the term of this Agreement. You acknowledge and agree that the Confidential Information is proprietary to us and is disclosed to you in confidence only on the condition that you and your shareholders, officers, directors, partners, members, managers, owners, investors, employees, and agents, "Family Members" (defined in Section 13.4), and affiliates agree that they will:

(a) Not use the Confidential Information in any business or capacity other than in the Franchise Business as authorized by this Agreement, both during the term of this Agreement and after expiration or termination of this Agreement;

(b) Keep each item deemed to be part of the Confidential Information absolutely confidential, both during the term of this Agreement and after expiration or termination of this Agreement;

(c) Not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;

(d) Adopt and implement procedures to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to your employees; and

(e) Require your employees, agents, and any other person or entity to which you reveal Confidential Information to sign an agreement relating to confidentiality and/or non-competition in a form approved by us before revealing any aspect of the Confidential Information. We have the right to be a third-party beneficiary of those agreements with independent enforcement rights; and

(f) On the expiration or termination of this Agreement or the transfer of the Franchise Business, immediately cease using any and all of the Confidential Information in any business or otherwise and return to us all copies of all Confidential Information in your possession.

You acknowledge and agree that you will be liable to us for any use of the Confidential Information not authorized by this Agreement. If you or your shareholders, officers, directors, partners, members, managers, owners, investors, employees, and agents, Family Members receive notice of any request, demand, or order to transfer or disclose all or any portion of the Confidential Information, you shall immediately notify us thereof, and shall fully cooperate with and assist us in prohibiting or denying any such transfer or disclosure. Should such transfer or disclosure be required by a valid, final, non-appealable court order, you shall fully cooperate with and assist us in protecting the confidentiality of the Confidential Information to the maximum extent permitted by law.

ARTICLE 13 – RESTRICTIONS ON COMPETITION

13.1 Covenant Not to Compete During Term.

You and your shareholders, officers, directors, partners, members, managers, owners, investors, Family Members (defined in Section 13.4) and affiliates must not, during the term of this Agreement engage in any activity in competition with us or our franchisees and licensees, including involvement, whether as an owner (except ownership of no more than 1% of a publicly traded entity), director, officer, member, manager, employee, consultant, lender, representative or agent, or in any other capacity, or otherwise in any business that is involved, in whole or in part, in a "Competing Business" (defined in Section 13.4), (except other Restaurants operated under franchise agreements entered into with us), or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business, unless you have received our prior written approval.

13.2 Covenant Not to Compete After Term.

On the termination (including termination on transfer), expiration, or non-renewal of this Agreement, you and your shareholders, officers, directors, members, managers, partners, owners, investors, Family Members, and affiliates, must not, for a period of two (2) years commencing on the later of the effective date of termination, expiration, or non-renewal, or the date of any Court order enforcing this provision, directly or indirectly, engage in any activity in competition with us or our franchisees and licensees, including involvement, whether as an owner (except ownership of no more than 1% of a publicly traded entity), partner, director, officer, member, manager, employee, consultant, lender, representative, or agent, or in any other capacity in any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business; provided that, the restrictions in this Section will only apply within the "Geographic Areas" (defined in Section 13.4).

13.3 Other Restrictions.

You and your shareholders, officers, directors, members, managers, partners, owners, and investors, Family Members, and affiliates, must not, during the term of this Agreement and for a period of two (2) years after termination, expiration, or non-renewal of this Agreement, directly or indirectly: (a) divert or attempt to divert any business or customer of the Franchise Business or any other Restaurant to any Competing Business by direct or indirect inducements or otherwise; (b) sponsor, appoint, or encourage or influence or promote friends, relatives, or associates to operate a Competing Business; or (c) employ any person or furnish of permit access to our Confidential Information to any person who is engaged or has arranged to become engaged in any activity in competition with VARA Juice™ Restaurants, including involvement, either as an owner (except no more than 1% of the publicly traded securities of an entity), partner, director, officer, member, manager, employee, consultant, lender, representative, or agent, or in any other capacity, of any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business.

13.4 Definitions of Competing Business, Geographic Areas, and Family Members.

The following definitions will apply to this Agreement:

(a) "Competing Business" means any business that is the same or similar to a Restaurant, including any food service business with a menu substantially featuring smoothies, juice blends, ice cream, coffee beverages, or similar foods or beverages (such as, for example, Tropical Smoothie, Smoothie King, Robeks, Planet Smoothie, Jamba/Jamba Juice, and Freshi), or other products and services that may be offered by Restaurants now or in the future.

(b) "Geographic Areas" means: (i) the Franchise Location; (ii) the area within twenty-five (25) miles of the Franchise Location; and (iii) the areas within twenty-five (25) miles of any other VARA Juice™ Restaurant existing or in development at the time you begin to operate the Competing Business.

(c) "Family Members" means all individuals with any of the following relationships with you or any of your shareholders, officers, directors, partners, members, managers, owners, investors, and affiliates: (i) spouse; (ii) children; (iii) grandchildren; (iv) stepchildren; (v) parents; (vi) siblings; (vii) spouse's parents; and (viii) spouse's siblings.

13.5 Acknowledgements and Agreements Relating to Restrictions on Competition.

You acknowledge and agree that the length of the post-term restrictions and the geographical restrictions contained in this Article are fair and reasonable and that we have attempted to limit your right to compete only to the extent necessary to protect the reasonable competitive business interests of us and our franchisees and licensees. If the above restrictions or any part of these restrictions are found to be invalid, this Article will be considered as imposing the maximum restrictions allowed under the applicable state law in place of the invalid restriction or part of the restriction. In addition, we reserve the right to reduce the scope of these provisions without your consent, at any time, effective immediately on notice to you.

If you are not an individual, your owners (stockholders, partners, members, etc.) will be bound by this Article 13 and must, contemporaneously with signing this Agreement, sign the Obligations and Representations of Owners attached as Appendix B to this Agreement. You and your owners must also execute a separate Confidentiality and Nondisclosure Agreement and Covenant Not to Compete in a form provided by us.

ARTICLE 14 - TRANSFERS

14.1 General Rule.

This Agreement is personal to you or to your owners if you are an entity. Accordingly, neither you nor any of your direct or indirect owners, may, without our prior written consent, directly or indirectly or contingently, whether voluntarily or by operation of law, sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any interest in: (a) this Agreement; (b) the Franchise Business or any of the assets of the Franchise Business; (c) the Franchise Location; or (d) any equity or voting interest in you (if you are an entity). Any act or

event described above in this Section or any other act defined as a transfer elsewhere in this Agreement is referred to as a "Transfer." Any permitted Transfer must only be made in accordance with the provisions of this Article 14. You do not have the right to sublicense any of the rights granted by this Agreement. Any attempted Transfer not in accordance with this Agreement will have no effect and will constitute a breach of this Agreement.

14.2 Notice of Proposed Transfer; Right of First Refusal.

You or any of your owners (if you are an entity) or any legal heir or devisee of you or your owners (the "Seller") who receives and desires to accept a *bona fide* offer from a third party to engage in a Transfer, must notify us in writing of the offer (the "Offer Notice"). The Offer Notice must describe the proposed Transfer in detail, including the name and address of the proposed purchaser, the nature of the Transfer, the consideration to be paid, and all other material terms and conditions of the Transfer. In addition to the Offer Notice, the Seller must also deliver copies of all documents to be executed in conjunction with the Transfer and any financial or other information as we may specify to reasonably inform us of the financial condition of the Franchise Business, including financial statements and tax returns of the Franchise Business.

We will have, for a period of thirty (30) days from the date of delivery of the information specified above, the right and option ("right of first refusal"), exercisable by written notice to the Seller, to purchase the Seller's interest on the terms specified in the Offer Notice (modified as described below). We may designate a substitute purchaser to complete the Transfer. If the Transfer involves the purchase of stock or other ownership interests, we will have the option to purchase the assets of the Franchise Business instead for equivalent consideration. If the consideration offered by the proposed purchaser is not all cash or cash equivalents (e.g. services), we may pay a reasonable equivalent in cash. If we are not able to agree with the Seller within a reasonable time on equivalent or substitute cash consideration, the determination will be made by appraisal using the method described in Section 20.3.

If we exercise our right of first refusal, the Transfer between Seller and us will be closed by the later of: (a) ninety (90) days after exercise of the right of first refusal; or (b) thirty (30) days after any necessary determinations of equivalent or substitute cash consideration. We will be entitled to customary warranties, closing documents, and post-closing indemnification.

If we do not exercise our right of first refusal and we consent to the proposed Transfer (subject to the conditions listed in Section 14.3), the Seller may complete the proposed Transfer, but only on the same terms as offered to us. However, the proposed Transfer must be completed within sixty (60) days after the expiration of our thirty (30) day right of first refusal period. If the Transfer is not completed within the sixty (60) day period, the Transfer will again become subject to our right of first refusal under this Section.

14.3 Conditions of Our Consent to Transfer.

If we do not exercise our right of first refusal under Section 14.2, the Seller may only engage in the proposed Transfer if we consent to the proposed Transfer. Before we will consent to a proposed Transfer, the conditions listed below, as well as any other reasonable conditions specified by us, must be fulfilled. If these conditions are met, we will not unreasonably withhold our consent to a proposed Transfer of the type permitted by this Agreement.

Before we will consent to a proposed Transfer, the following conditions must be fulfilled:

(a) The proposed transferee must follow the same application procedures as a new franchisee and must meet the same standards of character, business experience, financial strength, credit standing, health, reputation, business ability, experience, etc. as we have set for any new franchisee.

(b) The terms of the proposed Transfer must not place unreasonable burdens on the proposed transferee.

(c) You and the Seller must be in full compliance with all provisions of this Agreement and must pay us and all suppliers of the Franchise Business all monies owing.

(d) You and the Seller must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (f) below) and must sign an agreement, in the form specified by us, that releases us and our affiliates, owners, officers, directors, employees, and agents from any and all claims and causes of action.

(e) The proposed transferee must satisfactorily complete our initial training program. We may impose a reasonable charge for this training program.

(f) The proposed transferee must, at our option: (i) sign with us a Franchise Agreement and related agreements on the standard forms in use by us at the time of Transfer, which agreements would have a term equal to the term remaining under this Agreement and may contain terms materially different than the terms of this Agreement, including different royalty and Brand Development Fund contributions; or (ii) sign, with you, an agreement satisfactory to us that includes an assignment by you of your rights under this Agreement and the assumption by the transferee of all your obligations under this Agreement. The owners of the proposed transferee must agree to be personally bound, jointly and severally, by all of the provisions of the new Franchise Agreement or this Agreement (if this Agreement is assigned).

(g) The proposed transferee must pay us the transfer fee specified in Section 4.6. The transfer fee must be paid at the time that we sign a consent to the proposed Transfer. The transfer fee is not refundable.

(h) The proposed transferee must sign at the time of Transfer a release agreement in the form specified by us that releases us and our representatives, owners, employees, officers, agents, and assigns from any and all claims and causes of action.

(i) You or the proposed transferee must take any action specified by us to make the Franchise Business comply with current appearance, Franchise Trade Dress, equipment, and signage requirements. We may require this action to be taken before the Transfer or within a specified period of time after the Transfer.

(j) The proposed transferee and its owners, shareholders, officers, directors, partners, members, managers, investors, employees, and agents, and their Family Members and affiliates of the proposed transferee must not be an owner, shareholder,

officer, director, partner, member, manager, investor, employee, agent, or consultant of or to a business that competes with VARA Juice™ Restaurants. On our request, the transferee may be required to sign an acknowledgement of compliance with this prohibition.

(k) If the transfer involves installment payments by the transferee to the Seller, the Seller must sign a subordination agreement under which the Seller subordinates its right to receive any installment from the transferee to our right to receive all amounts due to us through the due date of the installment. The subordination agreement must be in a format and contain terms and conditions specified by us.

(l) Your landlord must allow the lease for the Franchise Location to be transferred to the transferee.

(m) You, the Seller, and the proposed transferee must comply with any other standard procedures specified by us.

You acknowledge that the conditions listed above are necessary for protection of the Franchise Marks and Franchise Systems and do not impose unreasonable restrictions on a Transfer. Our consent to any transfer shall not constitute a waiver of any claims we may have against the transferor or the proposed transferee's compliance with the terms and conditions of this Agreement.

14.4 Transfer on Death or Incapacity.

If you or your last surviving Designated Owner (if you are an entity) dies or becomes incapacitated, your or the owner's rights under this Agreement will pass to the estate, heirs, devisees or legal representatives of you or the Designated Owner (collectively referred to in this Agreement as the "estate"). The estate may continue operation of the Franchise Business if: (a) the Franchise Business is not closed for more than seven (7) days and is operated in accordance with applicable law; (b) the estate provides a qualified individual acceptable to us to act as General Manager for the Franchise Business on a full time basis; (c) the General Manager attends and successfully completes our training program at the estate's expense; and (d) the General Manager assumes full time operation of the Franchise Business within ninety (90) days of the date you or the Designated Owner dies or becomes incapacitated. If the estate fails to designate an acceptable General Manager or the designated General Manager fails to attend and satisfactorily complete the training program and to assume the full-time operation of the Franchise Business within ninety (90) days of the death or incapacity, then the estate must sell the estate's interest in the Franchise Business or in this Agreement within one hundred eighty (180) days of the date of death or incapacity. Any sale is subject to our right of first refusal under Section 14.2 and subject to our consent under Section 14.3.

After the date of death or incapacity, until a trained General Manager assumes full time operational control of the Franchise Business or until the estate's interest in the Franchise Business or in this Agreement is sold, we may, at our option, assume control of and operate the Franchise Business. During any period that we operate the Franchise Business, we may deduct our expenses for payroll, travel, lodging, meals, and all other expenses and fees from the Franchise Business's Gross Sales. Any remaining Gross Sales of the Franchise Business, after paying all other operational expenses of the Franchise Business will be paid to the estate. Any

deficiency in amounts due to us under this Section or any deficiencies from operation of the Franchise Business must be paid by the estate within ten (10) days of a notice of deficiency from us. We are not obligated to operate the Franchise Business. If we do operate the Franchise Business, we will not be responsible for any operational losses of the Franchise Business, nor will we be obligated to continue operation of the Franchise Business. You hereby irrevocably appoint and designate us as your attorney-in-fact for the purpose of taking operational control of the Franchise Business as provided in this paragraph. This power of attorney will apply to all aspects of operation of the Franchise Business, including control over your bank accounts and the premises and assets of the Franchise Business. You agree and direct that third parties, including landlords, banks, vendors and employees may rely on this power of attorney.

14.5 Transfers to Controlled Entities.

If you are in full compliance with this Agreement, this Agreement may be assigned to an entity in which you own and will continue to own all the issued and outstanding stock, membership interest, partnership interest, or other ownership interests and in which you will act as its principal executive officer or manager ("Controlled Entity"), provided that:

(a) All owners of the Controlled Entity execute this Agreement and agree to be personally bound, jointly and severally, by all of the provisions of this Agreement;

(b) The Controlled Entity agrees to be bound by all the provisions of this Agreement and to assume and discharge all of your obligations under this Agreement; and

(c) The Controlled Entity will have no right to engage in a Transfer except in accordance with the provisions of Article 14.

14.6 Assignment by Us.

We may assign this Agreement and all of our rights, duties, and obligations under this Agreement to any person that we choose in our sole discretion without notice to you or approval by you or any other franchisee, at any time. If we assign this Agreement, we will be released from all of our obligations under this Agreement and you will look solely to our assignee for the performance of those obligations.

ARTICLE 15 – DEFAULT AND REMEDIES; TERMINATION

15.1 Default by Us; Termination by You.

We will be considered in default of this Agreement if we breach any of our material obligations under this Agreement and fail to cure that default within sixty (60) days of written notice from you. As a remedy for a default by us, you may elect to terminate this Agreement, but only if: (a) you are in full compliance with all terms of this Agreement; (b) you provide written notice to us specifying our default and the proposed date of termination; and (c) we committed the default and do not cure the default within sixty (60) days of written notice of the default from you. Your written notice of the default must specify in writing with particularity the nature of the default and the steps you request that we take to cure the default. Any attempt by you to terminate this Agreement without complying with the provisions of this Section will constitute a default by you.

15.2 Default by You.

You will be considered in default of this Agreement on the occurrence of any of the events listed in Sections 15.3 or 15.4 or otherwise listed as a default in this Agreement or if you breach any of your other obligations under this Agreement.

15.3 Events of Default by You; No Right to Cure.

Any of the following events will constitute a default by you and good cause for termination of this Agreement by us without affording you an opportunity to cure.

(a) You or a Designated Owner make any material misrepresentations or omissions to us or you submit to us any report or statement that you know or should have known is false or misleading.

(b) You commit fraud against us or our affiliates or against any of your customers, suppliers, agents, or employees.

(c) You fail to have employees and agents sign an agreement relating to confidentiality and/or non-competition in a form approved by us.

(d) You or a Designated Owner is convicted of, or pleads guilty or no contest to, or we have reasonable proof that you or a Designated Owner has committed: (i) a crime, offense, or misconduct for which the minimum penalty includes imprisonment for more than one year; or (ii) any crime, offense, or misconduct for which the minimum penalty includes imprisonment for one-year or less that involves fraud or dishonesty or is in any other way relevant to the operation of the Franchise Business or to the Franchise Systems or Franchise Marks or the goodwill associated with the Franchise Marks.

(e) You received two (2) or more prior notices of default and/or to terminate for the same or a similar default during any consecutive twelve (12) month period.

(f) You received three (3) or more prior notices of default and/or to terminate, whether or not for the same or similar default, during any consecutive twelve (12) month period.

(g) You fail to attend two (2) or more mandatory meetings within any consecutive twelve (12) month period.

(h) You abandon the Franchise Business. Your abandonment will be conclusively presumed if you fail to open the Franchise Business for business: (i) for a period of two (2) consecutive business days without our prior written consent; or (ii) for a total of five (5) business days within a calendar year.

(i) You or a Designated Owner engage in excessive alcohol use, illegal drug use, or other substance abuse that interferes with the operation of the Franchise Business.

(j) You engage in conduct that reflects materially and adversely on the

operation or reputation of the Marks or Systems.

(k) Your lease is terminated or mortgage foreclosed by reason of your failure to pay rent or mortgage payments or for any other cause for which you are responsible.

(l) You lose the right to occupy the Franchise Location and fail to: (i) begin to immediately look for a substitute site; and (ii) locate a substitute site accepted by us and begin to operate the Franchise Business at that substitute site within ninety (90) days.

(m) You are assessed liquidated damages under Section 15.7 three (3) or more times in a calendar year.

(n) You or any member of your team fails to complete the training program to our satisfaction, in our sole and unfettered judgment.

15.4 Events of Default by You; Right to Cure.

Any of the following events will constitute a default by you and good cause for termination of this Agreement by us if you fail to cure the default during the applicable cure period specified in Section 15.5.

(a) You fail to enter into a lease for the Franchise Location as required by this Agreement.

(b) We determine that you are unable to complete or you have not completed our pre-opening training programs to our satisfaction, or you fail to demonstrate the qualities and abilities that we determine are necessary for the successful operation of the Franchise Business.

(c) You are unable to obtain, without extraordinary administrative proceedings or litigation, any permit or license necessary to develop and open the Franchise Business.

(d) You or we have received a substantial number of complaints from customers relating to products or services provided by you or based on your acts or omissions.

(e) You operate the Franchise Business in a manner that presents a health or safety hazard to your customers, employees, or the public.

(f) You do not or are unable to pay your debts or obligations as they become due or you file a voluntary petition in bankruptcy or are adjudicated bankrupt or insolvent or make an assignment for the benefit of creditors.

(g) You file any petition or other pleading seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, or you permit the continuance for more than thirty (30) days of any proceeding against you seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation.

(h) You seek, consent to, or acquiesce in the appointment of any trustee, receiver, or liquidator of your business, or all or a substantial part of your assets, or fail to vacate the appointment of any trustee, receiver, or liquidator for any purpose within thirty (30) days of appointment.

(i) You fail, within thirty (30) days of the entry of a final judgment against you in any amount exceeding Five Thousand and 00/100 Dollars ($5,000.00), to discharge, vacate, or reverse the judgment or to stay execution on the judgment pending appeal or to discharge any judgment that is not vacated or reversed within 30 days after the expiration of the stay of execution.

(j) You allow a levy of execution to be made on the Franchise Business.

(k) You fail to promptly pay your obligations to us, our affiliates, or third party suppliers as they become due, or you default under a lease or finance agreement for the real or personal property involved in the Franchise Business.

(l) You fail to operate the Franchise Business in accordance with our uniform standards, you fail to meet current quality control standards according to the provisions of the Brand Standards Manual, or you fail to permit quality control checks and inspections by our representatives.

(m) You fail to purchase products and services for use in the Franchise Business from Designated or Approved Suppliers, as applicable.

(n) If you are an entity, any dispute, disagreement, or controversy between or among your stockholders, members, partners, directors, officers, or managers that materially and adversely affects the ownership, operation, management, or business of the Franchise Business.

(o) You, or your owners, or your affiliates commit any other material breach of any of the terms of this Agreement or any other agreement entered into with us or our affiliates, including breach of covenants of confidentiality, restrictions on competition, or personal guaranties.

(p) Any of your owners cancels any guaranty of the obligations of this Agreement.

15.5 Termination by Us.

We have the right to terminate this Agreement before its expiration only for good cause and only in accordance with the requirements of this Section. Good cause for termination of this Agreement by us includes any default by you as defined in this Article 15 or elsewhere in this Agreement.

(a) On the happening of any of the events specified in Section 15.3, we may, at our option, terminate this Agreement effective on delivery of written notice to you without affording you an opportunity to cure (except as may be required by applicable law).

(b) On the happening of any of the events specified in Section 15.4 or elsewhere in this Agreement or for any other good cause, we may, at our option, terminate this Agreement effective on written notice to you and your failure to cure the defaults during the applicable cure period. Our written notice of termination to you must specify any defaults under this Agreement or other reasons for termination and the date the termination will be effective. The effective date of termination must be: (i) at least ten (10) days from the date of notice for defaults involving the failure to pay amounts owed to us or our affiliates; and (ii) at least thirty (30) days from the date of notice in all other instances. This Agreement will automatically terminate without further action by us on the date specified in the notice as the effective date of termination unless you completely cure all the defaults or other reasons for termination specified by us in the notice before the date specified in the notice as the effective date of termination.

15.6 Our Right to Withhold Products and Support Services on Certain Defaults by You.

We will have the right to refuse to sell products to you and to cause Designated or Approved Suppliers to refuse to sell products to you and/or to withhold our support services from you if you commit any of the following defaults: (a) you fail to make a payment to us or our affiliates for more than thirty (30) days after the due date of the payment; (b) you owe us or any Designated or Approved Supplier Five Thousand and 00/100 Dollars ($5,000.00) or more in past due payments; or (c) you commit any other default under this Agreement and fail to cure the default within the applicable cure period. Our actions as authorized in this Section may continue until you have cured your defaults and will not suspend or release you from any obligation that you owe to us or our affiliates under this Agreement or otherwise. In addition, if you fail to satisfy all the conditions of renewal but continue to operate your Franchise Business after the end of the term of this Agreement, we have the right to refuse to sell products to you and to cause Designated or Approved Suppliers to refuse to sell products to you and/or to withhold our support services from you.

15.7 Our Right to Charge Liquidated Damages for Certain Violations.

You agree to pay us liquidated damages as a remedy for your failure to comply with contractual obligations and/or operational standards or procedures specified by us. Under our current policies, the liquidated damages are: (a) Two Hundred Fifty and 00/100 Dollars ($250.00) for the first violation; (b) Five Hundred and 00/100 Dollars ($500.00) for the second violation; and (c) One Thousand and 00/100 Dollars ($1,000.00) for the third or more violation. The liquidated damages amounts and the violations to which they apply may be specified or revised by us in the Brand Standards Manual. The liquidated damages are intended to cover our damages suffered as a result of your violations. Those damages include our additional administrative expenses and damages arising from loss of uniformity, quality, reputation, or good will in the Franchise Systems. You agree that the imposition of the liquidated damages is reasonable. You also acknowledge and agree that the actual damages that would be sustained by us for the designated violations are incapable of calculation at the time of execution of this Agreement and that the liquidated damages amounts specified by us are a reasonable estimation of those damages. You must pay the liquidated damages in the manner specified in Section 4.10 within ten (10) days of our written notice to you.

15.8 Other Remedies.

Our exercise of any remedy as described in this Article 15 or elsewhere in this Agreement and/or enforcement of the provisions of Article 16 on termination or expiration of this Agreement will not affect or prejudice any other rights or remedies we may have for breach of this Agreement by you, whether those rights and remedies are contained in this Agreement or otherwise provided by law or equity. Our other rights and remedies may include an action for specific enforcement of this Agreement or other injunctive relief, an action for damages caused by the breach, or termination of this Agreement.

15.9 Security.

Until all payments are made and any damages, costs, and expenses incurred or suffered by us have been paid, we shall have, and you shall be deemed to have granted, a lien against any and all of the furnishings, fixtures, and equipment, and all other assets of the Franchise Business, and your interest in the Lease and the Franchise Location.

ARTICLE 16 - EFFECT OF TERMINATION OR EXPIRATION

16.1 Your Obligations on Expiration or Termination.

If this Agreement expires or terminates for any reason (including termination on a transfer), your rights to use the Intellectual Property and the Franchise Systems and all other rights associated with being an authorized VARA Juice™ franchisee will cease and you must do the following:

(a) You must immediately and permanently de-identify and discontinue the use of the Intellectual Property, the Confidential Information, the Franchise Systems, and any trademarks, names, and logos confusingly similar to the Marks or Trade Dress, and any other materials that may, in any way, indicate that you are or were a VARA Juice™ franchisee, or in any way associated with us.

(b) You must immediately discontinue all advertising placed or ordered. You must remove and deliver to us all sign faces, advertising and promotional material, letterhead, forms, and any other items containing the Intellectual Property or the Confidential Information. You are responsible for the cost of sign and other identification removal and the cost of shipping signs and other materials to us. If you remain in possession of the Franchise Location, you must alter the premises to distinguish the premises from the appearance of a Restaurant.

(c) You must cease using the Brand Standards Manual, the Confidential Information, and all other proprietary business information provided by us and must return to us all copies of the Brand Standards Manual, the Confidential Information, and other bulletins or other materials received from us containing information about the Intellectual Property and Restaurants.

(d) You must immediately and permanently cease to use all telephone and fax numbers, email addresses, website addresses, domain names, social media, and other electronic media that have been used in the Franchise Business (the "Telephone Numbers" and "Electronic Media") and must assign these Telephone Numbers and Electronic Media to us. You acknowledge that as between you and us, we have the sole

right to all Telephone Numbers and Electronic Media used in the Franchise Business and all written and online directory listings associated with the Franchise Business. You authorize us, and appoint us and any of our officers as your attorney-in-fact, to direct the applicable service providers and all listing agencies to transfer those items to us or our agent or assignee if you fail or refuse to do so. You authorize the applicable service providers and all listing agencies to accept the direction in this Agreement as conclusive evidence of our exclusive rights in the Telephone Numbers and Electronic Media and directory listings and our authority to direct their transfer.

(e) You must cease using any business name containing any of the Marks and must file an abandonment or discontinuance of the name with the appropriate local, county or state agency.

(f) You must immediately pay all sums and debts owing to us and our affiliates, whether those sums and debts owing to us and our affiliates are evidenced by promissory notes, invoices, bills or other writings, and notwithstanding the fact that those sums and debts may not at that time be fully due and payable, those debts being accelerated automatically without further notice to you.

(g) You must sell to us all or part of your inventory or products on hand as of the date of termination or expiration that are uniquely identified with us, if any, as we may request in writing within thirty (30) days after the date of termination or expiration. You agree that the sales price for those items will be the current published prices then being charged by the manufacturer or supplier to our authorized franchisees, not including any costs of storage or transportation paid by you to bring the goods initially to the Franchise Business, minus all costs incurred or to be incurred by us to restore the goods or the packaging of the goods to a saleable condition and minus a reasonable allowance for physical deterioration, obsolescence, or damage to the extent not restored.

(h) You and each Owner shall, jointly and severally, pay all costs and expenses (including without limitation, reasonable attorney fees and expert fees) incurred by us in connection with the successful enforcement of this Article 16. In the event that you fail to comply with this Article 16, you agree and consent to us entering the Franchise Location, and such entry shall not constitute a trespass, for the purpose of carrying out your obligations under this Article 16 at your expense.

16.2 Termination of Lease; Option to Assume Lease.

On expiration or termination of this Agreement, we may terminate any lease or sublease entered into between you and us for the Franchise Location.

We have the option to require you to assign your lease for the Franchise Location to us if this Agreement terminates or expires for any reason, other than a termination by you for cause. If we exercise this right: (a) you must cooperate fully and use your best efforts to acquire the landlord's approval of the assignment of the lease to us, if necessary; and (b) if the lease cannot be assigned to us, you must sublease the Franchise Location to us on all the same terms and conditions as are contained in your lease and must cooperate fully and use your best efforts to acquire the landlord's approval of the sublease, if necessary. If you own the Franchise Location and this Agreement terminates or expires for any reason other than a termination by you for

cause, we will have the option to require you to lease the Franchise Location to us on substantially the same terms and conditions contained in your lease for the Franchise Location, or, if no lease exists or the terms and conditions of the lease are not commercially reasonable, then on terms and conditions that are commercially reasonable. We must exercise the options granted in this Section within thirty (30) days of the date of expiration or termination of this Agreement or the options will terminate.

16.3 Option to Purchase Assets.

If this Agreement expires or terminates for any reason, we will have the option, but not the obligation, to purchase the assets of the Franchise Business. The purchase price will be the fair value of the assets as agreed by the parties or in the absence of an agreement, as determined by appraisal using the method described in Section 20.3. The purchase price will be reduced by any current and long-term liabilities of the Franchise Business that we agree to assume and any amounts you owe to us. We must exercise the option granted in this Section within forty-five (45) days following the determination of a price for the assets. Closing of the sale must take place within forty-five (45) days after we exercise our option to purchase the assets or a later date, if agreed to by the parties, as necessary to comply with applicable bulk sales or other similar laws. At closing, we and you agree to sign and deliver all documents necessary to vest title in the assets purchased by us free and clear of all liens and encumbrances, except any assumed by us. We reserve the right to assign our option to purchase the Franchise Business or to designate a substitute purchaser of the Franchise Business.

16.4 Surviving Obligations.

Your obligations or liability to us for amounts owed to us under this Agreement or for our damages attributable to the loss of bargain resulting from termination of this Agreement before its expiration (see Section 16.5) will survive the termination or expiration of this Agreement. Also, the following provisions of this Agreement will survive the expiration or termination of this Agreement: Article 11 relating to Intellectual Property; Article 12 relating to confidentiality; Article 13 relating to restrictions on competition; Article 16 relating to your obligations on termination; Article 17 relating to indemnification; Article 18 relating to dispute resolution; and other obligations in this Agreement or any other agreements between the parties that, by their terms or intent, survive expiration or termination of this Agreement.

16.5 Damages for Loss of Bargain.

In addition to any other remedies available to us, if this Agreement is terminated before its expiration (other than termination by you for cause), we will be entitled to recover from you damages attributable to the loss of bargain resulting from that termination. Our damages for loss of bargain will be the royalty fees and marketing fund contributions that would have been payable to us for the balance of the term of this Agreement, but not more than twenty-four (24) months. The aggregate amount of royalty fees and marketing fund contributions that would have been payable will be calculated by multiplying the greater of 1) the sum of the average monthly Royalty fees and marketing fund contributions of the Franchise Business for the twelve (12) month period (or lesser period if you were not in operation for a full 12) immediately preceding the date of termination or the date that you ceased to operate if earlier than the date of termination or 2) the sum of the monthly amount of minimum Royalty fees and minimum marketing fund contributions for such time period or in the event the Franchise Agreement is terminated before you open, by

either the number of months remaining in the term of the Agreement or twenty-four (24), whichever is less. You and we acknowledge and agree that our actual loss of bargain damages is incapable of calculation at the time of execution of this Agreement and the damages calculated under this Section are a reasonable estimation of those damages. If the damages for loss of bargain payable under this Section are found to be invalid or unenforceable because they are found to be either a penalty or not a reasonable estimation of actual damages, the amount of the damages will be automatically amended to the extent necessary to be found valid and enforceable. The damages for loss of bargain described in this Section cover only our damages from the loss of revenue as a result of our being unable to operate, or to allow a third-party to operate a Restaurant at the Franchise Location. You and each of your owners agree that these damages do not cover any other remedies or damages to which we may be entitled as a result of your actions or inactions (including injunctive relief to enforce trademark violations and restrictions on competition) and do not give us an adequate remedy at law for any default under, or for the enforcement of, any other provision of this Agreement.

ARTICLE 17 – INDEMNIFICATION

17.1 Indemnification Obligation.

You agree to defend, indemnify, and hold harmless us, our affiliates, and our and their officers, directors, managers, employees, agents, attorneys, shareholders, owners, members, designees, representatives, successors, and assigns (the "Indemnitees") to the fullest extent permitted by law, from and against all claims, losses, liabilities and costs incurred in connection with any civil, criminal, or governmental action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry ("Proceeding") (regardless of whether any of the foregoing is reduced to judgment) or any settlement of the foregoing, which actually or allegedly, directly or indirectly, arises out of, is based on, is a result of, or is related in any way to any element of the establishment, construction, opening, and operation of the Franchise Business, including: any personal injury, death, or property damage suffered by any customer, visitor, operator, employee, or guest of the Franchise Business; crimes committed on or near the Franchise Location or vehicles used by the Franchise Business; all acts, errors, neglects, or omissions engaged in by you, your contractors or subcontractors, as well as any third party, arising out of or related to the design, construction, conversion, build-out, outfitting, remodeling, renovation, or upgrading of the Franchise Location, whether or not any of the foregoing was accepted by us; defects in any premises constructed by or operated by you, whether or not discoverable by you or us; all acts, errors, neglects, and omissions of you or the Franchise Business and/or the owners, members, officers, directors, management, employees, agents, servants, contractors, partners, proprietors, affiliates, or representatives of you or the Franchise Business (or any third party acting on your behalf or at your direction), whether in connection with the Franchise Business or otherwise, including any property damage, injury, or death suffered or caused by any person or vehicle serving the Franchise Business; all liabilities arising from or related to the offer, sale, and/or delivery of products and/or services by you or the Franchise Business; and any action by any customer of or visitor to the Franchise Business.

As used above, the phrase "claims, losses, liabilities, and costs" includes: all claims; causes of action; fines; penalties; liabilities; losses; compensatory, exemplary, statutory, or punitive damages or liabilities; costs of investigation; lost profits; court costs and expenses; reasonable attorneys' and experts' fees and disbursements; settlement amounts; judgments; compensation for damage to our reputation and goodwill; costs of or resulting from delays; travel,

food, lodging, and other living expenses necessitated by the need or desire to appear before (or witness the proceedings of) courts, arbitration, or other tribunals, or government or quasi-governmental entities (including those incurred by Indemnitees' attorneys and/or experts); all expenses of recall, refunds, compensation, and public notices; and other amounts incurred in connection with the matters described. All claims, losses, liabilities, and costs incurred under this indemnification provision will be chargeable to and must be paid by you, regardless of any actions, activity, or defense undertaken by Indemnitees or the subsequent success or failure of the actions, activity, or defense.

17.2 Indemnification Procedure.

You must give us written notice of any Proceeding that could be the basis for a claim for indemnification by any Indemnitee within three (3) days of your actual or constructive knowledge of the Proceeding. At your expense and risk, any Indemnitee may elect to assume (but under no circumstance will the Indemnitee be obligated to undertake) the defense and/or settlement of the Proceeding. An Indemnity's undertaking of defense and/or settlement will in no way diminish your obligation to indemnify us and other Indemnitees and to hold harmless us and other Indemnitees. If an Indemnitee does not undertake the defense of the Proceeding, you are responsible for the defense. An Indemnitee will have the right, at any time the Indemnitee considers appropriate, to offer, order, consent, or agree to settlements or take any other remedial or corrective actions the Indemnitee considers expedient with respect to the Proceeding if, in the Indemnitee's sole judgment, there are reasonable grounds to do so. We and any Indemnitee shall at all times have the absolute right to retain counsel of our own choosing in connection with any Proceeding and the right to investigate any Proceeding.

Your indemnity obligation will continue in full effect even after the expiration, transfer, or termination of this Agreement. An Indemnitee's right to indemnity under this Agreement will arise and be valid notwithstanding that joint or concurrent liability may be imposed on the Indemnitee by statute, ordinance, regulation or other law. An Indemnitee need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses in order to maintain and recover fully a claim against you for indemnity. You agree that a failure to pursue recovery or mitigate a loss will not reduce or alter the amounts that an Indemnitee may recover from you under this Section.

In the event that the exercise of our rights under this Article 17 actually results in your insurer, with respect to insurance required to be maintained by you pursuant to Section 8.13 (hereinafter, the "Insurer"), refusing to pay on a third-party claim, all claims, losses, liabilities, costs, and legal remedies which you might have against the Insurer shall be automatically assigned to us without the need for any further action on our or your part. For the purposes of Article 17, "actually results" means that, but for the exercise of our rights under Article 17, the Insurer would not have refused to pay on said third-party claim. In the event that the exercise of our rights under Article 17 actually results in the Insurer refusing to pay on a third-party claim, you shall be required to indemnify us for our attorney fees, expenses and costs incurred in connection with that claim. In the event that you encourage, request, or suggest that the Insurer deny a claim, you shall indemnify us for our attorney fees, expenses and costs in connection with that claim.

In addition to your other indemnity obligations under this Article 17, you and each Owner shall indemnify us for any and all losses, compensatory damages, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, settlement amounts, judgments,

compensation for damages to our reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of refunds, compensation, public notices, and other such amounts incurred in connection with the matters described, which result from any of the items or Proceedings set forth in this Article 17. We do not assume any liability whatsoever for acts, errors, or omissions of those with whom you or any Owner may contract, regardless of the purpose. You and each Owner shall hold harmless and indemnify us for all claims, losses, liabilities and costs which may arise out of any acts, errors or omissions of these third parties. Under no circumstances shall we or the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate losses in order to maintain a claim against you or any Owner. You and each Owner agree that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable by us or the Indemnitees from you or any Owner.

ARTICLE 18 – DISPUTE RESOLUTION

18.1 Negotiation and Arbitration.

Except for actions described in Section 18.2, the parties will try to resolve all disputes by having a Designated Owner negotiate with one of our executive officers to resolve the dispute, including at least one face-to-face meeting. The parties agree to conduct these negotiations in good faith and to use their best efforts to resolve any disputes. If the parties have not resolved the dispute within ten (10) days after beginning these negotiations, then either party may take action to enforce its rights.

Except insofar as we elect to enforce this Agreement by judicial process and injunction as provided in Section 18.2, all disputes and claims relating to any provision hereof, to any specification, standard, operating procedure or other obligation of us or our agents or the breach thereof (including, without limitation, any claim that this Agreement, any provision thereof, any specification, standard, operating procedure or any other obligation of you or any owner or us is illegal, unenforceable or voidable under any law, ordinance or ruling), or any other aspect of the relationship between you and us shall be settled by binding arbitration in the county of our principal office (including the determination of the arbitrability of any such disputes or claims). Arbitration will be held in accordance with the United States Arbitration Act (9 U.S.C. § 1 et. seq), if applicable, and the JAMS Comprehensive Arbitration Rules and Procedures (or such rules relating to the arbitration of disputes arising under Franchise Agreements). This Agreement evidences a transaction involving commerce and, therefore, the Federal Arbitration Act, Title 9 of the United States Code is applicable to the subject matter contained herein. The proceedings will be held in the county in which our principal place of business is located at the time the action is filed by a single arbitrator agreed upon by the parties or otherwise appointed as provided in Rule 15 of the JAMS Comprehensive Arbitration Rules and Procedures. Any arbitrator appointed must have at least ten (10) years' experience in franchise matters and shall have the right to award or include in any award the specific performance of this Agreement. The decision of the arbitrator will be final, non-appealable, and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction. During the pendency of any arbitration proceeding, you, each Owner, and we shall fully perform under this Agreement.

You agree that you will not file any arbitration claim as a class action, seek class action status, or permit your claim to be joined or made part of any class action filed by another. You further agree that you will not file or join in any consolidated arbitration.

You acknowledge that you have read the terms of this binding arbitration provision and affirm that this provision is entered into willingly and voluntarily and without any fraud, duress or undue influence on our part or the part of any of our agents or employees.

18.2 Disputes Not Subject to Negotiation or Arbitration.

The following disputes between the parties referred to in Section 18.1 will not be subject to negotiation or arbitration: (a) any dispute involving the Franchise Marks; (b) any dispute involving termination of this Agreement by us under Article 15; (c) any dispute involving enforcement of the restrictions on competition in Article 13; (d) any dispute involving Confidential Information under Article 12; (e) any dispute involving indemnification under Article 17; (f) any dispute involving, or to collect, unpaid Royalties, Brand Development Fund contributions, Technology Fees, and any and all other fees due and owing to us; and (g) any judicial proceeding initiated by us in equity seeking injunctive relief, including without limitation temporary restraining orders, preliminary injunctions, or other interlocutory relief.

18.3 Applicable Law.

This Agreement takes effect on its acceptance and execution by us in Michigan. Except for the applicability of the U.S. Trademark Law or other applicable federal law, all controversies, disputes or claims arising from or related to: (a) this Agreement or any other agreement between you (or your owners) and us; (b) our relationship with you; (c) the validity of this Agreement or any other agreement between you (or your owners) and us; or (d) any standard under the Franchise Systems and/or Brand Standards Manual; will be interpreted and construed under the laws of the State of Michigan. In the event of any conflict of law, the laws of Michigan will prevail, without regard to the application of Michigan conflict-of-law rules. Notwithstanding the foregoing, this Agreement will not be subject to any franchise or similar law, rule, or regulation of the State of Michigan unless the jurisdictional requirements of that law are met independently without reference to this Section.

18.4 Jurisdiction and Venue.

You and your owners must file any action against us or our affiliates or our or their owners, officers, directors, managers, agents, or employees, and we may file any action against you and your owners, exclusively in the federal or state courts located in the state in which our principal place of business is located at the time that the litigation is commenced. The parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Neither party will seek a transfer or change in venue from a venue established or authorized in this Section or elsewhere in this Agreement.

The parties agree they should each be able to settle, mediate, litigate, arbitrate, or compromise disputes in which they are involved with third parties, without having the disposition of such disputes directly affect the contract or relationship between us and you or Owner. We and you, or Owner, therefore each agree that a decision of an arbitrator or court of law in litigation to

which one of them is not a party shall not in any manner prevent the party who was a party to such Proceeding from making similar arguments, or taking similar positions, in any Proceeding between us and you or Owner. The parties therefore waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in a Proceeding between them as a result of such party having lost a similar claim or defense in another Proceeding.

18.5 Injunctive Relief.

We will have the right, without the posting of any bond or security and without the need to prove irreparable injury, to obtain specific enforcement of the terms of this Agreement from a court of competent jurisdiction, by temporary or permanent injunctions or other equitable relief. We will have the right to obtain injunctive relief to prevent you from engaging in the following acts, which you acknowledge would cause irreparable harm to us: (a) using any of the rights granted by this Agreement in any manner not authorized in this Agreement; (b) engaging in operations in violation of the in-term or post-term restrictions on competition in Article 13; (c) disclosing to any person or using our trade secrets or Confidential Information in violation of the terms of this Agreement; (d) transferring or assigning this Agreement or the assets of the Franchise Business without complying with this Agreement; (e) engaging in acts or practices in violation of applicable laws and regulations or that are fraudulent, dishonest, or create health or other hazards to the public; or (f) significantly impairing our goodwill. Your sole remedy for the entry of an injunction will be the dissolution of the injunction, if warranted, after notice and a hearing (all claims for damages by reason of the wrongful issuance of any injunction are expressly waived by you). Our rights to obtain injunctive relief are in addition to all other remedies available to us under applicable law.

18.6 Costs of Enforcement or Defense.

You agree to reimburse us for all expenses we reasonably incur (including attorneys' fees): (a) to enforce the terms of this Agreement or any obligation owed to us by you or the Designated Owners or your guarantors (whether or not we initiate a legal proceeding, unless we initiate and fail to substantially prevail in the court or formal legal proceeding); and (b) in defense of any claim you and/or a Designated Owner assert against us on which we substantially prevail in court or other formal legal proceeding. Attorneys' fees will include paralegal fees, administrative costs, investigative costs, costs of expert witnesses, court reporter fees, sales and use taxes, if any, and all other charges billed by the attorney to us.

18.7 No Class Action or Consolidation.

You and we agree that any litigation involving the parties will only be conducted on an individual, not a class-wide basis, and that a litigation proceeding between us and you may not be consolidated with any other litigation proceeding between the parties and any other person, corporation, limited liability company, partnership or other entity. The parties waive, to the fullest extent allowed by law, any right to pursue or participate as a lead plaintiff or a class representative in any claim on a class or consolidated basis.

18.8 Jury Waiver; Time Period for Bringing Claims; Limitation of Damages.

YOU AND WE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY YOU

OR US, WHETHER OR NOT THERE ARE OTHER PARTIES IN THE ACTION OR PROCEEDING.

EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, ALL CLAIMS ARISING UNDER THIS AGREEMENT OR FROM THE RELATIONSHIP BETWEEN THE PARTIES ARE BARRED UNLESS AN ACTION IS FILED AND TIMELY SERVED ON THE OPPOSING PARTY WITHIN ONE YEAR FROM THE DATE THE PARTY KNEW OR SHOULD HAVE KNOWN OF THE FACTS CREATING THE CLAIM, EXCEPT TO THE EXTENT ANY APPLICABLE LAW OR STATUTE PROVIDES FOR A SHORTER PERIOD OF TIME TO BRING A CLAIM OR AS OTHERWISE REQUIRED BY LAW.

YOU AND WE WAIVE IN ANY JUDICIAL ACTION, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF ANY SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN YOU AND US, AND AGREE TO BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED.

ARTICLE 19 – YOUR ACKNOWLEDGMENTS AND REPRESENTATIONS

19.1 Risk of Operations.

You represent that you understand the risks of being involved in a retail Restaurant business and are able to bear those risks. You acknowledge that the success of the Franchise Business depends primarily on your efforts. In addition, other factors beyond the control of us and you may affect the success of your business, including competition, economic conditions, business trends, costs, market conditions, and other conditions that may be difficult to anticipate, assess, or even identify. You understand and acknowledge that the Franchise Business may lose money or fail.

19.2 Our Representations.

You acknowledge and agree that, except as specifically stated in this Agreement or our Franchise Disclosure Document or the attached "Acknowledgments by Franchisee," no representations or warranties, express or implied, have been made to you, either by us or anyone acting on our behalf or purporting to represent us, including the prospects for successful operations, the level of business or profits that you might reasonably expect, the desirability, profitability, or expected traffic volume, or profit of the Franchise Business. You acknowledge that all those items are dependent on variables beyond our control, including the ability, motivation, and amount and quality of effort you expend. You acknowledge that we and our agents and representatives have not made and are not authorized to make any oral, written, or visual representations or projections of actual or potential sales, earnings, net or gross profits, operational costs or expenses, prospects or chances of success that are not contained in this Agreement or in our Franchise Disclosure Document. You agree that you have not relied on and that we will not be bound by allegations of any representations as to earnings, sales, profits, costs, expenses, prospects, or chances of success that are not contained in this Agreement or our Franchise Disclosure Document.

19.3 Review of Materials and Consultation with Advisors.

You acknowledge that you are familiar with and have made an independent investigation of the business to be conducted by the Franchise Business and have reviewed our Franchise Disclosure Document. You acknowledge that you have read and understood this Agreement, the attachments to this Agreement, and the documents relating to this Agreement, if any, and have been given ample time and opportunity (and have been encouraged) to consult with an attorney or other professional advisor about the potential benefits and risks of entering into this Agreement. You acknowledge that you have been afforded an opportunity to ask any questions you have and to review any materials of interest to you concerning the Franchise Business, and that you have exhausted those efforts and have made the decision to enter into this Agreement without any influence by us.

19.4 Independent Status of Contract; Non-Uniformity of Agreements.

You acknowledge and agree that we are entering into this Agreement with you independently and separately from any franchise or license that we have granted or may grant to any other person or entity, and that you are not entering into this Agreement in reliance on or because of any other agreement that we have entered or may enter into with a third party. You acknowledge and agree that the terms of our agreements with third parties, now and in the future, may be materially different with respect to any terms and condition of this Agreement, including royalty fees, Brand Development Fund fees, transfer fees, territorial exclusivity, renewals, and training. These variations may be based on any factors or conditions that we deem to be in the best interest of the VARA Juice™ franchise system or a particular Restaurant, including the knowledge, experience, and financial status of a franchisee, peculiarities of a particular location, customer base, density, lease provisions, business potential, population of trade area, existing business practices, or any other condition that we deem to be of importance to the operation of a specific Restaurant. Also, these variations may result from us, in our sole discretion, compromising, forgiving, or settling claims or disputes with or against other franchisees. You will not be entitled to require us to disclose or grant to you a like or similar variation.

19.5 Terrorist and Money Laundering Activities.

You and your owners, officers, directors, members, partners, and agents represent and warrant to us that: (a) you and they are not identified by name or alias, pseudonym, or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control; (b) you and they are not directly or indirectly owned or controlled by the government of any country that is subject to a United States embargo; (c) you and they will not act directly or indirectly on behalf of the government of any country that is subject to a United States embargo; and (d) you and they are in full compliance with all laws proscribing money laundering and corrupt practices. Further, you and your owners, officers, directors, members, partners, and agents represent and warrant to us that you and they have not violated and agree not to violate any law prohibiting corrupt business practices, money laundering, or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by the USA Patriot Act, U.S. Executive Order 13244, or any similar law. The foregoing constitute continuing representations and warranties, and you and your owners, officers, directors, members, partners, and agents must immediately notify us in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate, or misleading.

19.6 Ownership of Franchisee; Guaranties.

Your name, type of entity, state of organization, owners, and percentage of ownership are listed on the Obligations and Representations of Owners attached as Appendix B. You represent that the information stated in Appendix B is accurate and complete. You agree that you will immediately notify us (and comply with the provisions of Article 14, if applicable) if there is any change in the information contained in Appendix B. Your failure to comply with this requirement will be a material default under this Agreement. Each of your owners ("Owners") must personally guaranty your obligations to us by signing the Guaranty attached as Appendix D. Also, if you have an affiliate that operates a Restaurant, we may require your affiliate to guaranty all of your obligations to us by signing the Guaranty attached as Appendix D.

ARTICLE 20 – ADDITIONAL PROVISIONS

20.1 Independent Contractor.

You acknowledge and agree that you will be an independent contractor under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, agency, joint employer, or employment relationship of any kind. The parties acknowledge that this Agreement does not create a fiduciary relationship between the parties. You will not, without our prior written approval, have any power to obligate us for any expenses, liabilities, or other obligations, other than as specifically provided in this Agreement. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees, or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between you and us is other than that of franchisor and franchisee. We do not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by you unless expressly authorized under this Agreement. We will not be obligated for any damages to any person or property that directly or indirectly arises from or relates to your operation of the Franchise Business.

You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities, and elements of the Franchise Business and that under no circumstance will we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications, and procedures of the Franchise Systems, which you must comply with under this Agreement, whether contained in the Brand Standards Manual or otherwise, do not directly or indirectly constitute, suggest, infer, or imply that we control any aspect or element of the day-to-day operations of the Franchise Business, which you alone control, but only constitute standards that you must adhere to when exercising control of the day-to-day operations of the Franchise Business. You are an independent contractor, and you are solely responsible for all aspects of the development and operation of the Franchise Business, subject only to the conditions and covenants established by this Agreement. Without limiting the generality of the foregoing, you acknowledge that we have no responsibility to ensure that the Franchise Business is developed and operated in compliance with all applicable laws, ordinances and regulations and that we shall have no liability in the event the development or operation of the Franchise Business violates any law, ordinance or regulation.

None of your employees will be considered our employees. You and your employees whose compensation you may pay in any way, directly or indirectly, expressly or by implication, will not be construed to be our employee for any purpose, including with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any local, state or federal governmental agency. We will not have the power to hire or fire your employees. You agree, and will never contend otherwise, that any authority we have under this Agreement to perform certain functions for the Franchise Business does not directly or indirectly vest in us the power to hire, fire, or control any of your employees or their terms and conditions of employment.

Except as expressly provided in this Agreement, we may not control or have access to your funds or the expenditure of your funds or in any other way exercise dominion or control over the Franchise Business. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees, or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between us is other than that of franchisor and franchisee. We do not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by you which are not expressly authorized under this Agreement. We will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to your operation of the Franchise Business.

20.2 Definition of Affiliate.

For purposes of this Agreement, an affiliate of a party is any person (including an individual, sole proprietorship, partnership, corporation, limited liability company, or other entity) that, directly or indirectly, controls, is controlled by, or is under common control with the party or any of its shareholders, officers, directors, partners, owners, or investors.

20.3 Appraisal Method.

If a value is to be determined by appraisal as referred to in Sections 14.2 and 16.3, the following method will be used to determine the appraised value. If the parties are able to agree on an independent appraiser, that appraiser will determine the applicable value and his or her determination will be binding on the parties. If the parties are not able to agree on an independent appraiser within 15 days of the event triggering the appraisal, each party will select an independent appraiser qualified or certified to make the appraisal. The independent appraisers chosen will then select a third independent appraiser. The third independent appraiser will determine the applicable value and his or her determination will be binding on the parties. You and we agree to select our respective appraisers within 15 days after the event triggering the appraisal and the two appraisers chosen are obligated to appoint the third appraiser within 15 days after the date on which the last of the two party-appointed appraisers is appointed. You and we will bear the cost of our own appraisers and share equally the reasonable fees and expenses of the third appraiser. The parties will take reasonable actions to cause the appraiser to complete his or her appraisal within 30 days after the third appraiser's appointment.

20.4 No Waivers.

The failure or delay of any party at any time to require performance by another party of any provision of this Agreement, even if known, will not affect the right of that party to require

performance of that provision or to exercise any right under this Agreement. We will not waive any right, power, or option under this Agreement (including our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before it expires) by reason of any of the following: (a) our failure or delay to require performance by another franchisee of any provision of its franchise agreement; (b) the existence of other franchise agreements which contain provisions different from those contained in this Agreement; (c) our acceptance of any payments due from you after any breach of this Agreement; or (d) any special or restrictive legend of endorsement on any check or similar item you give to us (we are authorized to remove or cancel any legend or endorsement). Any waiver by any party of any breach of any provision of this Agreement is not a waiver of any continuing or later breach of that provision, a waiver of the provision itself, or a waiver of any right under this Agreement. No notice to or demand on any party in any case, of itself, entitles that party to any other notice or demand in similar or other circumstances.

20.5 Consents, Approvals and Satisfaction; Liability.

Whenever our consent, approval, or acceptance is required under this Agreement, we will not unreasonably withhold or delay the consent unless specifically stated in this Agreement to the contrary. A consent, approval, or acceptance is not binding on us unless the consent, approval, or acceptance is in writing and signed by our CEO, president, manager, or a managing member. We may withhold our consent, approval, or acceptance if you are in default under this Agreement. Where our satisfaction is required under this Agreement, unless the Agreement expressly states otherwise, the satisfaction is determined in our sole discretion. WE MAKE NO REPRESENTATIONS OR WARRANTIES UPON WHICH YOU OR ANY OWNER MAY RELY AND ASSUME NO LIABILITY OR OBLIGATION TO YOU, ANY OWNER OR ANY THIRD PARTY BY PROVIDING ANY WAIVER, ADVICE, CONSENT OR SERVICES TO YOU OR DUE TO ANY DELAY OR DENIAL THEREOF, AND YOU WAIVE ALL CLAIMS AGAINST US FOR THAT TYPE OF LIABILITY.

20.6 Our Reasonable Business Judgment.

Whenever we have the right in this Agreement to take or to withhold an action, or to grant or decline to grant you a right to take or omit an action, we may, except as otherwise specifically provided in this Agreement, make our decision or exercise our rights based on information readily available to us and our judgment of what is in our and/or the VARA Juice™ franchise system's best interests at the time our decision is made, without regard to either whether we could have made other reasonable or even arguably preferable alternative decisions or whether our decision promotes our financial or other individual interest. Examples of items that will promote or benefit the VARA Juice™ franchise system include enhancing the value of the Intellectual Property, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the VARA Juice™ franchise system.

20.7 Third Parties.

Except as provided in this Agreement to the contrary for any of our affiliates or franchisees, nothing in this Agreement, whether expressed or implied, is intended to confer any rights under this Agreement on any person (including other VARA Juice™ Restaurant

franchisees) other than the parties and their respective personal representatives, other legal representatives, heirs, successors, and permitted assigns.

20.8 Cumulative Remedies.

All remedies, either under this Agreement or by law or otherwise afforded, will be cumulative and not alternative.

20.9 Notices.

Unless otherwise specified in this Agreement, notices under this Agreement must be in writing signed by the party serving the same and must be sent by: (a) registered or certified mail, return receipt requested, postage pre-paid, in which case the notice will be complete two days after mailing; or (b) reputable overnight courier service, in which case the notice will be complete one day after delivery to the overnight courier. The notice must be sent to the address referenced below or at another address designated by a party by notice under this Section.

If to us:	VARA Juice Franchising, LLC Attn: Ali Albadani 3231 S. Gulley Road, Suite D Dearborn, Michigan 48124
With a copy to: (does not constitute notice)	Mark J. Burzych Fahey Schultz Burzych Rhodes PLC 4151 Okemos Road Okemos, MI 48864 Facsimile No.: (517) 381-5051
If to you:	See Paragraph 5 of Appendix A.

20.10 Unavoidable Contingencies.

Neither party will be responsible for any contingency that is unavoidable or beyond its control, such as strike, flood, war, rebellion, governmental limitation or Act of God; provided however, that any unavoidable contingencies shall not excuse any required payment to us or our affiliate by you.

20.11 Entire Agreement; Modifications.

Except as expressly provided otherwise below, this Agreement and all appendices and other documents attached to this Agreement that are incorporated in this Agreement, constitute the entire agreement between the parties. This Agreement supersedes and replaces any and all previous or contemporaneous written and oral agreements or understandings, promises, representations, inducements, or dealings between the parties. However, nothing in this Section or otherwise in this Agreement is intended to disclaim or waive your reliance on any statements made in the Franchise Disclosure Document delivered to you or in the exhibits and amendments to the Franchise Disclosure Document. This Agreement may not be amended or modified except

in a writing signed by both parties, except that we may unilaterally modify the Franchise Systems and our specifications as provided in this Agreement.

THIS SECTION 20.11 DOES NOT APPLY TO THE SEPARATE CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT AND COVENANT NOT TO COMPETE EXECUTED BY YOU AND YOUR OWNERS, THE GUARANTY, AND THE COLLATERAL ASSIGNMENT OF LEASE, WHICH EACH CONSTITUTE A SEPARATE AGREEMENT AND SHALL NOT BE INTEGRATED OR CONSIDERED A PART OF THIS FRANCHISE AGREEMENT.

20.12 Severability.

Each Section, part or provision of this Agreement will be considered severable. If any Section, part or provision is found unenforceable by a court of competent jurisdiction, that determination will not impair the operation or affect the validity of the remainder of this Agreement unless the unenforceability, in our opinion, materially alters the protection of the Intellectual Property or our source of revenues. In that event, we may substitute for this Agreement, a new agreement without the unenforceable terms and additional terms as may be appropriate under the circumstances.

20.13 Obligations Joint and Several.

If there is more than one individual or entity signing this Agreement as franchisee, all those persons are jointly and individually liable for your obligations under this Agreement.

20.14 Signing by Us.

The submission of this Agreement is not an offer by us and we are not bound in any way until this Agreement is signed by our authorized representative.

20.15 Construction.

The headings in this Agreement are for convenience of reference and are not a part of this Agreement and will not affect the meaning or construction of any of its provisions. Unless otherwise specified, all references to a number of days shall mean calendar days and not business days. The words "include," "including," and words of similar import will be interpreted to mean "including, but not limited to" and the terms following those words will be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter.

20.16 Time of Essence.

Time is of the essence to this Agreement.

20.17 No Duty to Perform to Your Satisfaction.

Notwithstanding anything to the contrary contained herein, we are not obligated to perform any services required under this Agreement to your particular level of satisfaction, but as a function of our experience, knowledge, and judgment.

20.18 Masculine/Feminine.

All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter or plural, unless otherwise suggested by the text.

20.19 Counterparts.

This Agreement may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

20.20 Supplemental Agreements.

You must sign supplemental agreements, which are attached as Appendices to this Agreement, simultaneous with the signing of this Agreement, including the following:

(a) **Appendix A—Specifics.** This document describes your Franchise Location, Protected Area, the Designated Owners, and your address for notice as referenced in this Agreement.

(b) **Appendix B—Obligations and Representation of Owners.** Your Owners must sign this document to agree to be personally bound by the provisions of this Agreement and to provide information about you and your Owners.

(c) **Appendix C—Acknowledgements by Franchisee.** You must complete and sign this document to provide information about representations and disclosures by us so that we may ensure that all applicable franchise rules and laws have been followed in the sale of the franchise to you.

(d) **Appendix D—Guaranty.** Your Owners must sign this document to agree to be personally bound by your financial obligations to us.

(e) **Appendix E—Assignment of Telephone Numbers and Electronic Media.** You must sign this document now and any time in the future as we request in order to acknowledge and agree to our right to assignment of the telephone and fax numbers, email addresses, website addresses, domain names or other electronic media that have been used in the Franchise Business. On the expiration or termination of this Agreement, we may, at our option, accept the assignment and deliver the assignment to the applicable service providers to complete the assignment.

(f) **Appendix F—Electronic Fund Transfer Authorization.** You must sign this document to authorize us to withdraw funds from your account for payment of amounts owed to us.

(g) **Appendix G—Form of Lease Addendum.** Any lease signed by you for the Franchise Location must be amended by an Addendum.

(h) **Appendix H—Collateral Assignment of Lease.** You must sign this document if the real estate for the Franchise Location is leased by you.

(i) **Appendix I—Addendum to Franchise Agreement for SBA Loans.** If you obtain a loan for the Franchise Business in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"), you and we will sign this Addendum to the Franchise Agreement to comply with SBA requirements.

(j) **Appendix J—Term of the Franchise Agreement.** This document describes the term of this Agreement, including the Effective Date, the date of opening, and the expiration date.

(k) **Appendix K – Confidentiality and Nondisclosure Agreement and Covenant Not to Compete.** The Franchisee and each of its individual owners must sign this document.

The parties have signed this Agreement on the dates beside their signatures to be effective as of the date at the beginning of this Agreement.

VARA JUICE FRANCHISING, LLC

By: _____

Its: _____

FRANCHISEE

By: _____

Its: _____

APPENDIX A—SPECIFICS

1. The location of the Franchise Business as referred to in Sections 2.1 and 6.1 ("Franchise Location") or the area in which the Franchise Business will be located is:

_____

_____

_____

2. The Protected Area, as referred to in Section 2.3, shall be defined as that area within the following borders or as depicted in the attached map:

_____

_____

_____

3. The Designated Owners under Section 8.9 is/are:

Name	***Designated Owner***
Address	***Designated Owner Street Number*** ***Designated Owner Street Name***
City, State, Zip code	***Designated Owner City Name***. ***Designated Owner State Name***. ***Designated Owner Zip Code***
Phone Number	***Designated Owner Telephone Number***
Email Address	***Designated Owner Email Address***

4. Your address for purposes of notice under Section 20.9 is:

FRANCHISEE
Attn: ***Designated Owner***
Franchisee Street Number ***Franchisee Street Name***
Franchisee City Name, ***Franchisee State Name*** ***Franchisee Zip Code***
Facsimile No.: ***Franchisee Fax Number***

This Appendix A—Specifics is current and complete as of _____, 20__.

VARA JUICE FRANCHISING, LLC

_____
Franchisee

By: _____ By: _____

Its: _____ Its: _____

Date: _____ Date: _____

APPENDIX B—OBLIGATIONS AND REPRESENTATIONS OF OWNERS

This is an Appendix to the Franchise Agreement between VARA JUICE FRANCHISING, LLC ("Franchisor") and the Franchisee named below dated _____, 20_____ ("Franchise Agreement"). All capitalized terms not defined in this Appendix will have the same meaning ascribed to them in the Franchise Agreement.

Each of the persons signing below (each an "Owner") is directly or indirectly beneficially interested in the Franchise Business as a shareholder, officer, director, partner, member, owner, or investor. Each Owner hereby agrees to and will be jointly, severally, and personally bound by all the terms and provisions of the Franchise Agreement, other than those requiring the payment of money by Franchisee, to the same extent and in the same manner as Franchisee is bound, including the confidentiality covenants, the non-competition covenants, and all other restrictive covenants contained in Articles 12 and 13 of the Franchise Agreement, whether or not Owner's status as a shareholder, officer, director, partner, member, owner, or investor may change or cease during or after the term of the Franchise Agreement. This Appendix will not impair any separate instrument of guaranty or subordination that any Owner signing below has executed or may execute in the future.

Each Owner signing below represents and warrants to Franchisor that the following is correct and true:

Legal Name of Franchisee: _____

Type of Entity and State of Organization (sole proprietorship, corporation, partnership, limited liability company, etc.): _____

_____

d/b/a (if applicable): _____

Address of Franchisee: _____

_____

Business Telephone: _____

Authorized Assumed Name: _____

Name, Address, Phone No., Email Address, Title and % of Ownership of each Owner:

Name	***Owner 1***
Address	***Owner 1 Address***
Phone Number	***Owner 1 Telephone Number***
Email Address	***Owner 1 Email Address***
Title	***Owner 1 Title***
Percentage of Ownership	***Owner 1 Percentage of Ownership Interest

Name	***Owner 2***
Address	***Owner 2 Address***
Phone Number	***Owner 2 Telephone Number***
Email Address	***Owner 2 Email Address***
Title	***Owner 2 Title***
Percentage of Ownership	***Owner 2 Percentage of Ownership Interest

Name	***Owner 3***
Address	***Owner 3 Address***
Phone Number	***Owner 3 Telephone Number***
Email Address	***Owner 3 Email Address***
Title	***Owner 3 Title***
Percentage of Ownership	***Owner 3 Percentage of Ownership Interest

(Attach documents and contracts governing the ownership, management, and other significant aspects of the business entity (e.g., articles of incorporation or organization, partnership or shareholder agreements, operating agreements, stock certificates, etc.))

Acknowledged and Agreed by Each Undersigned Owner:

/S/_____ Dated: _____

_____
(*Print Name Above)*

/S/_____ Dated: _____

_____
(*Print Name Above)*

/S/_____ Dated: _____

_____
(*Print Name Above)*

APPENDIX C—ACKNOWLEDGEMENTS BY FRANCHISEE

You are entering into a Franchise Agreement with us for the operation of a VARA Juice™ Restaurant franchise. The purpose of this Appendix is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your Franchise Business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgements and Representations*.

1. Did you receive a copy of our Franchise Disclosure Document (and all exhibits and attachments) at least 14 days before you signed a binding agreement with, or paid any consideration to, us or our affiliates in connection with the proposed franchise sale? Check one: (_) Yes (_) No. If no, please comment:_____

1A. If you are a resident of or your franchise will be located in **Iowa**, **Maryland**, or **Rhode Island**, did you receive a copy of our Franchise Disclosure Document at least by the earliest of: (a) at the time of your first personal meeting with us to discuss the franchise; or (b) 10 business days before you signed a binding agreement with, or made a payment to, us or our affiliates in connection with the proposed franchise sale?
Check one: (_) N/A (_) Yes (_) No. If no, please comment:_____

1B. If you are a resident of or your franchise will be located in **Michigan** or **Oregon**, did you receive a copy of our Franchise Disclosure Document at least 10 business days before you signed a binding agreement with, or made a payment to, us or our affiliates in connection with the proposed franchise sale? Check one: (_) N/A (_) Yes (_) No. If no, please comment:_____

2. Did you understand all of the information contained in the Franchise Disclosure Document? Check one: (_) Yes (_) No.

   If No, what parts of the Franchise Disclosure Document do you not understand? : _____

3. Were the terms and conditions of the Franchise Agreement presented to you for signing materially different from the Franchise Agreement contained in the Franchise Disclosure Document delivered to you: Check one: (_) Yes (_) No.

If yes, did you receive a copy of the Franchise Agreement in the form presented to you for signing at least seven calendar days before signing the Franchise Agreement? Check one: (_) Yes (_) No. If no, please comment: _____

4. Was any oral, written or visual claim or representation made to you that contradicted the disclosures in the Franchise Disclosure Document? Check one: (_) Yes (_) No. If yes, please state in detail the oral, written or visual claim or representation: _____

5. Except as may be stated in Item 19 of our Franchise Disclosure Document, did any employee or other person speaking on our behalf make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any VARA Juice™ Restaurant location or business, or the likelihood of success of your Franchise Business? Check one: (_) Yes (_) No. If yes, please state in detail the oral, written or visual claim or representation: _____

6. Except as may be stated in Item 19 of our Franchise Disclosure Document, did any employee or other person speaking on our behalf make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document. Check one: (_) Yes (_) No. If yes, please comment: _____

7. Has any employee or other person speaking on our behalf made any statement, promise, or agreement concerning advertising, marketing, training, support service, or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Check one: (_) Yes (_) No. If no, please comment: _____

8. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the franchise for the Franchise Business and that any prior oral or written statements not set out in the Franchise Agreement will not be binding? Check one: (_) Yes (_) No. If no, please comment: _____

9. Do you understand that the success or failure of your Franchise Business will depend in large part upon your skills and experience, your business acumen, your location, the local market for services under our trademarks, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Check one: (_) Yes (_) No. If no, please comment:

10. Have you discussed the benefits and risks of operating the Franchise Business with an attorney, accountant, or other professional advisor and do you understand those risks? Check one: (_) Yes (_) No. If no, please comment:

11. Do you acknowledge that you are an independent contractor and responsible for running your own Franchise Business and that we do not have the authority to hire or fire your employees? Check one: (_) Yes (_) No. If no, please comment:

12. Do you expressly agree and will never contest otherwise, that our authority under this Agreement to certify certain of your employees for qualification to perform certain functions for your Franchise Business does not directly or indirectly vest in us the power to hire, fire, or control any such employee? Check one: (_) Yes (_) No.

13. Do you acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities, and elements of your Franchise Business and that under no circumstance shall we do so or be deemed to do so? Check one: (_) Yes (_) No.

14. Do you further acknowledge and agree and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the Franchise System which you are required to comply with under this Agreement, whether set forth in our Brand Standards Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Franchise Business, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Franchise Business, but rather are to protect the VARA Juice™ system and brand? Check one: (_) Yes (_) No.

15. You understand and agree that it is unlawful and a criminal offense to duplicate or reproduce any copyrighted materials: (_) Yes (_) No.

16. You acknowledge that you have conducted an independent investigation of the Restaurant concept licensed by this Agreement, that you have had an adequate opportunity to be advised by advisors of your own choosing regarding all pertinent aspects of this Agreement and the franchise relation created by it, that the business venture contemplated by this Agreement involves business risks, and that the success of the business will be largely dependent upon the abilities of the Owners, if the Franchisee is a business entity. Franchisee understands that Franchisor makes no express or implied warranties or representations, guarantees or assurances that Franchisee will achieve any degree of success in operation of the Franchise Business and, while Franchisor will provide Franchisee with training, advice, and consultation as provided in this Agreement, success in operation depends ultimately on Franchisee and on other factors including, but not limited to, location, marketing, regional tastes and preferences, economic conditions, financial considerations and competition: (_) Yes (_) No.

17 FRANCHISEE RECOGNIZES THAT FRANCHISOR HAS ENTERED INTO THIS AGREEMENT IN RELIANCE UPON AND IN RECOGNITION OF THE FACT THAT FRANCHISEE AND ITS DESIGNATED OWNER AND GENERAL MANAGER SHALL HAVE FULL RESPONSIBILITY FOR THE MANAGEMENT AND OPERATION OF THE RESTAURANT CONCEPT LICENSED BY THIS AGREEMENT, AND THAT THE AMOUNT OF PROFIT OR LOSS RESULTING FROM THE OPERATION OF THE FRANCHISE BUSINESS WILL BE DIRECTLY ATTRIBUTABLE TO THE PERFORMANCE OF FRANCHISEE: (_) Yes (_) No.

18. All information provided to Franchisor in connection with the approval of Franchisee as a Franchisee and Restaurant is truthful and accurate: (_) Yes (_) No.

19. Franchisee acknowledges that this Agreement requires arbitration of disputes in the state and county in which Franchisor has its principal place of business at the time the action is filed; that an exception to this requirement is Franchisor's right to bring a court action for specified matters; that the exclusive venue and jurisdiction for any court action is the state in which Franchisor has its principal place of business at the time the action is filed; and that Franchisor and Franchisee waive the right to a jury, to punitive damages, and to bring multi-plaintiff, consolidated, or class-wide actions; and that one (1) year state of limitations applies to claims between the parties subject to specified exceptions: (_) Yes (_) No.

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

NOTE: **IF THE FRANCHISEE IS AN ENTITY, EACH OF ITS OWNERS MUST SIGN THIS ACKNOWLEDGEMENT.**

Signed:_____	Signed:_____
Print Name:_____	Print Name:_____
Date:_____	Date:_____

*These representations are not intended to nor will they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law.

APPENDIX D--GUARANTY

Each of the persons signing this Guaranty (each a "Guarantor"), in order to induce VARA JUICE FRANCHISING, LLC ("Franchisor") to enter into a Franchise Agreement, dated the _____ day of _____, 20___, with _____ _____ ("Franchisee"), unconditionally and absolutely guaranties payment when due, whether by stated maturity, demand, acceleration or otherwise, of all existing and future indebtedness ("Indebtedness") of Franchisee to Franchisor. Indebtedness includes without limit: any and all obligations or liabilities of the Franchisee to Franchisor under the Franchise Agreement or any other agreement between the Franchisor and Franchisee or otherwise arising, whether absolute or contingent, direct or indirect, voluntary or involuntary, liquidated or unliquidated, joint or several, known or unknown; any and all indebtedness, obligations or liabilities for which Franchisee would otherwise be liable to Franchisor were it not for the invalidity, irregularity, or unenforceability of them by reason of any bankruptcy, insolvency, or other law or order of any kind, or for any other reason; any and all amendments, modifications, renewals and/or extensions of any of the above; and all costs of collecting Indebtedness, including, without limit, actual attorneys' fees. In addition, Guarantor agrees as follows:

1. This Guaranty is a continuing guaranty of payment and not of collection and remains effective whether the Indebtedness is reduced and later increased or entirely extinguished and later reincurred.

2. Guarantor will pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred in enforcing this Guaranty.

3. If any Indebtedness is guaranteed by two or more guarantors, the obligation of Guarantor will be several and also joint, each with all and also each with any one or more of the others and may be enforced at the option of Franchisor against each severally, any two or more jointly, or some severally and some jointly. Franchisor, in its sole discretion, may release any one or more of the Guarantors for any consideration that it deems adequate, and may fail or elect not to prove a claim against the estate of any bankrupt, insolvent, incompetent, or deceased Guarantor; and after that, without notice to any Guarantor, Franchisor may extend or renew any or all Indebtedness and may permit Franchisee to incur additional Indebtedness, without affecting in any manner the unconditional obligation of the remaining Guarantors. Guarantor acknowledges that the effectiveness of this Guaranty is not conditioned on any or all of the Indebtedness being guaranteed by anyone else.

4. Guarantor, to the extent not expressly prohibited by applicable law, waives any right to require Franchisor to: (a) proceed against any person or property; (b) give notice of the terms, time and place of any public or private sale of personal property security held from Franchisee or any other person, or otherwise comply with the provisions of Sections 9-611 or 9-621 of the Michigan or other applicable Uniform Commercial Code, as the same may be amended, revised or replaced; or (c) pursue any other remedy in Franchisor's power. Guarantor waives notice of acceptance of this Guaranty and presentment, demand, protest, notice of protest, dishonor, notice of dishonor, notice of default, notice of intent to accelerate or demand payment of any Indebtedness, any and all other notices to which Guarantor might otherwise be entitled, and diligence in collecting any Indebtedness, and agrees that Franchisor may, once or any number of times, modify the terms of any Indebtedness, compromise, extend, increase, accelerate, renew, or forbear to enforce payment of any or all Indebtedness, or permit Franchisee to incur additional

Indebtedness, all without notice to Guarantor and without affecting in any manner the unconditional obligation of Guarantor under this Guaranty.

5. Guarantor unconditionally and irrevocably waives each and every defense and setoff of any nature which, under principles of guaranty or otherwise, would operate to impair or diminish in any way the obligation of Guarantor under this Guaranty, and acknowledges that each waiver is by this reference incorporated into each security agreement, collateral assignment, pledge and/or other document from Guarantor now or later securing this Guaranty and/or the Indebtedness, and acknowledges that as of the date of this Guaranty no defense or setoff exists.

6. This Guaranty is an absolute and continuing guarantee and will remain in effect unless revoked in writing by Guarantor.

7. As long as Franchisee owes any monies to Franchisor (other than payments that are not past due) Franchisee will not pay and Guarantor will not accept payment of any part of any Indebtedness owed by Franchisee to us, or any one of us, either directly or indirectly, without the consent of Franchisor.

8. This Guaranty constitutes the entire agreement of Guarantor and Franchisor with respect to the subject matter of this Guaranty. No waiver, consent. modification or change of the terms of the Guaranty will bind Guarantor or Franchisor unless in writing and signed by the waiving party or an authorized officer of the waiving party, and then this waiver, consent, modification or change will be effective only in the specific instance and for the specific purpose given. This Guaranty will inure to the benefit of Franchisor and its successors and assigns and will be binding on Guarantor and Guarantor's heirs, legal representatives, successors and assigns including, without limit, any debtor in possession or trustee in bankruptcy for any of Guarantor. Guarantor has knowingly and voluntarily entered into this Guaranty in good faith for the purpose of inducing Franchisor to extend credit or make other financial accommodations to Franchisee. If any provision of this Guaranty is unenforceable in whole or in part for any reason, the remaining provisions will continue to be effective.

9. THIS GUARANTY WILL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN. GUARANTOR IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE AND COUNTY OF WHICH FRANCHISOR'S PRINCIPAL PLACE OF BUSINESS IS LOCATED AT THE TIME THAT THE LITIGATION IS COMMENCED AND WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS GUARANTY WILL BE THE STATE AND FEDERAL COURTS IN WHICH FRANCHISOR HAS ITS PRINCIPAL PLACE OF BUSINESS AT THE TIME THAT THE LITIGATION IS COMMENCED. PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION THAT INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE THAT HAS JURISDICTION.

10. GUARANTOR ACKNOWLEDGES THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. GUARANTOR, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO TRIAL BY JURY IN

THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS GUARANTY OR THE INDEBTEDNESS.

11. If Franchisor is required to enforce this Guaranty in any judicial or arbitration proceeding or any appeals, each Guarantor, jointly and severally, must reimburse Franchisor for its enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

12. The failure to insist upon performance in any one (1) or more instances upon non-performance of any terms, covenants, and conditions of this Guaranty shall not be construed as a waiver of future performance of any such term, covenant, or condition of this Guaranty, and any obligations with respect hereto shall continue in full force and effect. Except as otherwise expressly provided in this Guaranty, no remedy conferred upon the Parties pursuant to this Guaranty is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Guaranty or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise of any right, power or remedy pursuant to this Guaranty shall preclude any other or further exercise thereof.

13. This Guaranty may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Guaranty may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Guaranty.

Guarantor:

Dated: _____ _____

(printed name)

Guarantor:

Dated: _____ _____

(printed name)

Guarantor:

Dated: _____ _____

_____

(printed name)

Guarantor:

_____

Dated: _____

_____

(printed name)

APPENDIX E—ASSIGNMENT OF TELEPHONE NUMBERS AND ELECTRONIC MEDIA

THIS ASSIGNMENT is made this _____ day of _____, 20____, between VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____, a _____ ("Franchisee").

1. Introduction. Franchisee has obtained a license from Franchisor for the operation of a business using Franchisor's VARA Juice™ Restaurant franchise business systems ("Franchise Systems"), which business Franchisee acquired by signing a Franchise Agreement dated _____ (the "Franchise Agreement"). In consideration of Franchisor granting the license to Franchisee, Franchisee has agreed to assign all Telephone Numbers and Electronic Media (as defined below) that are associated with Franchisee's VARA Juice™ Restaurant franchise business (the "Franchise Business") and/or the Franchise Systems to Franchisor. For purposes of this Agreement, "Telephone Numbers" includes all telephone numbers and fax numbers used in connection with the Franchise Business, including in connection with advertising and marketing for the Franchise Business as listed in Appendix E-1. For purposes of this Agreement, "Electronic Media" means the Internet, email, websites, social networks, wikis, podcasts, online forums, content sharing communities, blogging, other social media accounts or participations (including Facebook, Twitter, LinkedIn, YouTube, Pinterest, and Instagram), mobile technology, and other digital media, digital coupons, keyword or adword purchasing programs, search engine optimization, search engine marketing, AND marketing using other forms of digital media, used in connection with the operation, advertising, and marketing of the Franchise Business as listed in Appendix E-1.

2. Assignment of Telephone Numbers/Power of Attorney. Franchisee assigns all Telephone Numbers to Franchisor or its successor or assign. Franchisee hereby appoints an officer of Franchisor as Franchisee's attorney-in-fact to transfer the Telephone Numbers to Franchisor and to sign, on behalf of Franchisee, all documents necessary to accomplish the transfer.

3. Assignment of Electronic Media/Power of Attorney. Franchisee assigns all Electronic Media to Franchisor or its successor or assign. Franchisee also hereby appoints an officer of Franchisor as Franchisee's attorney-in-fact to transfer the Electronic Media to Franchisor and to sign, on behalf of Franchisee, all documents necessary to accomplish the transfer.

4. Limited License; Responsibility for Costs. Franchisor grants Franchisee a limited license to use the Telephone Numbers and Electronic Media in connection with the Franchise Business only during the term of the Franchise Agreement and only as long as Franchisee complies with the policies and procedures specified by Franchisor. On the expiration without renewal or termination of the Franchise Agreement, this limited license will terminate and Franchisee must cease all use of the Telephone Numbers and Electronic Media. On the termination of this license, Franchisee must cooperate with Franchisor and provide any authorizations as may be necessary for Franchisor to assert its rights in the Telephone Numbers and Electronic Media. While this limited license is in effect, Franchisee is responsible for all costs associated with the Telephone Numbers and Electronic Media and, unless otherwise specified by Franchisor, must pay those costs directly to the providers of the Telephone Numbers and Electronic Media.

5. Access to Telephone Numbers and Electronic Media. Franchisor will have the right to access all accounts relating to the Telephone Numbers and Electronic Media. Franchisee must provide to Franchisor all information necessary to allow Franchisor to access those accounts, including usernames, passwords, security codes, and all changes to any of that information.

6. Consent. Franchisee hereby consents and authorizes any and all telephone companies, telephone directory services, Internet companies, social media companies, and other public or private businesses using, authorizing or providing any of the Telephone Numbers and Electronic Media to immediately recognize this Assignment upon receipt of written notice from Franchisor. Franchisee agrees that a copy of this Assignment, certified by an officer of Franchisor, will be as valid and binding as the original.

7. Notices. Franchisor may give notice of its acceptance of the Assignment of the Telephone Numbers and Electronic Media by sending written notice by (a) registered or certified mail, return receipt requested, postage pre-paid, in which case the notice will be complete two days after mailing; or (b) overnight courier service, in which case the notice will be complete one day after delivery to the overnight courier. Notices may be sent in accordance with this Section to Franchisee and to all telephone companies, Internet companies and other businesses that are to recognize the Assignment.

8. Miscellaneous. If any part of this Agreement is found to be unenforceable, that finding will not invalidate the other parts of this Agreement. This Agreement expresses the entire understanding of the parties with respect to the subject matter herein. This Agreement will be construed in accordance with the laws of the State of Michigan and will be deemed to have been made in the State of Michigan. Franchisor may enforce its rights in this Agreement in the state or federal courts in the state in which Franchisor's principal place of business is located at the time that the litigation is commenced. Franchisee irrevocably submits to the jurisdiction and venue of such courts. This Agreement may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any change is sought.

Signed and effective this ____ day of _____, 20__.

VARA JUICE FRANCHISING, LLC

By:_____

Its:_____

_____

FRANCHISEE

By:_____

Its:_____

APPENDIX E-1

Telephone Numbers	

Electronic Media	

APPENDIX F—ELECTRONIC FUND TRANSFER AUTHORIZATION

AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO VARA JUICE FRANCHISING, LLC ("FRANCHISOR")

The depositor identified below ("Depositor") authorizes VARA JUICE FRANCHISING, LLC and its designees ("Franchisor") to initiate credit and debit entries electronically (referred to as an ACH or EFT transaction) or otherwise to Depositor's checking or savings account indicated below (the "Account") for charges associated with the Franchise Business including but not limited to Royalty fees, Brand Development Fund contributions, late fees or interest, liquidated damages, fine, penalties, or any other fees that may become due to Franchisor. Depositor further authorizes the depositary or bank designated below (the Depository") to credit and/or debit the same to the Account.

Debts to the Depositor's Account that are not honored by the Depositor's bank will incur a returned item charge upon each occurrence in accordance with the fee schedule determined by Franchisor. For any return item, Franchisor may re-initiate the ACH transaction or require the Depositor to replace the returned item with a Cashier's check in the amount of the returned item plus any returned item fees due.

This authority is to remain in full force and effect until Depository has received joint written notification from Franchisor and Depositor of the Depositor's termination of the authority in time and in a manner as to afford Depository a reasonable opportunity to act on it.

Depositor acknowledges and agrees that the origination of ACH transactions must comply with the provisions of all U.S. law and banking regulations. This EFT Authorization may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This EFT Authorization may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this EFT Authorization.

Depository (Bank) Name: _____

City: _____ State: _____ Zip Code: _____

Transit/ABA Number: _____

Account Number: _____

Depositor: (Please Print): _____

Acknowledged and Agreed: (Please Sign): _____

Name and Title of Person Signing: _____

Date Signed: _____

APPENDIX G—FORM OF LEASE ADDENDUM

Any lease signed by you for the Franchise Location must be amended by an Addendum in the form below or must contain the provisions included in the Addendum below (except to the extent we agree to waive any particular provisions).

ADDENDUM TO LEASE

This Addendum to Lease is entered into this _____ day of _____, 20_____, and modifies a Lease Agreement dated the same date (the "Lease") entered into by _____ _____ ("Franchisee") and _____ ("Landlord") for premises located at _____ (the "Premises").

1. Introduction. Franchisee has entered into a Franchise Agreement with VARA JUICE FRANCHISING, LLC ("Franchisor"). The Franchise Agreement requires Franchisee's lease for the Premises to contain certain provisions. In consideration of the agreement of Franchisor to enter into a Franchise Agreement with Franchisee for a VARA Juice™ Restaurant franchise to be located at the Premises, Landlord and Franchisee agree that the provisions contained in this Addendum will be applicable to the Lease notwithstanding anything to the contrary contained in the Lease.

2. Use. The Premises must not be used for any purpose other than the operation of a VARA Juice™ Restaurant during the term of the Lease, including renewals and extensions.

3. Franchisor's Options. Landlord and Franchisee grant to Franchisor or affiliate of Franchisor the exclusive right, exercisable at the option of Franchisor, to be assigned all right, title and interest of Franchisee in and to the Lease and the Premises:

a. on the expiration or termination of the Franchise Agreement. Franchisor must give written notice of its intent to exercise this option within thirty (30) days of the event triggering the option. On the giving of notice of exercise by Franchisor, the Lease, and all right, title and interest of Franchisee under the lease and to the Premises will be automatically, and without need of further instrument, assigned to Franchisor or affiliate of Franchisor. If Franchisor does not give notice of exercise within the thirty (30) day period, Franchisor will be deemed to have forfeited all its rights under this Section. Landlord and Franchisee agree to execute documents confirming this assignment in the form presented by Franchisor, including a short form of Lease suitable for recording;

b. on the expiration or termination of the Lease or on Franchisee's loss of its rights of possession to the Premises, whether by Franchisee's default under the Lease or otherwise. Landlord shall provide Franchisor notice of default as provided under Section 7. Franchisor or an affiliate of Franchisor shall exercise its right to cure the default under Section 7 and/or accept assignment of the Lease within thirty (30) days after the expiration of the applicable default cure period in the Lease.

4. Franchisor's Rights. Upon Franchisor's exercise of its option to accept assignment of the Lease, Franchisee shall remain liable for any amounts owing, or any other

default occurring, prior to the effective date of the assignment. Franchisor or affiliate of Franchisor shall succeed to all of the Franchisee's rights, options, and obligations under the Lease commencing on the effective date of the assignment and shall have the right to transfer or assign the Lease to another VARA Juice™ franchisee without the need to seek consent form Landlord and shall be effective upon the date of written notice to the Landlord. Franchisor's transfer to another VARA Juice™ franchisee relieves Franchisor from any further liability under the Lease. The terms of this Addendum shall remain in full force and effect as to such franchisee-transferee.

5. Franchisor Access. Landlord and Franchisee grant to Franchisor the right to enter the Premises to inspect and audit the Franchisee's business or to make any modifications necessary to protect the Franchisor trademarks.

6. Exclusivity. If the Premises are part of a strip mall, shopping center or similar location, Landlord will not lease any other space in the mall or center to any business that sells the same or similar products or menu items as a VARA Juice™ Restaurant for carry-out, dine-in, catering, or delivery.

7. Notice of Default and Right to Cure. Landlord must give Franchisor written notice of any breach by Franchisee under the Lease and Franchisor will have thirty (30) days from the date of that notice to cure that default on behalf of Franchisee before Landlord exercises any remedy it may have under the Lease.

8. Other Notices.

(a) Landlord and Franchisee must give Franchisor 30 days prior written notice of: (i) the cancellation or termination of the Lease prior to the expiration date of the lease; (ii) an assignment or attempted assignment of the Lease by the Landlord or Franchisee; (iii) the sublease or attempted sublease of the Premises by the Franchisee; or (iv) any modification of the Lease.

(b) Landlord and Franchisee must provide written notice to Franchisor within 15 days after: (i) Franchisee exercises any option to extend the Lease; (ii) Landlord and Franchisee renew the lease; or (iii) Landlord institutes any action against Franchisee, including an eviction action.

9. Method or Providing Notices. All notices sent to Franchisor pursuant to this Addendum to Lease must be sent by certified or registered mail, return receipt requested, or by overnight courier, to the following address, or to another address as to which Franchisor has notified the Landlord and the Franchisee:

VARA Juice Franchising, LLC
Attn: Ali Albadani
3231 S. Gulley Road, Suite D
Dearborn, Michigan 48124

With a copy to:	Mark J. Burzych
(does not constitute notice)	Fahey Schultz Burzych Rhodes PLC
	4151 Okemos Road
	Okemos, MI 48864
	Facsimile No.: (517) 381-5051

9. Modification of Premises. Landlord and Franchisee agree that the Premises will not be modified or redecorated in any manner without the prior written acceptance of Franchisor.

10. Third Party Beneficiary. Landlord and Franchisee agree that Franchisor is a third party beneficiary of this Addendum and has the right independently of Franchise to enforce the provisions of this Addendum.

LANDLORD:	FRANCHISEE:
_____	_____
By: _____	By: _____
Its: _____	Its: _____

APPENDIX H—COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned, _____ a _____ _____ corporation, ("Franchisee"), hereby assigns to VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") all of Franchisee's right, title and interest as tenant in, to and under a Lease Agreement dated the _____ day of _____, 20____, a copy of which is attached hereto as Exhibit A (the "Lease"), relating to premises commonly known as _____ (the "Premises"). This Assignment is for collateral purposes only and except as specified herein, Franchisor will have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Franchisor takes possession of the Premises pursuant to the terms of this Collateral Assignment and assumes the obligations of Franchisee under the Lease.

NOW THEREFORE, it is hereby agreed as follows:

1. Collateral Assignment. Franchisee hereby assigns to Franchisor all of Franchisee's right, title, and interest in and to the Real Estate Lease, including any and all rights or options of Franchisee to extend, renew, or purchase the leased property through a right of first refusal or otherwise upon the occurrence of any of the following:

A. Termination of Franchise Agreement. Upon termination or expiration without renewal of the Franchise Agreement, Franchisor shall have the option to accept the assignment of the Real Estate Lease pursuant to this Collateral Assignment of Lease by giving the notice prescribed by this Collateral Assignment of Lease, in which case it is agreed the Real Estate Lease shall remain in effect as to Franchisor.

B. Termination of Real Estate Lease. Upon termination of the Real Estate Lease as to Franchisee or termination of Franchisee's possession rights under the Real Estate Lease, whether by Franchisee's default under Real Estate Lease or otherwise, Franchisor shall have the option to accept the assignment of the Real Estate Lease pursuant to this Collateral Assignment of Lease by giving the notice prescribed by this Collateral Assignment of Lease, in which case it is agreed the Real Estate Lease shall remain in effect as to Franchisor.

C. Franchisee's Right to Assign. At Franchisee's discretion, Franchisee may assign Real Estate Lease to Franchisor, and Franchisor may accept such assignment, at any time.

2. Effect of Assignment. Upon Franchisor's exercise of its option to take the above-described assignment:

A. Franchisee shall remain liable under the provisions of the Real Estate Lease, including without limitation, that Franchisee shall remain liable for any amounts owing, or any other default occurring, prior to the effective date of assignment.

B. Franchisor shall succeed to all of Franchisee's rights, options, and obligations under the Real Estate Lease commencing with the effective date of the assignment and shall have the right to transfer or assign the Real Estate Lease to another franchisee of

Franchisor without the need to seek consent from the Landlord. Franchisor's transfer to another franchisee of Franchisor relieves Franchisor from any further liability under the Real Estate Lease.

3. Notice of Franchisee's Default.

A. Landlord's Notice. Landlord shall provide Franchisor with notice of any default under the Real Estate Lease. Franchisor shall have the option (but not obligation) to cure any default should Franchisee fail to cure the default within the period in which Franchisee has to cure the default. At the expiration of Franchisee's period within which Franchisee has to cure any default, Franchisor shall then have 15 days in which to make its decision to cure. Franchisor may cure Franchisee's default without exercising its option to accept assignment of the Real Estate Lease and, in such event, Landlord agrees to accept Franchisor's cure as if made timely by Franchisee. Landlord shall give Franchisor written notice at least 30 days prior to the termination of the Real Estate Lease, termination of Franchisee's right of possession, expiration without renewal, or date of re-entry or repossession. Franchisor shall have 30 days after written notice from Landlord to exercise this option to accept assignment of the Real Estate Lease. Franchisor may exercise its option to accept assignment of the Real Estate Lease by written notice to the Landlord, and the assignment shall be effective on the date of written notice to the Landlord from Franchisor accepting assignment of the Real Estate Lease. It is hereby agreed that Landlord may rely solely upon the written notice received from Franchisor as to Franchisor's acceptance of this assignment of the Real Estate Lease, and Franchisee hereby releases the Landlord from any liability for relying upon such notice and shall hold the Landlord harmless from any and all liability to Lessee for any action Landlord may take in such reliance.

B. Franchisor Notice. Franchisor shall give Landlord copies of any or all notices of termination given to Franchisee pursuant to the Franchise Agreement, and if Franchisor desires to exercise its option to accept the assignment of the Lease in the event of Franchisee's failure to cure the default of the Franchise Agreement, Franchisor shall provide Landlord with a written notice on or before the date of termination of the Franchise Agreement. It is hereby agreed that Landlord may rely solely upon the written notice received from Franchisor as to the termination or expiration without renewal of the Franchise Agreement, and Franchisee hereby releases the Landlord from any liability for relying upon such notice and shall hold the Landlord harmless from any and all liability to Lessee for any action Landlord may take in such reliance.

4. Notice. Notice required by this Agreement shall be sent by overnight, certified or registered mail to Franchisor at the following address:

VARA JUICE FRANCHISING, LLC
Attention: Ali Albadani
3231 S. Gulley Road
Suite D
Dearborn, Michigan 48124,

with a copy to (which shall not be deemed notice):

Mark J. Burzych
Fahey Schultz Burzych Rhodes, PLC

4151 Okemos Road
Okemos, Michigan 48864

Notice required by this Agreement shall be sent to Franchisee at the following address:

Principal Owner 1
Principal Owner 1 Address

Notice required by this Agreement shall be sent to Landlord at the following address:

_____
_____
_____

Notice shall be deemed effective on the date received, and regardless of whether the notice is signed for by the recipient, notice shall be deemed received 2 business days after mailing. Parties may change the notice address by providing written notice to the other parties of a change in such notice address.

5. Execution of the Documents. Franchisee hereby agrees to execute any and all documents requested by Franchisor in order to fully exercise any of the rights under the Real Estate Lease or this Collateral Assignment of Lease. If Franchisee shall not have executed any such document within the 3 days after having been so requested by Franchisor, Franchisee hereby appoints any member or officer of Franchisor as its attorney-in-fact with the full right and power to execute any and all such documents. This power, coupled with an interest, is given as security for the rights and privileges given to Franchisee under this Agreement and the Franchise Agreement.

6. Renewal, Extension or Amendment. Any renewal or extension of the Real Estate Lease, or any amendment to this Agreement or the Real Estate Lease of any type, can only be made by a writing executed by all three parties to this Agreement.

7. Indemnification. Franchisee shall indemnify and hold Franchisor harmless from any and all liability that Franchisor may incur after the effective date of the assignment of the Real Estate Lease arising under the terms of that Real Estate Lease from Franchisee's acts or omissions occurring prior to the effective date of the assignment, excluding only any liability prior to the assignment that Franchisor agrees in writing to assume and from which Franchisor agrees to hold Franchisee harmless.

8. Miscellaneous.

A. Use of Real Estate. Landlord hereby agrees to and acknowledges Franchisee's right to use and display Franchisor's Marks as that term is used in the Franchise Agreement, subject only to any limitations imposed by Franchisor and any local, state or federal law. Landlord agrees that it will not limit Franchisee's right to use Franchisor Trademarks. Landlord further agrees to and acknowledges that the real estate subject to the Real Estate Lease shall be used solely for the operation of a VARA Juice™ Restaurant. Landlord agrees to notify Franchisor in the event that Franchisee begins to use real estate in any other manner and

Landlord shall consider such use as an event of default.

B. Applicable Law. This Agreement shall be construed according to the laws of the state in which the premises are located. If any provision, or portion of a provision, of this Agreement is or shall become in conflict with any applicable law, then the applicable law shall govern and such provision or portion of a provision shall be automatically deleted and shall not be effective to the extent that it is not in accordance with applicable law. However, the remaining terms and conditions of this Agreement shall remain in full force and effect and no provision shall be deemed dependent upon any other provision unless otherwise expressed in this Agreement.

C. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between the Parties. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the Parties.

D. New Real Estate Lease. It is hereby agreed that if the Real Estate Lease is terminated or expires without renewal, and the Franchisee and Landlord enter into a new lease arrangement, any such new real estate lease shall be deemed to be the Real Estate Lease for purposes of this Collateral Assignment of Lease thereby making it fully applicable to the new lease.

E. Option to Purchase. In the event Franchisee purchases the real estate, Franchisee agrees to execute the Real Estate Option to Purchase in the form then prescribed by Franchisor.

F. Disputes. Any dispute between the parties regarding this Collateral Assignment of Lease, and any claim by either party that cannot be amicably settled, shall be determined solely and exclusively in state or federal court in the county in which Franchisor's principal place of business is located at the time that the litigation is commenced. The existence of any claim or cause of action a Franchisee Party might have against the Company will not constitute a defense to the enforcement by the Company of this Agreement.

G. Enforcement. If Franchisor is required to enforce this Agreement in any judicial or arbitration proceeding or any appeals, each Franchisee Party, jointly and severally, must reimburse Franchisor for its enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Agreement.

H. Effectiveness. This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of the parties and shall inure to the benefit of the parties and their respective successors and assigns. Franchisee may not assign this Agreement without the prior written consent of Franchisor. Franchisor may assign this Agreement without the prior consent of the Franchisee.

I. Headings. The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

J. Severability. In the event any Section or portion of any Section in this Agreement shall be determined to be invalid or unenforceable for any reason(s), such invalidity or unenforceability shall not affect the validity and enforceability of the remaining valid and enforceable Sections hereof, which shall be construed as if such invalid or unenforceable Section or Sections had not been inserted.

K. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

This Collateral Assignment of Lease is executed this _____ day of _____, 20_____.

Franchisor: VARA JUICE FRANCHISING, LLC Franchisee_____

By: _____ By: _____

Its: _____ Its: _____

APPENDIX I—ADDENDUM TO FRANCHISE AGREEMENT FOR SBA LOANS

This Addendum ("Addendum") is made and entered into on _____, 20____, by and between VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor"), located at 3231 S. Gulley Road, Suite D, Dearborn, Michigan 48124, and _____, a _____ ("Franchisee"), located at _____ _____.

Franchisor and Franchisee entered into a Franchise Agreement on _____, 20___, (such Agreement, together with any amendments, the "Franchise Agreement"). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

COVENANTS

- If the Franchisee owns the real estate where the franchise location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such

restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 -3733.

Authorized Representative of Franchisor:

By: _____

Print Name: _____

Title: _____

Authorized Representative of Franchisee:

By: _____

Print Name: _____

Title: _____

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchise. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements.

APPENDIX J— CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT AND COVENANT NOT TO COMPETE
(Franchisee and Principal Owner)

VARA JUICE FRANCHISING, LLC

This Confidentiality and Nondisclosure Agreement and Covenant Not to Compete (the "Agreement") is entered into as of the date or dates set forth below by and between _____ located at _____ ("Franchisee") and VARA FRANCHISING, LLC, located at 3231 S. Gulley Road, Suite D, Dearborn, Michigan 48124, (the "Company"), and _____ owner of Franchisee ("Owner"). Franchisee and Owner are hereinafter, collectively referred to as the "Franchisee Parties".

WHEREAS, Franchisee is a party to that certain Franchise Agreement dated _____, 20__ ("Franchise Agreement") by and between Franchisee and the Company;

WHEREAS, the Company is the Franchisor of VARA Juice™ Restaurants and has the authority to disclose and discuss all information relating to the operations of a VARA Juice ™ Restaurant;

WHEREAS, Confidential Information and Trade Secrets, which are more particularly described below, will be disclosed to the Franchisee Parties in relation to Franchisee's operation of its VARA Juice™ Restaurant franchise; and

WHEREAS, the Franchisee Parties understand the necessity of not disclosing any such information to any other party or using such information to compete against the Company, any affiliate(s) or other franchisee(s) of the Company, or in any business (i) that is a Competing Business (as defined below) or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Franchisee, or the Company, any affiliate(s) of the Company, or the Company's other franchisees.

NOW, THEREFORE, in order to induce the Company to transmit the aforesaid information to the Franchisee Parties, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby agree as follows:

1) **Franchise System**

a) The Company franchises a system for the operation of a quick-service restaurant concept offering made to order fruit and vegetable smoothies, fruit cups, fruit and vegetable juice blends, iced coffee beverages, and ice cream using fresh ingredients for dine-in or takeout. The restaurant concept includes technical information and expertise relating to the preparation and serving of food products; the use of recipes, syrups, juice blends, and other food and beverage products, all of which constitute trade secrets and are identified by the public with VARA Juice™; prescribed exterior and interior design, decor, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; training and assistance; and advertising and promotional programs (collectively "Systems"); all of which may be changed, improved, and further developed by the Company.

b) A business operated under the Systems, the Company's trademarks, and the Company's trade dress, whether operated by the Company or its affiliates or other persons authorized by the Company, will be referred to in this Agreement as a "Restaurant." The Restaurant that Franchisee is licensed to operate under the Franchise Agreement will be referred to in this Agreement as the "Franchise Business."

2) **Definitions.**

a) The term "Brand Standards Manual" shall mean all manuals or other written materials relating to the Systems or containing the Company's specifications.

b) The term "Competing Business" shall means any business that is the same or similar to a Restaurant, including any food service business with a menu substantially featuring smoothies, juice blends, ice cream, coffee beverages, or similar foods or beverages (such as, for example, Tropical Smoothie, Smoothie King, Robeks, Planet Smoothie, Jamba/Jamba Juice, and Freshi), or other products and services that may be offered by Restaurants now or in the future.

c) The term "Confidential Information" shall include, but shall not be limited to:

(1) Brand Standards Manuals, training methods, operations methods, and other techniques, processes, policies, procedures, systems and data;
(2) Knowledge and experience relating to Restaurants;
(3) Advertising, marketing techniques and strategies, and advertising programs used in developing and operating Restaurants;
(4) All information regarding the identities and business transactions of customers and suppliers;
(5) Computer software and similar technology that has been or may be developed by or for the Company or its agents, which is proprietary to the Company, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;
(6) Knowledge of the operating results and financial performance of Restaurants;
(7) Other aspects of the Franchise System now or later revealed to the Franchisee Parties and all changes and enhancements in the Franchise System, even if developed by the Franchisee Parties; and
(8) Other property that the Company describes as being Confidential Information or Trade Secrets of the Franchise System.

d) The term "Franchise Location" shall mean the location for the Franchise Business approved in writing by the Company pursuant to the Franchise Agreement.

e) The term "Geographic Areas" shall mean: (i) the Franchise Location; (ii) the area within twenty-five (25) miles of the Franchise Location; and (iii) the areas within twenty-five (25) miles of any other VARA Juice™ Restaurant existing or in development at the time any Franchisee Party begins to operate the Competing Business.

f) The term "Trade Secret" shall mean information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, patterns,

compilations, recipes, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the Franchise Business that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

3) **Confidentiality and Nondisclosure**.

a) The Franchisee Parties, and their Family Members, shareholders, officers, directors, partners, members, managers, owners, investors, employees, and agents, shall not at any time, during the term of the Franchise Agreement, or after the termination, expiration, or any other end of the Franchise Agreement, communicate, disclose, or use any Confidential Information or Trade Secrets (collectively, "Information") for their own benefit, or the benefit of any third party, nor will the Franchisee Parties directly or indirectly aid any third party to imitate, duplicate, or "reverse engineer" any of the Information. The Franchisee Parties agree to use and permit the use of Information solely in connection with the operation of the Franchise Business. The Franchisee Parties shall not, without the Company's prior written consent, copy, duplicate, record, or otherwise reproduce any Information. The Franchisee Parties hereby indemnify the Company and its directors, officers, employees, agents, members, successors and assigns, affiliates and subsidiaries, and the respective directors, officers, employees, agents, shareholders, managers, members, affiliates, and successors and assigns of each, from any damages, costs, or expenses resulting from or related to any disclosure or use of Information by the Franchisee Parties or their respective Family Members, shareholders, officers, directors, partners, members, managers, owners, investors, employees, and agents. The Franchisee Parties agree never to copy, duplicate, record or otherwise reproduce any of the Information, in whole or part, share it with any other third-party individual or entity (except as provided herein), store it in a computer or other electronic format, or otherwise make it available to any third party by any other means whatsoever. The Franchisee Parties shall retain all Information in strict confidence and not use the Information except as otherwise provided herein. The Franchisee Parties agree not to claim any right or interest in or to disclose Information to others.

b) During the term of the Franchise Agreement between Franchisee and the Company or in the event the Franchise Agreement terminates, expires without renewal, or ends for any other reason, the Franchisee Parties, and Family Members, shareholders, officers, directors, partners, members, managers, owners, investors, employees, and agents must not use any of the Information to own, operate, or develop any Competing Business.

c) The Franchisee Parties acknowledge the Company's exclusive ownership of the Information and the System and the Company's exclusive ownership of the Company's trademarks. No Franchisee Party shall, directly or indirectly, contest or impair the Company's exclusive ownership of, and/or license with respect to, the Information, the System, or the Company's trademarks.

d) In the event that the Franchise Agreement between Franchisee and the Company terminates, expires without renewal, or ends for any other reason, or upon the Company's reasonable request, the Franchisee Parties shall return to the Company all Information, and shall not retain any copies in whatever form, including without limitation electronically stored information, or other reproductions, or extracts thereof, provided or prepared by the Company or the Franchisee Parties or any of their respective officers, members, managers, shareholders, directors, agents, employees, representatives, or consultants. The Franchisee Parties shall provide a certificate to the Company, in a form satisfactory to the Company, that all of the foregoing have in fact been returned and/or destroyed.

4) **Non-competition.**

a) The Franchisee Parties acknowledge that the Information disclosed to the Franchisee Parties and all other aspects of the Company's System are highly valuable assets of the Company, and the Franchisee Parties agree that the Franchisee Parties and their shareholders, officers, directors, partners, members, managers, owners, investors, Family Members and affiliates must not, during the term of the Franchise Agreement, engage in any activity in competition with the Company or its franchisees and licensees, including involvement, whether as an owner (except ownership of no more than one percent (1%) of a publicly traded entity), director, officer, member, manager, employee, consultant, lender, representative or agent, or in any other capacity, or otherwise in any business that is involved, in whole or in part, in a Competing Business (except other Restaurants operated under franchise agreements entered into with the Company), or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business, unless you have received the Company's prior written approval.

b) In the event that the Franchise Agreement between Franchisee and the Company terminates, expires without renewal, or ends for any other reason, the Franchisee Parties and their shareholders, officers, directors, members, managers, partners, owners, investors, Family Members, and affiliates, must not, for a period of two (2) years commencing on the later of the effective date of termination, expiration, non-renewal, or any other end of the Franchise Agreement, directly or indirectly, engage in any activity in competition with the Company or its franchisees and licensees, including involvement, whether as an owner (except ownership of no more than one percent (1%) of a publicly traded entity), partner, director, officer, member, manager, employee, consultant, lender, representative, or agent, or in any other capacity in any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business; provided that, the restrictions in this Section will only apply within the Geographic Areas.

c) The Franchisee Parties and their shareholders, officers, directors, members, managers, partners, owners, and investors, Family Members, and affiliates, must not, during the term of the Franchise Agreement and for a period of two (2) years after termination, expiration, non-renewal, or any other end of the Franchise Agreement, for any reason whatsoever, directly or indirectly: (a) divert or attempt to divert any business or customer of the Franchise Business or any other Restaurant to any Competing Business by direct or indirect inducements or otherwise; (b) sponsor, appoint, or encourage or influence or

promote friends, relatives, or associates to operate a Competing Business; or (c) employ any person or furnish or permit access to the Information to any person who is engaged or has arranged to become engaged in any activity in competition with VARA Juice™ Restaurants, including involvement, either as an owner (except no more than one percent (1%) of the publicly traded securities of an entity), partner, director, officer, member, manager, employee, consultant, lender, representative, or agent, or in any other capacity, of any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business.

d) The Franchisee Parties acknowledge and agree that if any of the Franchisee Parties should violate the provisions of this Section 4 with respect to the operation of a Competing Business following expiration, termination, or any other end of the Franchise Agreement, then the period for which the prohibition stated therein shall be extended until two (2) years following the date such Franchisee Parties ceases all activities that are in violation of this Section 4.

5) **Effect of Agreement.** The Company's sole obligation under this Agreement is to provide the Confidential Information to the Franchisee Parties at the outset of the parties' business relationship so that the Franchisee Parties may open and operate the Franchise Business. The Company shall have no further obligations under this Agreement once the Company has provided the Information to the Franchisee Parties. Nothing in this Agreement shall be construed to create any additional or continuing obligation of the Company after the Company initially provides the Confidential Information to the Franchisee Parties. The Franchisee Parties' obligations under this Agreement shall continue in effect after termination, expiration, or any other end of the Franchise Agreement, regardless of the reason or reasons, whether such was voluntary or involuntary, and the Company is entitled to communicate the Franchisee Parties' obligations under this Agreement to any third party to the extent deemed necessary by the Company for protection of its rights.

6) **Reasonableness of Restrictions.** The Franchisee Parties have carefully considered the nature and extent of the restrictions upon the Franchisee Parties set forth in this Agreement (including without limitation, the covenants not to compete, confidentiality restrictions, and the restrictions on assignment) and the rights and remedies conferred upon all of the parties under this Agreement. Such restrictions, rights, and remedies: (a) are reasonable, including, but not limited to, their term and geographic scope; (b) are designed to preclude competition which would be unfair to the Company and the Franchise System; (c) are fully required to protect the Company's legitimate business interests; and (d) do not confer benefits upon the Company that are disproportionate to the Franchisee Parties' detriment. The covenants not to compete set forth in this Agreement are fair and reasonable, and will not impose any undue hardship on the Franchisee Parties, since the Franchisee Parties have other considerable skills, experience, and education which afford the Franchisee Parties the opportunity to derive income from other endeavors. The Franchisee Parties acknowledge that each of the terms set forth herein, including the restrictive covenants, are fair and reasonable and are reasonably required for the protection of the Company, the Company's Information, the Company's business system, its network of franchises, the Company's Goodwill, and the Company's trade and service marks, and the Franchisee Parties waive any right to challenge these restrictions as being overly broad, unreasonable, or otherwise unenforceable. If, however, a court of competent jurisdiction

determines that any such restriction is unreasonable or unenforceable, then the Franchisee Parties agree to submit to the reduction of any such activity, time period, or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the Parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

7) **Relief for Breaches of Confidentiality and Non-Competition.** The Franchisee Parties acknowledge that it will be difficult to measure the damages to the Company from any breach of a Franchisee Party of the covenants and restrictions set forth herein, that the injury to the Company from any such breach would be incalculable and irremediable and the damages are not an alternative or an adequate remedy. The Franchisee Parties therefore agree that in the event any Franchisee Party breaches or attempts to breach any of the terms of this Agreement, the Company shall be entitled as a matter of right to obtain from any court of competent jurisdiction an injunction (i) prohibiting the breaching party from any further breaches of this Agreement; (ii) rescinding any action taken by the breaching party contrary to the terms of this Agreement; and (iii) authorizing the Company to recover from the breaching party any and all salaries, fees, commissions, income, profits or other remuneration or gain which the breaching party may have received or to which it may have become entitled to receive from or by reason of the conducting of any activity in violation of the terms, conditions or covenants of this Agreement. The issuance of such an injunction will not prevent the Company from obtaining such other relief as is appropriate under the circumstances, such as the award of other monetary damages.

8) **Independent Contractor and Joint Employer Disclaimer.** The Franchisee Parties understand and agree that nothing in this Agreement may be construed to create a partnership, joint venture, agency or employment relationship of any kind between the Company or any of the Franchisee Parties. No party shall represent that the relationship between the Company and the Franchisee Parties is other than that of franchisor and franchisee. The Company does not assume any liability, and shall not be considered liable, for any agreements, representations, or warranties made by the Franchisee Parties unless expressly authorized under this Agreement. The Company will not be obligated for any damages to any person or property that directly or indirectly arises from or is related to the operation of the Franchise Business by the Franchisee Parties. The Franchisee Parties acknowledge and agree, and will never contend otherwise, that the Franchisee Parties alone will exercise day-to-day control over all operations, activities and elements of the Franchise Business and that under no circumstance will the Company do so or be deemed to do so. The Franchisee Parties further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, and covenants the Franchisee Parties are required to comply with under this Agreement do not directly or indirectly constitute, suggest, infer or imply that the Company controls any aspect or element of the day-to-day operations of the Franchise Business. None of Franchisee Parties' employees nor the Franchisee Parties will be considered employees of the Company. Neither the Franchisee Parties nor any of Franchisee Parties' employees whose compensation Franchisee may pay in any way, directly or indirectly, expressly or by implication, will be construed to be an employee of the Company for any purpose, including, without limitation, with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any local, state or federal governmental agency.

9) **Miscellaneous.**

a) The parties agree that this Agreement shall become non-executory after the Company's disclosure of the Information.

b) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between the parties. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

c) Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. § 1050 et. seq), as amended, this Agreement shall be governed by the laws of the state of Michigan. The parties agree, however, that if the Franchise Business is not located in Michigan, and if no Franchisee Party a resident of Michigan, the provisions of the Michigan Franchise Investment Law and the regulations promulgated thereunder shall not apply to this Agreement.

d) Any action brought by any party to this Agreement shall only be brought in the appropriate state or federal court located in or serving the county in which the Company's principal place of business is located at the time the litigation is commenced. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by the Company where any Franchisee Party is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments in any appropriate jurisdiction.

e) If the Company is required to enforce this Agreement in any judicial or arbitration proceeding or any appeals, each Franchisee Party, jointly and severally, must reimburse the Company for its enforcement costs. Enforcement costs include actual accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Agreement.

f) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of the parties and shall inure to the benefit of the parties and their respective successors and assigns. Franchisee Parties may not assign this Agreement without the prior written consent of the Company. The Company may assign this Agreement without the prior consent of the Franchisee Parties.

g) The failure to insist upon performance in any one (1) or more instances upon non-performance of any terms, covenants, and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant, or condition of this Agreement, and the obligations of each party with respect thereto shall continue in full force and effect.

h) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

i) The existence of any claim or cause of action a Franchisee Party might have against the Company will not constitute a defense to the enforcement by the Company of this Agreement.

j) In the event any Section or portion of any Section in this Agreement shall be determined to be invalid or unenforceable for any reason(s), such invalidity or unenforceability shall not affect the validity and enforceability of the remaining valid and enforceable Sections hereof, which shall be construed as if such invalid or unenforceable Section or Sections had not been inserted.

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon the parties pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party to this Agreement of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

l) This Agreement may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

THE FRANCHISEE PARTIES CERTIFY THAT THEY HAVE READ THIS AGREEMENT CAREFULLY AND UNDERSTAND AND ACCEPT THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO ANY FRANCHISEE PARTY TO INDUCE THE SIGNING OF THIS AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year written below.

FRANCHISEE:	COMPANY:
_____	VARA JUICE FRANCHISING, LLC
By:_____	By: _____
Its:_____	Its:_____
Dated:_____	Dated: _____
OWNER:	

_____

Principal Owner 1

Dated: _____

APPENDIX K—TERM OF THE FRANCHISE AGREEMENT

1. The Effective Date of the Franchise Agreement is: _____.

2. The date of opening of the Franchise Business is: _____.

3. The expiration date of the Franchise Agreement is: _____.

This Appendix J—Term of the Franchise Agreement is current and complete as of _____, 20__.

VARA JUICE FRANCHISING, LLC

_____
Franchisee

By: _____

Its: _____

Date: _____

By: _____

Its: _____

Date: _____

EXHIBIT C

ADDENDUM TO FRANCHISE AGREEMENT-RENEWAL

ADDENDUM TO FRANCHISE AGREEMENT-RENEWAL

THIS ADDENDUM is made the _____ day of _____, 20___, and modifies a Franchise Agreement of the same date (the "Franchise Agreement") entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company, ("Franchisor") and _____ _____, a _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

A. Introduction. We and you are parties to a franchise agreement dated _____, the term of which expired or will expire on _____, 20____ ("Old Agreement"). You expressed your desire to renew your franchise relationship with us and you signed a new franchise agreement to which this Renewal Addendum is attached (the "Franchise Agreement"). We and you desire to amend the Franchise Agreement to reflect your status as an existing franchisee renewing an ongoing relationship. All capitalized terms not otherwise defined in this Renewal Addendum will have the same meaning as in the Franchise Agreement.

B. Release of Franchisor. As a condition of renewal, you release and forever discharge us and our representatives, owners, employees, officers, agents and assigns from all liability, right, claim, debt and cause of action whatsoever, known or unknown, suspected or unsuspected, which you ever had, now have or may have at any time based on any agreement entered into between you and us on or before the date of this Addendum, including but not limited to the Old Agreement, or based on any act or omission occurring on or before the date of this Addendum.

C. Refurbishing of Franchise Location. You must complete the refurbishing updating, upgrading, construction and/or improvement of the Franchise Location and the equipment, fixtures and signs at the Franchise Location as specified below. These actions must be completed by _____, 20_____.

_____

_____

_____

_____

D. Initial Franchise Fee; Renewal Fee. You are not required to pay the initial franchise fee specified in Section 4.1 of the Franchise Agreement. In lieu of the initial franchise fee, you must pay a renewal fee in the amount of $_____. The renewal fee is payable on or before the signing of the Franchise Agreement.

E. Services Provided to You. Section 5 of the Franchise Agreement is amended as follows:

(1) The first sentence of Section 5.4 is deleted.
(2) Section 5.5 is deleted.
(3) The first sentence of Section 5.8 is deleted.

F. **Location Approval and Development.** Except as provided in Section C of this Addendum, we acknowledge that, for purposes of Sections 6.1 and 6.4 of the Franchise Agreement, the Franchise Location is approved by us and is currently developed in accordance with our specifications.

G. **Date of Opening.** For purposes of Section 6.8 of the Franchise Agreement, you are obligated to keep the Franchise Business open so that there is no interruption in the operation of the franchise.

H. **Initial Training.** Sections 6.6 and the first, second, and last paragraphs of 7.1 of the Franchise Agreement are deleted.

I. **Grand Opening Advertising.** Section 9.1 of the Franchise Agreement is deleted.

J. **Events of Default.** Subsections 15.4(a), (b), and (c) of the Franchise Agreement are deleted.

K. **Legal Effect.** Except as modified by this Addendum, the Franchise Agreement will remain in full force and effect and is incorporated in this Addendum by reference.

VARA JUICE FRANCHISING, LLC

By: _____

Its: _____

_____

Franchisee

By: _____

Its: _____

EXHIBIT D-1

ADDENDUM TO FRANCHISE AGREEMENT-TRANSFER

ADDENDUM TO FRANCHISE AGREEMENT-TRANSFER

THIS ADDENDUM is made the _____ day of _____, 20___, and modifies a Franchise Agreement of the same date (the "Franchise Agreement") entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company, ("Franchisor") and _____ _____, a _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

A. Introduction. You entered into an agreement ("Purchase Agreement") to purchase the VARA Juice™ Restaurant located at _____ _____ ("Restaurant") from the current owner of the Restaurant (the "Seller"). We and you desire to amend the Franchise Agreement to reflect the fact that you are acquiring an open and operating Restaurant by transfer from one of our existing franchisees. All capitalized terms not otherwise defined in this Addendum will have the same meaning as in the Franchise Agreement.

B. Contingency; Date of Effectiveness of Franchise Agreement. The rights and obligations of the parties under the Franchise Agreement are contingent on: (1) your completion of our initial training program; and (2) the closing of the transaction under the Purchase Agreement and the transfer of possession and ownership of the Restaurant to you. If these contingencies are not met by _____, 20_____, we may, at our option, terminate the Franchise Agreement. If we terminate the Franchise Agreement as provided in this Section, we will have the right to retain the transfer fee paid by you (or the Seller) and otherwise the parties will have no further rights or obligations to each other under the Franchise Agreement; provided that, the confidentiality and non-competition provisions of the Franchise Agreement will survive the termination. If these contingencies are met by the date specified above in this Section, then the Franchise Agreement will become effective on the date that you receive possession and ownership of the Restaurant (the "Effective Date").

C. Refurbishing of Franchise Location. You must complete the refurbishing updating, upgrading, construction and/or improvement of the Franchise Location and the equipment, fixtures and signs at the Franchise Location as specified below. These actions must be completed within 90 days of the date of the Effective Date of this Addendum.

_____

_____

_____

_____

D. Initial Franchise Fee; Transfer Fee. You are not required to pay the initial franchise fee specified in Section 4.1 of the Franchise Agreement. In lieu of the initial franchise fee, you (or the Seller) must pay a transfer fee in the amount of Ten Thousand and 00/100 Dollars ($10,000.00). The transfer fee is payable on or before the signing of the Franchise Agreement.

E. **Services Provided to You.** Section 5 of the Franchise Agreement is amended as follows:

(1) Section 5.5 is deleted.
(2) The first sentence of Section 5.8 is deleted.

F. **Location Approval and Development.** Except as provided in Section C of this Addendum, we acknowledge that, for purposes of Sections 6.1 and 6.4 of the Franchise Agreement, the Franchise Location is approved by us and is currently developed in accordance with our specifications.

G. **Date of Opening.** For purposes of Section 6.8 of the Franchise Agreement, you must begin operation of the Franchise Business on the effective date of the transfer.

H. **Grand Opening Advertising.** Section 9.1 of the Franchise Agreement is deleted.

I. **Legal Effect.** Except as modified by this Addendum, the Franchise Agreement will remain in full force and effect and is incorporated in this Addendum by reference.

VARA JUICE FRANCHISING, LLC,

By: _____

Its: _____

_____
Franchisee

By: _____

Its: _____

EXHIBIT D-2

FRANCHISE TERMINATION AND RELEASE AGREEMENT--TRANSFER

FRANCHISE TERMINATION AND RELEASE AGREEMENT--TRANSFER

THIS AGREEMENT is effective the _____ day of _____, 20___, and is made between VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ ("Franchisee"). In this Agreement, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

1. Introduction. We and you are parties to a Franchise Agreement dated _____, _____ (the "Franchise Agreement"), for the operation of a VARA Juice™ Restaurant franchise at _____ _____ (the "Restaurant"). You entered into an agreement to sell the Restaurant to a buyer acceptable to us (the "Buyer"). We have waived our right of first refusal to purchase the Restaurant and have approved the sale under Section 14.3 of the Franchise Agreement. In accordance with the Franchise Agreement, we and you are terminating the Franchise Agreement so that we may enter into a new franchise agreement with the Buyer. All capitalized terms not otherwise defined in this Agreement will have the same meaning as in the Franchise Agreement.

2. Termination of Franchise Agreement. You and we agree that the Franchise Agreement is terminated as of the effective date of this Agreement.

3. Release. As a condition to our consent to your transfer to the Buyer, you release and forever discharge us and our representatives, owners, employees, officers, agents and assigns from all liability, right, claim, debt and cause of action whatsoever, known or unknown, suspected or unsuspected, which you ever had, now have or may have at any time based on any agreement entered into between the parties on or before the date of this Agreement or based on any act or omission occurring on or before the date of this Agreement; provided, that nothing contained in this Section will affect your rights and obligations under this Agreement.

4. Your Duties. Effective on the date of this Agreement, and except as may be authorized by any other franchise agreement between us and you, your rights to use the Intellectual Property and the Franchise Systems and all other rights associated with being an authorized VARA Juice™ franchisee will cease and, you must do the following:

(a) You must immediately and permanently discontinue the use of the Intellectual Property, the Confidential Information, the Franchise Systems, and any trademarks, names, and logos confusingly similar to the Franchise Marks or Trade Dress, and any other materials that may, in any way, indicate that you are or were a VARA Juice™ franchisee, or in any way associated with us.

(b) Except as assumed by the Buyer, you must immediately discontinue all advertising placed or ordered. Except as transferred to the Buyer, you must remove and deliver to us all sign faces, advertising and promotional material, letterhead, forms, and any other items containing the Intellectual Property or the Confidential Information. You are responsible for the cost of sign and other identification removal and the cost of shipping signs and other materials to us.

(c) You must cease using the Brand Standards Manual, the Confidential Information, and all other proprietary business information provided by us and, except as transferred to the Buyer, must return to us all copies of the Brand Standards Manual, the Confidential Information, and other bulletins or other materials received from us containing information about the Intellectual Property and Restaurants.

(d) Except as transferred to the Buyer, you must immediately and permanently cease to use all telephone and fax numbers, email addresses, website addresses, domain names and other electronic media that have been used in the Franchise Business (the "Telephone Numbers" and "Electronic Media") and if requested by us, must assign some or all of these Telephone Numbers and Electronic Media to us. You acknowledge that as between you and us, we have the sole right to all Telephone Numbers and Electronic Media used in the Franchise Business and all written and online directory listings associated with the Franchise Business. You authorize us and appoint us and any of our officers as your attorney-in-fact, to direct the applicable service providers and all listing agencies to transfer those items to us or our agent or assignee if you fail or refuse to do so. You authorize the applicable service providers and all listing agencies to accept the direction in this Agreement as conclusive evidence of our exclusive rights in the Telephone Numbers and Electronic Media and directory listings and our authority to direct their transfer.

(e) You must cease using any business name containing any of the Marks and must file an abandonment or discontinuance of the name with the appropriate local, county or state agency.

(f) You must immediately pay all sums and debts owing to us and our affiliates, whether those sums and debts owing to us and our affiliates are evidenced by promissory notes, invoices, bills or other writings, and notwithstanding the fact that those sums and debts may not at that time be fully due and payable, those debts being accelerated automatically without further notice to you.

(g) You must sell to us all or part of your inventory or products on hand as of the date of termination or expiration that are uniquely identified with us, if any, as we may request in writing within thirty (30) days after the date of termination or expiration. You agree that the sales price for those items will be the current published prices then being charged by the manufacturer or supplier to our authorized franchisees, not including any

costs of storage or transportation paid by you to bring the goods initially to the Franchise Business, minus all costs incurred or to be incurred by us to restore the goods or the packaging of the goods to a saleable condition and minus a reasonable allowance for physical deterioration, obsolescence, or damage to the extent not restored.

(h) You and each of your owners shall, jointly and severally, pay all costs and expenses (including without limitation, reasonable attorney fees and expert fees) incurred by us in connection with the successful enforcement of Article 16 of the Franchise Agreement. In the event that you fail to comply with this Article 16, you agree and consent to us entering the Franchise Location, and such entry shall not constitute a trespass, for the purpose of carrying out your obligations under this Article 16 at your expense.

5. Surviving Provisions of Franchise Agreement. The following provisions of the Franchise Agreement will survive the termination of the Franchise Agreement: Article 11 relating to Intellectual Property; Article 12 relating to confidentiality; Article 13 relating to restrictions on competition; Article 16 relating to your obligations on termination; Article 17 relating to indemnification; Article 18 relating to controlling law, venue and jurisdiction, and dispute resolution; and other obligations in the Franchise Agreement or any other agreements between the parties that, by their terms or intent, survive expiration or termination of the Franchise Agreement.

6. Legal Effect. This Agreement contains the entire agreement between the parties as to the matters covered and is binding on the heirs, devisees, successors or assigns of the parties. The laws of the State of Michigan will govern this Agreement and the construction of this Agreement. You and your owners must file any action against us or our affiliates or our or their owners, officers, directors, managers, agents, or employees, and we may file any action against you and your owners, exclusively in the federal or state courts located in the state in which our principal office is located at the time the action is filed. The parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Neither party will seek a transfer or change in venue from a venue established or authorized in this Section or elsewhere in this Agreement. You agree to pay all costs incurred by us in enforcing the provisions of this Agreement, including, but not limited to reasonable attorney fees.

The parties have signed this Agreement on the dates beside their signatures, to be effective as of the date at the beginning of this Agreement.

VARA JUICE FRANCHISING, LLC

Dated: _____ By: _____

Its: _____

_____

(Franchisee)

Dated: _____ By: _____

Its: _____

EXHIBIT E

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CONFIDENTIALITY/NON-COMPETITION AGREEMENT

CONFIDENTIALITY/NON-COMPETITION AGREEMENT

(management employee)

I am an employee or trainee of _____ (the "Company"). The Company operates or is developing a VARA Juice™ Restaurant franchise under a Franchise Agreement between the Company and VARA JUICE FRANCHISING, LLC (the "Franchisor") or of one of its affiliates or franchisees.

As an employee or trainee of the Company, I acknowledge that in the course of my employment by the Company and my training in the VARA Juice™ Restaurant systems of operation, I will have access to certain Confidential Information, as defined below, about the Company and the Franchisor's methods of establishing, developing, operating and maintaining VARA Juice™ Restaurants that is confidential and not available to the public in general. I understand that the Company and the Franchisor have spent a great deal of time and money developing this Confidential Information and I acknowledge that the Company and the Franchisor's reasonable competitive business interests would be severely and irreparably damaged if the Confidential Information that has been (or may be) revealed to me were to be disclosed to any third person, become available to the public in general, or used by me to compete with the Company or the Franchisor or any of its affiliates or franchisees. I, therefore, agree that the Company and Franchisor have a need to protect the Company's and the Franchisor's valuable Confidential Information and I agree that in consideration of these factors, and in consideration of my employment or continuing employment with the Company and/or by training in the VARA Juice™ Restaurant systems of operation, I promise and agree to be bound by the terms of this Agreement as follows:

1. I agree not to directly or indirectly disclose to any individual, partnership, corporation or any other entity ("Person") or to use myself, any Confidential Information which I learn during my training and/or employment with the Company, except as necessary in the course of my employment with the Company. I agree that these restrictions will apply while I am in training or am employed by the Company and indefinitely after my training is completed or my employment terminates.

I agree to, at all times, keep the Confidential Information strictly confidential and use my best efforts to maintain the secrecy of the Confidential Information. In particular, I will, at all times, keep all tangible forms of the Confidential Information that I have been entrusted with in a secure work area and safely locked away when not in use and will ensure that these items do not fall into the hands of unauthorized persons.

I also agree that if my training ceases without my being employed by the Company or my employment with the Company terminates or ends for any reason, I will immediately return to the Company or the Franchisor, all memoranda, notes and other written, digital, electronic, or printed information that is in my possession or under my control, which contains Confidential Information, including information, which although not confidential, belongs to the Company or the Franchisor or relates to its business or systems of the Company or the Franchisor. This obligation will apply

regardless of whether the information was prepared by me, the Company, the Franchisor, or a third party.

The term "Confidential Information" includes, but is not limited to: (i) "proprietary information," which includes, but is not limited to, knowledge and experience relating to VARA Juice™ Restaurants; advertising, marketing techniques and strategies, and advertising programs used in developing and operating VARA Juice™ Restaurants; computer software and similar technology and systems that have been or may be developed by or for the Company or the Franchisor, which is proprietary to the Company or the Franchisor, including digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; the contents of the Brand Standards Manual; financial information, including but not limited to knowledge of the operating results and financial performance of VARA Juice™ Restaurant; new ventures, pending projects and proposals, and product development information; other aspects of the VARA Juice™ Restaurant systems now or later revealed to you and all changes and enhancements in the VARA Juice™ Restaurant systems, even if developed by you; and other property that the Company or the Franchisor describes as being Confidential Information or that is confidential, unique and/or not generally known or available to the public, including but not limited to, information regarding the Company's or the Franchisor's methods, equipment, and materials relating to the development, marketing, and operation of the Company's business as VARA Juice™ Restaurant; (ii) "trade secret" information which includes any knowledge, ideas, concepts, recipes, techniques, computer programs, systems manuals, installation guides, reports, technical manuals, operation manuals, and training programs relating to the establishment, development, operation and maintenance of the Company's business or a VARA Juice™ Restaurant; (iii) "customer information" which includes information about current and prospective customers of the Company or the Franchisor, including any list that contains the names, addresses and telephone numbers, and other contact information of the Company's and/or Franchisor's current or prospective customers, and specific information about these customers or prospective customers such as number of employees, general needs, customer contacts or referral sources; and (iv) "supplier information" which includes product source information and information about current and prospective carriers, suppliers, vendors, agencies, or providers of the Company or the Franchisor, including the names, addresses and telephone numbers of any such suppliers and the terms of any contracts or arrangements between the Company or the Franchisor and such suppliers.

2. I will not, while I am in training or while I am employed by the Company, nor within one (1) year of the date that training ceases without my being employed by the Company or the date of termination of my employment, for any reason whatsoever, directly or indirectly:

(a) engage in any business that is in competition with the Company or the Franchisor as principal, agent on behalf of others, jointly with others, or as a stockholder, partner, director, officer, independent contractor, employee or advisor of or to any Person within two (2) miles of any VARA Juice™ Restaurant; or

(b) have a financial interest in, or aid or assist, financially or otherwise (as a lender, stockholder, or otherwise), any Person who is engaged in a business that is in

competition with the Company or the Franchisor within twenty-five (25) miles of any VARA Juice™ Restaurant;

I also agree that I will not maliciously disparage or otherwise make harmful or unfavorable statements regarding the Company or the Franchisor or a VARA Juice™ Restaurant or any of their services, operations, processes or methods to anyone else.

3. Pursuant to the federal Defend Trade Secrets Act of 2016, I have been notified and understand that I will not be held criminally or civilly liable under any federal or state trade secrets law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

4. I understand that the Franchisor is the exclusive owner of all rights relating to the VARA Juice™ Restaurant systems and its Confidential Information, and I agree that as a condition of my training and/or employment by the Company, the Franchisor has the exclusive rights to all ideas, improvements and innovations relating to a VARA Juice™ Restaurant, which I conceive, develop or help develop during my training and/or employment.

5. I understand that the Company is an independently owned and operated VARA Juice™ Restaurant franchisee and is my sole employer and solely responsible for the terms of my employment and my compensation. I further understand that the Franchisor is not directly or indirectly my employer and that the Franchisor is granted rights under this Agreement solely for the purpose of protecting the VARA Juice™ Confidential Information and the VARA Juice™ Restaurant systems and brand.

6. My obligations under this Agreement will be binding on me and my heirs and personal representatives and will inure to the benefit of the Company and the Franchisor and their successors and assigns. My obligations arising out of this Agreement are in addition to and are not in any manner limitations on all obligations not to use or disclose the Company's or the Franchisor's Confidential Information as provided by law, whether expressly or by implication.

7. I acknowledge that my breach of this Agreement will cause the Company and/or Franchisor irreparable harm. I, therefore, agree that the Company will be entitled to an injunction enjoining me and restraining me from performing and continuing to commit any violation or breach of this Agreement, in addition to any other rights and remedies it might have. Also, the Company will be entitled to recover all costs and expenses from me, including actual attorneys' fees and costs incurred in enforcing this Agreement. These remedies are cumulative and not alternative and will be in addition to every remedy given under this Agreement, any other agreement between me and the Company, or now or later existing at law or in equity, by statute or otherwise. The election of one or more remedies will not constitute a waiver of any right to pursue other remedies.

8. I agree that Franchisor is a third-party beneficiary of this Agreement and has the right independently of the Company to enforce the provisions of this Agreement.

9. I acknowledge and agree that the restrictions, rights, and remedies contained in this Agreement are reasonable, valid, and enforceable. However, if a court of competent jurisdiction finds any of the provisions of this Agreement to be too broad to be enforceable, such provision shall be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable, bearing in mind that the purpose of this Agreement is to provide the broadest possible protection against disclosure of the Confidential Information.

10. I agree that this Agreement, for all purposes, will be construed in accordance with the laws of the State of Michigan without regard to conflicts-of-law principles.

11. I have had an opportunity to review all the terms of this Agreement with my attorney and/or advisors and have read, understand and voluntarily accept all the terms of this Agreement.

12. I agree that any litigation will only be conducted on an individual, not a class-wide basis, and that a litigation proceeding between me and the Company or the Franchisor may not be consolidated with any other litigation proceeding between me and the Company or the Franchisor and any other person, corporation, limited liability company, partnership or other entity. I waive, to the fullest extent allowed by law, any right to pursue or participate as a lead plaintiff or a class representative in any claim on a class or consolidated basis.

13. AFTER CONSULTING WITH MY ATTORNEY OR HAVING THE OPPORTUNITY TO DO SO, I KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY (AND WITHOUT DURESS OR COERCION) WAIVE ANY RIGHT I MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED ON OR ARISING OUT OF THIS AGREEMENT OR BASED ON ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTION RELATING TO THIS AGREEMENT. I WILL NOT SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS WILL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY ME OR THE COMPANY EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ME AND THE COMPANY.

ACCEPTED:

_____	_____
Signature of Employee/Trainee	The Company
_____	By: _____
Type or Print Employee/Trainee Name	Its: _____
Dated:_____	Dated: _____

CONFIDENTIALITY AGREEMENT

(rank and file employee)

I am an employee or trainee of _____ (the "Company"). The Company operates or is developing a VARA Juice™ Restaurant franchise under a Franchise Agreement between the Company and VARA JUICE FRANCHSING, LLC (the "Franchisor") or of one of its affiliates or franchisees.

As an employee or trainee of the Company, I acknowledge that in the course of my employment by the Company and my training in the VARA Juice™ Restaurant systems of operation, I will have access to certain Confidential Information, as defined below, about the Company and the Franchisor's methods of establishing, developing, operating and maintaining VARA Juice™ Restaurant that is confidential and not available to the public in general. I understand that the Company and the Franchisor have spent a great deal of time and money developing this Confidential Information and I acknowledge that the Company and the Franchisor's reasonable competitive business interests would be severely and irreparably damaged if the Confidential Information that has been (or may be) revealed to me were to be disclosed to any third person, become available to the public in general, or used by me to compete with the Company or the Franchisor or any of its affiliates or franchisees. I, therefore, agree that the Company and Franchisor have a need to protect the Company's and the Franchisor's valuable Confidential Information and I agree that in consideration of these factors, and in consideration of my employment or continuing employment with the Company and/or by training in the VARA Juice™ Restaurant systems of operation, I promise and agree to be bound by the terms of this Agreement as follows:

1. I agree not to directly or indirectly disclose to any individual, partnership, corporation or any other entity ("Person") or to use myself, any Confidential Information which I learn during my training and/or employment with the Company, except as necessary in the course of my employment with the Company. I agree that these restrictions will apply while I am in training or am employed by the Company and indefinitely after my training is completed or rends or my employment terminates or ends for any reason.

I agree to, at all times, keep the Confidential Information strictly confidential and use my best efforts to maintain the secrecy of the Confidential Information. In particular, I will, at all times, keep all tangible forms of the Confidential Information that I have been entrusted with in a secure work area and safely locked away when not in use and will ensure that these items do not fall into the hands of unauthorized persons.

I also agree that if my training ceases without my being employed by the Company or my employment with the Company terminates or ends for any reason, I will immediately return to the Company or the Franchisor, all memoranda, notes and other written, digital, electronic, or printed information that is in my possession or under my control, which contains Confidential Information, including information, which although not confidential, belongs to the Company or the Franchisor or relates to its business or systems of the Company or the Franchisor. This obligation will apply

regardless of whether the information was prepared by me, the Company, the Franchisor, or a third party.

The term "Confidential Information" as includes, but is not limited to: (i) "proprietary information," which includes knowledge and experience relating to VARA Juice™ Restaurant; advertising, marketing techniques and strategies, and advertising programs used in developing and operating VARA Juice™ Restaurant; computer software and similar technology and systems that have been or may be developed by or for the Company or the Franchisor, which is proprietary to the Company or the Franchisor, including digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; the contents of the Brand Standards Manual; financial information, including but not limited to knowledge of the operating results and financial performance of VARA Juice™ Restaurant; new ventures, pending projects and proposals, and product development information; other aspects of the VARA Juice™ Restaurant systems now or later revealed to you and all changes and enhancements in the VARA Juice™ Restaurant systems, even if developed by you; and other property that the Company or the Franchisor describes as being Confidential Information or that confidential, unique and/or not generally known or available to the public, including but not limited to, information regarding the Company's or the Franchisor's methods, equipment, and materials relating to the development, marketing, and operation of the Company's business as VARA Juice™ Restaurant; (ii) "trade secret" information which includes any knowledge, ideas, concepts, recipes, techniques, computer programs, systems manuals, installation guides, reports, technical manuals, operation manuals, and training programs relating to the establishment, development, operation and maintenance of the Company's business or a VARA Juice™ Restaurant; (iii) "customer information" which includes information about current and prospective customers of the Company or the Franchisor, including any list that contains the names, addresses and telephone numbers, and other contact information of the Company's and/or Franchisor's current or prospective customers, and specific information about these customers or prospective customers such as number of employees, general needs, customer contacts or referral sources; and (iv) "supplier information" which includes product source information and information about current and prospective carriers, suppliers, vendors, agencies, or providers of the Company or the Franchisor, including the names, addresses and telephone numbers of any such suppliers and the terms of any contracts or arrangements between the Company or the Franchisor and such suppliers.

2. Pursuant to the federal Defend Trade Secrets Act of 2016, I have been notified and understand that I will not be held criminally or civilly liable under any federal or state trade secrets law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

3. I understand that the Franchisor is the exclusive owner of all rights relating to the VARA Juice™ Restaurant systems and its Confidential Information, and I agree that as a condition of my training and/or employment by the Company, the Franchisor has the exclusive rights to all

ideas, improvements and innovations relating to a VARA Juice™ Restaurant, which I conceive, develop or help develop during my training and/or employment.

4. I understand that the Company is an independently owned and operated VARA Juice™ Restaurant franchisee and is my sole employer and solely responsible for the terms and conditions of my employment and my compensation. I further understand that the Franchisor is not directly or indirectly my employer and that the Franchisor is granted rights under this Agreement solely for the purpose of protecting the Confidential Information and the VARA Juice™ Restaurant systems and brand.

5. My obligations under this Agreement will be binding on me and my heirs and personal representatives and will inure to the benefit of the Company and the Franchisor and their successors and assigns. My obligations arising out of this Agreement are in addition to and are not in any manner limitations on all obligations not to use or disclose the Company's or the Franchisor's Confidential Information as provided by law, whether expressly or by implication.

6. I acknowledge that my breach of this Agreement will cause the Company and/or the Franchisor irreparable harm. I, therefore, agree that the Company and/or the Franchisor will be entitled to an injunction enjoining me and restraining me from performing and continuing to commit any violation or breach of this Agreement, in addition to any other rights and remedies it might have. Also, the Company will be entitled to recover all costs and expenses from me, including actual attorneys' fees and costs incurred in enforcing this Agreement. These remedies are cumulative and not alternative and will be in addition to every remedy given under this Agreement, any other agreement between me and the Company, or now or later existing at law or in equity, by statute or otherwise. The election of one or more remedies will not constitute a waiver of the right to pursue other remedies.

7. I agree that Franchisor is a third-party beneficiary of this Agreement and has the right independently of the Company to enforce the provisions of this Agreement.

8. I acknowledge and agree that the restrictions, rights, and remedies contained in this Agreement are reasonable, valid, and enforceable. However, if a court of competent jurisdiction finds any of the provisions of this Agreement to be too broad to be enforceable, such provision shall be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable, bearing in mind that the purpose of this Agreement is to provide the broadest possible protection against disclosure of the Confidential Information.

9. I agree that this Agreement, for all purposes, will be construed in accordance with the laws of the State of Michigan without regard to conflicts-of-law principles.

10. I have had an opportunity to review all the terms of this Agreement with my attorney and/or advisors and have read, understand and voluntarily accept all the terms of this Agreement.

11. I agree that any litigation will only be conducted on an individual, not a class-wide basis, and that a litigation proceeding between me and the Company or the Franchisor may not be consolidated with any other litigation proceeding between me and the Company or the Franchisor and any other person, corporation, limited liability company, partnership or other

entity. I waive, to the fullest extent allowed by law, any right to pursue or participate as a lead plaintiff or a class representative in any claim on a class or consolidated basis.

12. AFTER CONSULTING WITH MY ATTORNEY OR HAVING THE OPPORTUNITY TO DO SO, I KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY (AND WITHOUT DURESS OR COERCION) WAIVE ANY RIGHT I MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED ON OR ARISING OUT OF THIS AGREEMENT OR BASED ON ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTION RELATING TO THIS AGREEMENT. I WILL NOT SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS WILL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY ME OR THE COMPANY EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ME AND THE COMPANY.

ACCEPTED:

_____	_____
Signature of Employee/Trainee	The Company
_____	By: _____
Type or Print Employee/Trainee Name	Its: _____
Dated: _____	Dated: _____

EXHIBIT G

AREA DEVELOPMENT AGREEMENT

VARA JUICE

AREA DEVELOPMENT AGREEMENT

BETWEEN

VARA Juice Franchising, LLC
("Franchisor")

AND

_____
("Area Developer")

EFFECTIVE DATE: _____, 20___

DEVELOPMENT TERRITORY: _____

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VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 20____, between VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____, a ___ _____ ("Area Developer").

ARTICLE 1—INTRODUCTION

1.1 Franchise System.

Franchisor, as the result of the expenditure of time, skill, effort and money, has developed a quick-service restaurant concept offering made to order fruit and vegetable smoothies, fruit cups, fruit and vegetable juice blends, iced coffee beverages, and ice cream using fresh ingredients for dine-in or takeout. The restaurant concept includes technical information and expertise relating to the preparation and serving of food products; the use of recipes, syrups, juice blends, and other food and beverage products, all of which constitute trade secrets and are identified by the public with VARA Juice™; prescribed exterior and interior design, decor, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; training and assistance; and advertising and promotional programs (collectively "Systems"); all of which may be changed, improved, and further developed by Franchisor. The Systems may be updated and revised by Franchisor in the future. The system that Franchisor specifies and authorizes Area Developer to use now and in the future for operation of VARA Juice™ Restaurants will be referred to in this Agreement as the "Franchise Systems." A business operated under the Franchise Systems, whether operated by Franchisor, an affiliate of Franchisor or a person authorized by Franchisor, will be referred to in this Agreement as a "Restaurant." A Restaurant operated by Area Developer or another franchisee will referred to in this Agreement as a "Franchise Business."

1.2 Franchise Marks.

Franchisor identifies its Restaurant concept by means of certain trademarks, service marks, trade names, logos, and other marks ("Marks"). Franchisor also identifies by means of, including without limitation, each and every detail of the design, layout, décor, color, scheme, supplies utilized, services offered, appearance of the premises, personnel, and other elements of the Restaurant concept ("Trade Dress"). Franchisor may, in the future, develop, use and register additional or different trademarks, service marks, logos, trade dress and other elements, all of which will be included as Marks and Trade Dress, that Franchisor may make available for use by Area Developer. The Marks and Trade Dress Franchisor authorizes for use by the Restaurant concept licensed to Area Developer under this Agreement are referred to as the "Franchise Marks" and the "Franchise Trade Dress."

1.3 Multi-Unit Development.

Franchisor desires to expand and develop Franchise Businesses and seeks qualified area developers to develop multiple Franchise Businesses within designated territories. Area Developer recognizes the advantages of operating under the Franchise Systems and Franchise Marks and desires to obtain the right to develop a number of Franchise Businesses in the territory described in this Agreement.

ARTICLE 2—GRANT OF RIGHTS

2.1 Grant of Development Rights.

Franchisor grants to Area Developer the right, during the term of this Agreement, to develop the number of Franchise Businesses specified in Paragraph 1 of Appendix A in the territory described in Paragraph 2 of Appendix A (the "Development Territory") in accordance with the terms and subject to the conditions of this Agreement.

2.2 Limited Exclusivity.

Except as otherwise provided in this Agreement, as long as this Agreement is in effect and Area Developer is not in default under this Agreement, Franchisor will not operate or authorize any other person to operate a VARA Juice™ Restaurant at a location in the Development Territory. Area Developer's limited rights relate to location only and do not grant Area Developer any exclusivity of marketing or customers. The Development Territory granted under this Agreement does not in any way grant or imply any other area, market or territorial right to Area Developer.

2.3 Reservation of Rights.

All rights not expressly granted in this Agreement to Area Developer are reserved to Franchisor. Area Developer agrees that Franchisor and/or its affiliates may engage in any business activity whatsoever inside or outside the Development Territory except as Franchisor is restricted by Section 2.2, and that this Agreement does not confer on Area Developer any right to participate in or benefit from any such other business activity, regardless of whether or not it is conducted under the Franchise Marks. Franchisor's rights to engage in other business activities are specifically reserved and may not be qualified or diminished in any way by implication. Franchisor thus may engage in, or authorize others to engage in, any form of business offering and selling any type of product or service except as restricted by Section 2.2.

By way of example, Franchisor and/or its affiliates may own, operate or authorize others to own or operate any type of business at any location whatsoever, including within the Development Territory, so long as such other business does not sell under the Franchise Marks the type of products or services that the Franchise Businesses offer and sell (except as permitted below). Further, Franchisor and/or its affiliates may own, operate or authorize others to own or operate VARA Juice™ Restaurants at any location outside the Development Territory, including immediately proximate to the Development Territory.

In addition, Area Developer understands and agrees that Franchisor and/or its affiliates alone have the right to offer and sell within and outside the Development Territory, and under the Franchise Marks, any and all products or services and/or their components or ingredients (including those used or sold by the Franchise Businesses), whether or not a part of the Franchise System, through any method of distribution other than a VARA Juice™ Restaurant located in the Development Territory, including, without limitation, such alternative channels of distribution as the internet/world wide web; any other form of electronic commerce; "800" or similar toll-free telephone numbers; mail order; catalogs; television sales (including "infomercials"); or any other channel of distribution whatsoever except for a VARA Juice™ Restaurant, such as, without limitation, grocery stores, convenience stores, or other retail establishments.

Area Developer also agrees that Franchisor may purchase, merge, acquire, be acquired by or affiliate with a competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business' facilities, and that following such activity Franchisor may operate, franchise or license those other businesses and/or facilities under any names or marks, regardless of the location of those businesses and/or facilities, which may be within the Development Territory or immediately proximate to the Development Territory; provided that the Franchisor will not operate, franchise or license those other businesses under the Franchise Marks in the Development Territory while this Agreement is in effect.

ARTICLE 3—DEVELOPMENT OBLIGATIONS

3.1 Development Schedule.

Area Developer agrees to construct, equip, open and thereafter continue to operate within the Development Territory the cumulative number of Franchise Businesses set forth in Paragraph 3 of Appendix A, within each of the time periods specified in Paragraph 3 of Appendix A (the "Development Schedule").

ARTICLE 4--TERM

4.1 Term.

This Agreement will commence on the date it is executed and will continue in effect for the term specified in Paragraph 4 of Appendix A, in accordance with the Development Schedule. Area Developer will have no right to renew this Agreement.

ARTICLE 5—PAYMENTS BY AREA DEVELOPER

5.1 Initial Fees.

Area Developer must pay an initial area development fee in the amount set forth in Paragraph 5 of Appendix A, which is based upon the number of Franchise Businesses that Area Developer develops in the Development Territory. The initial area development fee is equal to the initial franchise fee for the first Franchise Business

developed under this Agreement, plus one-half of each initial franchise fee for each additional Franchise Business developed under this Agreement. The initial area development fee is payable in full at the time of signing of this Agreement, is considered earned at that time, and is not refundable. The remaining portions of the initial franchise fees for Franchise Businesses opened under this Agreement will be due upon execution of the respective Franchise Agreements and are non-refundable.

5.2 Fees Due Under Franchise Agreements.

Area Developer must pay all then current fees due under each Franchise Agreement signed by Area Developer for the Franchise Businesses developed in the Development Territory under this Agreement, including, without limitation, royalty fees and advertising fees.

ARTICLE 6—PROCEDURE FOR DEVELOPING FRANCHISE BUSINESSES

6.1 Rights to Operate a Franchise Business.

Area Developer acknowledges that this Agreement does not grant Area Developer or any other person any rights to operate a Franchise Business. Those rights will only be granted in individual Franchise Agreements that will be entered into for each Franchise Business developed in the Development Territory under this Agreement.

6.2 Location Acceptance, Submission of FDD, and Signing of Franchise Agreement.

After Area Developer has identified a proposed location for development of a Franchise Business in the Development Territory, Area Developer will submit to Franchisor such information regarding the proposed location as Franchisor specifies, together with the terms of any proposed lease relating to the location. Franchisor may seek additional information as it deems necessary within thirty (30) days of submission of the prospective location and Area Developer must respond promptly to such request for additional information. Based on this information, Franchisor will accept or reject the location in writing. Promptly after acceptance of any location, Franchisor will send to Area Developer an FDD. Immediately on receipt of the FDD, Area Developer must return to Franchisor a signed copy of the Receipt of the FDD. After the passage of any applicable disclosure period, Franchisor will deliver to Area Developer an execution copy of the Franchise Agreement for the accepted location. Area Developer must sign and deliver to Franchisor the Franchise Agreement. On receipt of the signed agreement, Franchisor will sign the Franchise Agreement and return a fully signed copy to Area Developer. Area Developer may then sign a lease for the location; provided that, the form and terms of the lease must be accepted in writing in advance by Franchisor in accordance with the applicable provisions of the Franchise Agreement for the location. After the lease for the location has been signed, Area Developer must send a copy of the lease to Franchisor. If Franchisor is not legally able to deliver an FDD to Area Developer because of any lapse or expiration of its franchise registration, or because the Franchisor is in the process of amending any such registration, or for any reason beyond the Franchisor's reasonable control, Franchisor may delay acceptance

of the location for the proposed Franchise Business until such time as Franchisor is legally able to deliver an FDD.

6.3 Conditions Precedent to Franchisor's Obligations.

It is a condition to Franchisor's obligations under Section 6.2 that Area Developer and its affiliates are current in all obligations to Franchisor under any agreements between Franchisor and Area Developer or its affiliates.

6.4 Development by Affiliates.

The Franchise Businesses to be developed under this Agreement may be owned and operated by Area Developer or an affiliate of Area Developer that has been accepted by Franchisor. If a Franchise Business is developed by an affiliate of Area Developer, all the terms and conditions of this Agreement relating to the development of Franchise Businesses will apply to the affiliate. Franchisor may require that Area Developer and its affiliates that develop Franchise Businesses under this Agreement guarantee the obligations of each of them under this Agreement and any Franchise Agreements signed in connection with this Agreement.

ARTICLE 7—USE AND PROTECTION OF INTELLECTUAL PROPERTY

7.1 Intellectual Property Defined.

Franchisor's Intellectual Property includes: (a) the Franchise Marks; (b) Trade Dress; (c) the Franchise Systems; (d) any present or future copyrights relating to the Franchise Systems or the VARA Juice™ Restaurant concept, including, but not limited to, the Brand Standards Manual and marketing materials; (e) any present or future inventions, patents, and patents pending that are part of the Franchise Systems; (f) the Confidential Information (defined in Section 8.1); and (g) any other proprietary rights, trade secrets, methods, or procedures that are part of the Franchise Systems (collectively referred to in this Agreement as the "Intellectual Property").

7.2 Non-ownership of Intellectual Property.

Nothing in this Agreement gives Area Developer any right, title or interest in or to any of the Intellectual Property, except a mere privilege and license during the term of this Agreement, to display or use the Intellectual Property according to the terms and conditions of this Agreement.

7.3 Use of Intellectual Property.

Area Developer acknowledges that this Agreement does not grant Area Developer or any other person any rights to use the Intellectual Property in the operation of any business. Those rights will only be granted in individual Franchise Agreements that will be entered into for each Franchise Business developed in the Development Territory under this Agreement.

7.4 Prosecution of Infringers.

If Area Developer receives notice or is informed or learns that any third party, who Area Developer believes is unauthorized to use the Intellectual Property, is using the Intellectual Property or any name or mark confusingly similar to the Franchise Marks, Area Developer must promptly notify Franchisor of the facts relating to such alleged infringing use. Franchisor will then, in its sole discretion, determine whether or not it wishes to take any action against such third person on account of such alleged infringement of the Intellectual Property. Area Developer will have no right to make any demand against any such alleged infringer or to prosecute any claim of any kind or nature whatsoever against such alleged infringer for or on account of such infringement. If Franchisor chooses to prosecute any violation of the Intellectual Property, Area Developer must sign all documents and do all acts necessary or incidental to that action as counsel for Franchisor may reasonably request. Any damages awarded or recovered in any prosecution of an infringement claim related to the Intellectual Property will be the exclusive property of Franchisor.

7.5 Prohibition Against Disputing Franchisor's Rights.

Area Developer acknowledges the validity of the Intellectual Property and that the Intellectual Property and any and all goodwill in and to the Intellectual Property are the exclusive property of Franchisor. Area Developer also agrees that any further rights or goodwill that may develop in any of the Intellectual Property in the future will inure solely to the benefit of Franchisor, including, without limitation, any goodwill caused by or attributable to Area Developer's use of the Intellectual Property. Area Developer now asserts no claim and will hereafter assert no claim to any goodwill, reputation or ownership of the Intellectual Property by virtue of Area Developer's licensed use of the Intellectual Property or for any other reason. Area Developer agrees that it will not, during or after the term of this Agreement, in any way dispute or impugn the validity of the Intellectual Property, or the rights of Franchisor in the Intellectual Property, or the rights of Franchisor or other franchisees of Franchisor to use the Intellectual Property.

ARTICLE 8—CONFIDENTIAL INFORMATION

8.1 Confidential Information Defined.

Franchisor possesses and uses, and on signing of this Agreement Area Developer may have access to certain proprietary and/or confidential information relating to developing and operating VARA Juice™ Restaurants (the "Confidential Information"). The Confidential Information includes, but is not limited to:

(a) Brand Standards Manuals, operations methods, menus, recipes, food preparation techniques and other techniques, processes, policies, procedures, systems and data;

(b) Knowledge and experience relating to VARA Juice™ Restaurants;

(c) Advertising, marketing techniques and strategies, and advertising programs used in developing and operating a VARA Juice™ Restaurant;

(d) All information regarding the identities and business transactions of customers and suppliers, including but not limited to customer information and product source information;

(e) Computer software and similar technology and systems that have been or may be developed by or for Franchisor or its agents, which is proprietary to Franchisor, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;

(f) Financial information, including but not limited to knowledge of the operating results and financial performance of VARA Juice™ Restaurants;

(g) New ventures, pending projects and proposals, and product development information;

(h) Other aspects of the Franchise Systems now or later revealed to Area Developer under this Agreement and all changes and enhancements in the Franchise Systems, even if developed by Area Developer;

(i) Other property that Franchisor describes as being Confidential Information or trade secrets of the Franchise Systems.

8.2 Ownership and Use of Confidential Information.

Area Developer acknowledges that Franchisor owns the Confidential Information and agrees that Area Developer will not acquire any interest in the Confidential Information, other than the right to use it as may be provided in this Agreement or under any Franchise Agreements entered into with Franchisor. Area Developer acknowledges and agrees that the Confidential Information is proprietary to Franchisor and is disclosed to Area Developer in confidence only on the condition that Area Developer and its shareholders, officers, directors, members, managers, partners, owners, investors, employees and agents, "Family Members" (defined in Section 9.4) and affiliates of Area Developer agree that they will:

(a) Not use the Confidential Information in any business or capacity other than as authorized by this Agreement or in any Franchise Agreements entered into with Franchisor, both during the term of this Agreement and after expiration or termination of this Agreement for as long as the Confidential Information is not generally known in the industry;

(b) Keep each item deemed to be part of Confidential Information absolutely confidential, both during the term of this Agreement and after

expiration or termination of this Agreement for as long as the item is not generally known in the industry;

(c) Not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;

(d) Adopt and implement procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Area Developer's employees; and

(e) Require Area Developer's employees and agents to sign an agreement relating to confidentiality and/or non-competition in a form approved by Franchisor before revealing any aspect of the Confidential Information to the employee or agent. Franchisor has the right to be a third-party beneficiary of those agreements with independent enforcement rights.

(f) On the expiration or termination of this Agreement or the transfer of the rights under this Agreement, immediately cease using any and all of the Confidential Information in any business or otherwise and return to us all copies of all Confidential Information in Area Developer's possession.

Area Developer acknowledges and agrees that it will be liable to Franchisor for any use of the Confidential Information not authorized by this Agreement. If Area Developer or its shareholders, officers, directors, partners, members, owners, investors, employees, agents, or Family Members receive notice of any request, demand, or order to transfer or disclose all or any portion of the Confidential Information, Area Developer shall immediately notify Franchisor thereof, and shall fully cooperate with and assist Franchisor in prohibiting or denying any such transfer or disclosure. Should such transfer or disclosure be required by a valid, final, non-appealable court order, Area Developer shall fully cooperate with and assist Franchisor in protecting the confidentiality of the Confidential Information to the maximum extent permitted by law.

ARTICLE 9—RESTRICTIONS ON COMPETITION

9.1 Covenant Not to Compete During Term.

Area Developer and its past, present and future shareholders, officers, directors, members, managers, partners, owners and investors, Family Members (defined in Section 9.4) and affiliates of Area Developer must not, during the term of this Agreement: (a) engage in any activity in competition with the Franchisor or its franchisees, including but not limited to involvement, whether as an owner (except ownership of no more than 1% of a publicly traded entity), director, officer, member, manager, employee, consultant, lender, representative or agent, or in any other capacity, or otherwise in any business that is involved, in whole or in part, in a "Competing Business" (defined in Section 9.4), (except other VARA Juice™ Restaurants operated under Franchise Agreements entered into between Area

Developer and Franchisor), or (b) in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business, without the prior written approval of Franchisor.

9.2 Covenant Not to Compete After Term.

On the termination (including termination on Transfer), expiration or non-renewal of this Agreement, Area Developer, its shareholders, officers, directors, members, managers, partners, owners and investors, Family Members and affiliates of Area Developer, must not, for a period of two (2) years commencing on the later of the effective date of termination, expiration or non-renewal, or the date of any Court order enforcing this provision, directly or indirectly, engage in any activity in competition with the Franchisor or its franchisees, including but not limited to involvement, whether as an owner (except ownership of no more than 1% of a publicly traded entity), partner, director, officer, manager, employee, consultant, lender, representative or agent, or in any other capacity in any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses or otherwise grants to others the right to operate a Competing Business within any "Geographic Areas" (defined in Section 9.4).

9.3 Other Restrictions.

Area Developer, its shareholders, officers, directors, members, managers, partners, owners and investors, Family Members and affiliates of Area Developer, must not, during the term of this Agreement and for a period of two (2) years after termination, expiration or non-renewal of this Agreement, directly or indirectly: (a) divert or attempt to divert any business or customer of the Franchise Business or any other VARA Juice™ Restaurant to any Competing Business by direct or indirect inducements or otherwise; (b) sponsor, appoint or encourage or influence or promote friends, relatives or associates to operate a Competing Business; or (c) employ any person or furnish or permit access to Franchisor's confidential or proprietary information to any person who is engaged or has arranged to become engaged in any activity in competition with VARA Juice™ Restaurants, including but not limited to involvement, either as an owner (except no more than 1% of the publicly traded securities of an entity), partner, director, member, manager, officer, employee, consultant, lender, representative or agent, or in any other capacity, of any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses or otherwise grants to others the right to operate a Competing Business.

9.4 Definition of Competing Business, Geographic Areas, Family Members and Affiliate.

The following definitions will apply to this Agreement:

(a) "Competing Business" means any business that is the same or similar to a Restaurant, including any food service business with a menu substantially featuring smoothies, juice blends, ice cream, coffee beverages, or similar foods or beverages (such as, for example, Tropical Smoothie, Smoothie

King, Robeks, Planet Smoothie, Jamba/Jamba Juice, and Freshi), or other products and services that may be offered by Restaurants now or in the future.

(b) "Geographic Areas" means: (i) the Development Territory; (ii) the area within twenty-five (25) miles of the Development Territory; and (iii) the areas within twenty-five (25) miles of any VARA Juice™ Restaurant existing at the time Area Developer begins to operate the Competing Business.

(c) "Family Members" means all individuals with any of the following relationships with the Area Developer or any of its shareholders, officers, directors, partners, members, managers, owners or investors and any of their affiliates: (i) spouse; (ii) children; (iii) grandchildren; (iv) stepchildren; (v) parents; (vi) siblings; (vii) spouse's parents; and (viii) spouse's siblings.

9.5 Acknowledgements and Agreements Relating to Restrictions on Competition.

Area Developer acknowledges and agrees that the length of the post-term restrictions and the geographical restrictions contained in this Article are fair and reasonable. The parties have attempted to limit Area Developer's right to compete only to the extent necessary to protect the reasonable competitive business interests of Franchisor and its franchisees. If the above restrictions or any part of these restrictions are invalid, this Article will be considered as imposing the maximum restrictions allowed under the applicable state law in place of the invalid restriction or part of the restriction. In addition, Franchisor reserves the right to reduce the scope of these provisions without Area Developer's consent, at any time, effective immediately on notice to Area Developer.

If Area Developer is not an individual, the owners of Area Developer (stockholders, partners, members, etc.) will be bound by this Article 9 and must, contemporaneously with signing this Agreement, sign the Obligations and Representations of Individual Interested Parties attached as Appendix B to this Agreement.

ARTICLE 10—NO SUBFRANCHISING; TRANSFERABILITY

10.1 No Subfranchising.

Area Developer must not offer, sell or negotiate the sale of Franchise Businesses to any third party, either in Area Developer's own name or in the name and on behalf of Franchisor, or otherwise subfranchise, share, divide or partition this Agreement and nothing in this Agreement will be construed to grant Area Developer any such rights.

10.2 General Rule.

This Agreement is personal to Area Developer or to the owners of Area Developer if Area Developer is a corporation, partnership, limited liability company or other entity. Accordingly, neither Area Developer nor any person owning any direct or indirect ownership or equity interest in Area Developer, may, without Franchisor's prior written

consent, directly or indirectly or contingently, whether voluntarily or by operation of law, sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in: (a) this Agreement; or (b) any equity or voting interest in Area Developer. Any such act or event described above in this Section or any other act defined as a transfer elsewhere in this Agreement will be referred to as a "Transfer." Any permitted Transfer must only be made in accordance with the provisions of this Article 10. Any attempted Transfer not in accordance with this Agreement will have no effect and will constitute a breach of this Agreement.

10.3 Notice of Proposed Transfer; Right of First Refusal.

Area Developer or any person owning an interest in Area Developer or any legal heir or devisee of any deceased Area Developer or person owning an interest in Area Developer ("Seller") who receives and desires to accept a *bona fide* offer from a third party to engage in a Transfer, must notify Franchisor in writing of such offer (the "Offer Notice") within ten (10) days of receipt of the offer. The Offer Notice must describe the proposed Transfer in detail, including the name and address of the proposed purchaser, the nature of the Transfer, the consideration to be paid and all other material terms and conditions of the Transfer. In addition to the Offer Notice, the Seller must also deliver copies of all documents to be executed in conjunction with the Transfer and any financial or other information as Franchisor may specify to reasonably inform Franchisor of the financial condition of Area Developer's business, including but not limited to financial statements and tax returns of Area Developer.

Franchisor will have, for a period of thirty (30) days from the date of delivery of the information specified above, the right and option ("right of first refusal"), exercisable by written notice to the Seller, to purchase the Seller's interest on the terms specified in the Offer Notice (modified as described below). Franchisor may designate a substitute purchaser to complete the Transfer. If the Transfer involves the purchase of stock or other ownership interests, Franchisor will have the option to purchase the assets of Area Developer's business instead for equivalent consideration. If the consideration, terms or conditions offered by the proposed purchaser are such that Franchisor may not reasonably be required to furnish the same, for example, if the consideration is not cash or cash equivalents, Franchisor may pay a reasonable equivalent in cash. If the Seller and Franchisor are not able to agree within a reasonable time on equivalent or substitute cash consideration, the determination will be made by appraisal using the method described in Section 16.4.

If Franchisor exercises its right of first refusal, the Transfer between Franchisor and Seller will be closed by the later of: (a) ninety (90) days after exercise of the right of first refusal; or (b) thirty (30) days after any necessary determinations of equivalent or substitute cash consideration. Franchisor will be entitled to customary warranties, closing documents and post-closing indemnification.

If Franchisor does not exercise its right of first refusal and Franchisor consents to the proposed Transfer (subject to the conditions set forth in Section 10.4 below), the Seller may complete the proposed Transfer, but only on the same terms as offered to Franchisor.

However, the proposed Transfer must be completed within sixty (60) days after the expiration of Franchisor's thirty (30) day right of first refusal period. If the Transfer is not completed within the sixty (60) day period, the Transfer will again become subject to Franchisor's right of first refusal as set forth in this Section.

10.4 Conditions of Franchisor's Consent to Transfer.

If Franchisor does not exercise its right of first refusal under Section 10.3, Area Developer may only engage in the proposed Transfer if Franchisor consents to the proposed Transfer. Before Franchisor consents to a proposed Transfer, the conditions listed below, as well as any other reasonable conditions specified by Franchisor, must be fulfilled. If these conditions are met, Franchisor will not unreasonably withhold its consent to a proposed Transfer of the type permitted by this Agreement.

Before Franchisor consents to a proposed Transfer, the following conditions must be fulfilled:

(a) The proposed transferee must follow the same application procedures as a new Area Developer and must meet the same standards of character, business experience, financial strength, credit standing, health, reputation, business ability, experience, etc. as Franchisor has set for any new area developer.

(b) The proposed transferee must sign, with Area Developer, an assignment and assumption satisfactory to Franchisor, whereby the proposed transferee will assume all of Area Developer's obligations under this Agreement. The owners of the proposed transferee must agree to be personally bound, jointly and severally, by all of the provisions of this Agreement.

(c) The proposed transferee has completed Franchisor's training program to Franchisor's satisfaction, exercised in good faith.

(d) As of the date of the Transfer, Area Developer has fully complied with all of its obligations to Franchisor, whether under this Agreement or any other agreement with Franchisor.

(e) The terms of the proposed Transfer must not place unreasonable burdens on the proposed transferee.

(f) Area Developer must sign at the time of sale an agreement, in the form specified by Franchisor, releasing Franchisor and its affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action.

(g) The proposed transferee must pay Franchisor a transfer fee equal to Ten Thousand and 00/100 Dollars ($10,000.00).

(h) The proposed transferee and its owners, shareholders, officers, directors, partners, members, investors, employees and agents and their Family Members and affiliates must not be an owner, shareholder, officer, director, partner, member, investor, employee, agent or consultant of or to a Competing Business. On Franchisor's request, the transferee may be required to sign an acknowledgement of compliance with this prohibition.

(i) If the Transfer involves installment payments by the transferee to the Seller, the Seller must sign a subordination agreement under which the Seller subordinates its right to receive any installment from the transferee to Franchisor's right to receive any and all amounts due it from transferee under this Agreement or any other agreement between Franchisor and transferee through the due date of the installment. The subordination agreement must be in a format and contain such additional terms and conditions as may be specified by Franchisor.

(j) Area Developer and the proposed transferee must comply with any other standard procedures specified by Franchisor.

Area Developer acknowledges that the conditions listed above are necessary for protection of the Franchise Marks and Franchise Systems and do not impose unreasonable restrictions on the transfer of this Agreement.

10.5 Transfer on Death or Incapacity.

If Area Developer or the last surviving owner of Area Developer (if Area Developer is a corporation, partnership, limited liability company or other entity) dies or becomes incapacitated, Area Developer's or the owner's rights under this Agreement will pass to the estate, heirs, devisees or legal representatives of Area Developer or the owner of Area Developer (collectively referred to in this Agreement "as the "estate"). The estate may continue to perform under this Agreement if: (a) the estate provides a qualified individual acceptable to Franchisor to manage the business of Area Developer on a full-time basis; (b) this manager attends and successfully completes Franchisor's training program at the estate's expense; and (c) this manager assumes full time operation of the business of Area Developer within ninety (90) days of the date Area Developer dies or becomes incapacitated. If the estate fails to designate an acceptable manager or the designated manager fails to attend and satisfactorily complete the training program and to assume the full-time operation of the business of Area Developer within ninety (90) days of the death or incapacity, then the estate must sell the estate's interest in this Agreement within one hundred eighty (180) days of the date of death or incapacity. Any sale must be made in accordance with Article 10.

10.6 Transfers to Controlled Entities.

If Area Developer is in full compliance with this Agreement, the Agreement may be assigned to a corporation, partnership or other entity in which Area Developer owns and

will continue to own all the issued and outstanding stock, partnership interest, or other ownership interests and in which Area Developer will act as its principal executive officer or manager ("Controlled" Entity"), provided

(a) All owners of the Controlled Entity execute this Agreement and agree to be personally bound, jointly and severally, by all of the provisions of this Agreement;

(b) The Controlled Entity agrees to be bound by all the provisions of this Agreement and to assume and discharge all of Area Developer's obligations under this Agreement; I

(c) The Controlled Entity will have no right to engage in a Transfer except in accordance with the provisions of Article 10 of this Agreement.

10.7 Assignment by Franchisor.

This Agreement is fully assignable by Franchisor and will inure to the benefit of any assignee or other legal successor to the interests of Franchisor. Franchisor may sell, assign, discount or otherwise transfer any rights under this Agreement or any other assets of Franchisor or its owners, without notice to or approval of Area Developer or any other area developer or franchisee, at any time. However, Franchisor will remain liable for the performance of its obligations under this Agreement or will make adequate provision for the performance of those obligations by the assignee, to the extent required by applicable law.

ARTICLE 11—DEFAULT AND REMEDIES; TERMINATION

11.1 Default by Franchisor; Termination by Area Developer.

Franchisor will be considered in default of this Agreement if Franchisor breaches any material obligations of Franchisor under this Agreement and fails to cure that default within sixty (60) days of written notice from Area Developer. As a remedy for a default by Franchisor, Area Developer may elect to terminate this Agreement, but only if: (a) Area Developer is in full compliance with all terms of this Agreement; (b) Area Developer provides written notice to Franchisor specifying a default of this Agreement by Franchisor and the proposed date of termination; and (c) Franchisor has committed the default and has not cured the default within sixty (60) days of written notice from Area Developer of the default. Written notice from Area Developer of the default must specify in writing with particularity the nature of the default and the steps Area Developer requests that Franchisor take to cure the default. Franchisor will have not less than sixty (60) days to cure the default. Failure of Area Developer to comply with the provisions of this Section will result in any attempt to terminate being deemed null and void and without legal effect and will constitute a default by Area Developer.

11.2 Default by Area Developer.

Area Developer will be considered in default of this Agreement on the occurrence of any of the events listed in Sections 11.3 and 11.4 or otherwise listed as a default in

this Agreement or if Area Developer breaches any other obligation of Area Developer under this Agreement.

11.3 Events of Default by Area Developer; No Right to Cure.

Any of the following events will constitute a default by Area Developer and good cause for termination of this Agreement by Franchisor without affording Area Developer an opportunity to.

(g) (a) Any material misrepresentations or omissions or dishonesty by Area Developer.

(b) Area Developer commits fraud against Franchisor or its affiliates or against any of Area Developer's customers, suppliers, agents, or employees.

(c) Area Developer violates the provisions of Article 9 restricting Area Developer's activities during the term of this Agreement.

(d) Any assignment or transfer of this Agreement or of any ownership interest in Area Developer without complying with Article 10 of this agreement.

(e) The conviction of, or plea of guilty or no contest by Area Developer or any owner, shareholder, member or partner of Area Developer to: (i) a crime, offense or misconduct for which the minimum penalty includes imprisonment for more than one year; or (ii) any crime, offense or misconduct for which the minimum penalty includes imprisonment for one-year or less that involves fraud or dishonesty or is in any other way relevant to the operation of Area Developer's business.

(f) Intoxication, illegal drug use or other substance abuse by Area Developer or any owner, shareholder, member or partner of Area Developer that interferes with the operation of Area Developer's business.

(g) Any conduct by the Area Developer or any owner, shareholder, member, manager, or partner of Area Developer that reflects materially and adversely on the operation or reputation of the Franchise Marks or Franchise Systems.

(h) Area Developer has received two (2) or more prior notices of default and/or to terminate for the same or similar default during any consecutive twelve (12) month period.

(i) Area Developer has received three (3) or more prior notices of default and/or to terminate, whether or not for the same or similar default, during any consecutive twelve (12) month period.

(j) A breach by Area Developer of any of the representations contained in Article 14 of this Agreement.

11.4 Events of Default by Area Developer; Right to Cure.

Any of the following events will constitute a default by Area Developer and good cause for termination of this Agreement by Franchisor if the Area Developer fails to cure the default during the applicable cure period specified in Section 11.5 below.

(a) Adjudication of bankruptcy of Area Developer, the insolvency of Area Developer, appointment of a receiver or trustee to take charge of Area Developer's business by a court of competent jurisdiction or the general assignment by Area Developer for the benefit of creditors.

(b) A final judgment or the unappealed decision of a regulatory officer or agency that results in a temporary or permanent suspension of any permit or license that is a prerequisite to operation of Area Developer's business.

(c) Any material breach of this Agreement by Area Developer or a material breach by Area Developer or an affiliate of Area Developer of any of the terms of any other agreements entered into with Franchisor.

11.5 Termination by Franchisor.

Franchisor has the right to terminate this Agreement before its expiration only for good cause and only in accordance with the requirements of this Section. Good cause for termination of this Agreement by Franchisor includes any default of Area Developer as defined in this Article 11 or elsewhere in this Agreement.

(a) On the happening of any of the events specified in Section 11.3, Franchisor may, at Franchisor's option, terminate this Agreement effective on delivery of written notice to Area Developer without affording Area Developer an opportunity to cure (except as may be required by applicable law).

(b) On the happening of any of the events specified in Section 11.4 or elsewhere in this Agreement or for any other good cause, Franchisor may, at its option, terminate this Agreement effective on written notice to Area Developer and Area Developer's failure to cure the defaults during the applicable cure period. Written notice of termination from Franchisor must specify any defaults under this Agreement or other reasons for termination and the date the termination will be effective. The effective date of termination must be: (i) at least ten (10) days from the date of notice for any monetary defaults; and (ii) at least thirty (30) days from the date of notice in all other instances. Termination will be automatically effective without further action by Franchisor on the date specified in the notice as the effective date of termination unless Area Developer completely cures, before the date specified in the notice as the effective date of termination, all the defaults or other reasons for termination specified by Franchisor in the notice.

11.6 Right to Withhold Services on Default by Area Developer.

If Area Developer commits a default under this Agreement that is not cured within ten (10) days of written notice, then Franchisor will have the right to: (a) withhold Franchisor's support services from Area Developer; (b) prohibit Area Developer from attending any meetings or seminars held or sponsored by Franchisor; and/or (c) terminate access to any computer system provided to Area Developer by Franchisor. Franchisor's actions as authorized in this Section may continue until Area Developer has cured its defaults and will not suspend or release Area Developer from any obligation that Area Developer owes to Franchisor or its affiliates under this Agreement or otherwise.

11.7 Damages for Loss of Bargain

In addition to any other remedies available to Franchisor, if this Agreement is terminated before its expiration (other than termination by Area Developer for cause) or if Area Developer fails to develop any Franchise Business (as expressed in this Agreement) upon expiration of this Agreement, Franchisor will be entitled to recover from Area Developer damages attributable to the loss of bargain resulting from that termination or failure to develop upon expiration of this Agreement. Franchisor's damages will be the royalty fees and Brand Development Fund contributions that would have been payable to Franchisor had the Franchise Businesses been developed under this Agreement, in the amount of Twenty-Five Thousand and 00/100 Dollars ($25,000.00) per undeveloped Franchise Business. Franchisor and Area Developer acknowledge and agree that Franchisor's actual loss of bargain damages is incapable of calculation at the time of the execution of this Agreement, and the damages calculated under this Section are a reasonable estimation of those damages. If the damages for loss of bargain payable under this Section are found to be invalid or unenforceable because they are found to be a penalty or not a reasonable estimation of actual damages, the amount of the damages will automatically be amended to the extent necessary to be found valid and enforceable. The damages for loss of bargain described in this Section cover only Franchisor's damages from the loss of revenue as a result of Franchisor being unable to operate, or to allow a third-party to operate a Franchise Business. Area Developer and each of its owners agree that these damages do not cover any other remedies or damages to which Franchisor may be entitled as a result of Area Developer's actions or inactions (including injunctive relief to enforce trademark violations and restrictions on competition) and do not give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any other provision of this Agreement.

11.8 Other Remedies.

The exercise of any remedy by Franchisor as described in this Article 11 or elsewhere in this Agreement and/or enforcement of the provisions of Article 11 on termination or expiration of this Agreement will not affect or prejudice any other rights or remedies of Franchisor for breach of this Agreement by Area Developer whether those rights and remedies are contained in this Agreement or otherwise provided by law or equity. Franchisor's other rights and remedies may include, but are not limited to, an action for specific enforcement of this Agreement or other injunctive relief or an action for damages caused by the breach.

ARTICLE 12 – EFFECT OF TERMINATION OR EXPIRATION

12.1 Rights and Obligations of the Parties on Expiration or Termination.

On the expiration of the term of this Agreement or on the prior termination of this Agreement, all rights of Area Developer under this Agreement will cease, including, but not limited to, the right to develop Franchise Businesses in the Development Territory and the following provisions will apply:

(a) After expiration or termination of this Agreement, Franchisor will be free to open, own or operate or to franchise others to open, own or operate Franchise Businesses in the Development Territory, except as may be provided in any Franchise Agreement then in effect between Franchisor and Area Developer or an affiliate of Area Developer.

(b) All remaining rights granted to Area Developer to develop Franchise Businesses under this Agreement will automatically be revoked and will be null and void. Area Developer will not be entitled to any refund of any fees. Area Developer will have no right to develop or operate any business for which a Franchise Agreement has not been executed by Franchisor. Franchisor will be entitled to develop and operate, or to franchise others to develop and operate, Franchise Businesses in the Development Territory, except as may be otherwise provided under any Franchise Agreement that has been executed between Franchisor and Area Developer and that has not been terminated.

(c) After expiration or termination of this Agreement, Area Developer must immediately cease to operate its business under this Agreement and must not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former developer of Franchisor.

(d) Expiration or termination of this Agreement under any circumstance will not abrogate, impair, release or extinguish any debt, obligation or liability of the parties to this Agreement that may have accrued under this Agreement on or before the date of expiration or termination, including, but not limited to, any debt, obligation or liability that was the cause of termination or arose out of such cause.

(e) Expiration or termination of this Agreement will not, by itself, cause the termination of any Franchise Agreements between Franchisor and Area Developer or any of its affiliates.

(f) Area Developer must immediately and permanently discontinue using any of the Intellectual Property and other property of Franchisor and must immediately return to Franchisor, at Area Developer's expense, all materials belonging to Franchisor, including manuals, marketing materials, equipment, documents, forms, current and outstanding reports and all other items that are

the property of Franchisor; provided, however, that Area Developer's obligations under this paragraph will not apply to Area Developer's rights under any Franchise Agreements between Franchisor and Area Developer in effect and in good standing on such termination.

(g) Area Developer must assign to Franchisor or its designee all of Area Developer's right, title, interest in and to its telephone number(s) and must notify the telephone company and all listing agencies of the termination or expiration of its right to use any telephone number in any regular, classified, or other telephone directory listing associated with the Marks and to authorize transfer of the same at Franchisor's discretion. If Area Developer fails to sign any required documents within two (2) business days of notice, Area Developer hereby grants Franchisor as its lawful attorney-in-fact to sign on its behalf any and all documents necessary to effectuate the assignment of telephone numbers listed to Franchisor. This power, coupled with an interest, is given as security for the rights and privileges given to Area Developer under this Agreement.

(h) Area Developer must within thirty (30) days of the termination or expiration of this Agreement, pay all sums owing to Franchisor and its affiliates, including without limitation, a fee of Twenty-Five Thousand and 00/100 Dollars ($25,000.00) for each Franchise Business Area Developer fails to develop, as expressed in Section 11.7 of this Agreement. Area Developer agrees that this amount is not a penalty and is for lost revenue from royalty fees and Brand Development Fund contributions payable to Franchisor, including the fact that Area Developer was holding the development rights for those Franchise Businesses and precluding the development of certain Franchise Businesses in the Development Territory, and that it would be difficult to calculate with certainty the amount of damages that Franchisor will incur. Notwithstanding Area Developer's agreement, if a court determines that this liquidated damages payment is unenforceable, then Franchisor may pursue all other available remedies, including without limitation, consequential damages and lost future revenue.

12.2 Surviving Provisions.

Expiration or termination of this Agreement will not affect the parties rights and obligations, including without limitation, under Article 7 relating to Intellectual Property, Article 8 relating to confidentiality, Article 9 relating to restrictions on competition, Article 12 relating to provisions applicable on expiration and termination, Article 13 relating to dispute resolution, Section 16.2 relating to indemnification, and other rights and obligations under this Agreement that, by their terms or intent survive expiration or termination of this Agreement.

ARTICLE 13 – NEGOTIATION AND ARBITRATION; LAW AND JURISDICTION; INJUNCTIVE RELIEF; COSTS OF ENFORCEMENT; JURY WAIVER; LIMITATIONS OF CLAIMS

13.1 Negotiation and Arbitration.

Except for actions described in Section 13.2, the parties will try to resolve all disputes by having an executive officer or owner of Area Developer negotiate with an executive officer of Franchisor to resolve the dispute, including at least one (1) face-to-face meeting. The parties agree to conduct these negotiations in good faith and to use their best efforts to resolve any such disputes. If the parties have not resolved the dispute within ten (10) days after beginning these negotiations, then either party may take action to enforce its rights.

Except insofar as Franchisor elects to enforce this Agreement by judicial process and injunction as provided in Section 13.2, all disputes and claims relating to any provision hereof, to any obligation of Franchisor or its agents or the breach thereof (including, without limitation, any claim that this Agreement, any provision thereof, any obligation of Area Developer or any owner or Franchisor is illegal, unenforceable or voidable under any law, ordinance or ruling), or any other aspect of the relationship between Franchisor and Area Developer, shall be settled by binding arbitration in the county of Franchisor's principal place of business at the time that the action is commenced (including the determination of the arbitrability of any such disputes or claims). Arbitration will be held in accordance with the United States Arbitration Act (9 U.S.C. § 1 et. seq), if applicable, and the JAMS Comprehensive Arbitration Rules and Procedures (or such rules relating to the arbitration of disputes arising under Franchise Agreements). This Agreement evidences a transaction involving commerce and, therefore, the Federal Arbitration Act, Title 9 of the United States Code is applicable to the subject matter contained herein. The proceedings will be held in the county in which Franchisor's principal place of business is located at the time the action is filed by a single arbitrator agreed upon by the parties or otherwise appointed by the District Court for the State of Franchisor's principal place of business and located in the county of Franchisor's principal place of business at the time the action is filed or as provided in Rule 15 of the JAMS Comprehensive Arbitration Rules and Procedures. Any arbitrator appointed must have at least ten (10) years' experience in franchise matters and shall have the right to award or include in any award the specific performance of this Agreement. The decision of the arbitrator will be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction.

Area Developer agrees that it will not file any arbitration claim as a class action, seek class action status, or permit Area Developer's claim to be joined or made part of any class action filed by another. Area Developer further agrees that it will not file or join in any consolidated arbitration.

Area Developer acknowledges that it has read the terms of this binding arbitration provision and affirm that this provision is entered into willingly and voluntarily and without any fraud, duress or undue influence on Franchisor's part or the part of any of Franchisor's agents or employees.

13.2 Disputes Not Subject to Negotiation or Arbitration.

The following controversies, disputes and claims between the parties referred to in Section 13.1 will not be subject to negotiation: (a) any dispute involving the Intellectual Property set forth in Article 7 of this Agreement; (b) any dispute involving Confidential Information set forth in Article 8 of this Agreement; (c) any dispute involving enforcement of the restrictions on competition set forth in Article 9 of this Agreement; (d) any dispute involving termination of this Agreement by the Franchisor under Article 11; (e) any dispute involving indemnification under Article 16.2 of this Agreement; (f) any dispute involving, or to collect, any and all unpaid fees due and owed to Franchisor; and (g) any judicial proceeding in equity seeking temporary restraining orders, preliminary injunctions or other interlocutory relief.

13.3 Applicable Law.

This Agreement takes effect on its acceptance and execution by Franchisor in Michigan. Except for the applicability of the U.S. Trademark Law or other applicable federal law, all controversies, disputes or claims arising from or related to: (a) this Agreement or any other agreement between Area Developer (or Area Developer's owners) and Franchisor; (b) Franchisor's relationship with Area Developer; (c) the validity of this Agreement or any other agreement between Area Developer (or Area Developer's owners) and Franchisor; or (d) any standard under the Franchise Systems and/or Brand Standards Manuals; will be interpreted and construed under the laws of the State of Michigan. In the event of any conflict of law, the laws of Michigan will prevail, without regard to the application of Michigan conflict-of-law rules. Notwithstanding the foregoing, this Agreement will not be subject to any franchise or similar law, rule, or regulation of the State of Michigan unless the jurisdictional requirements of that law are met independently without reference to this Section.

13.4 Jurisdiction and Venue.

Any action brought by Area Developer (or Area Developer's owners) against Franchisor or Franchisor's affiliates or their respective owners, officers, directors, managers, agents or employees, must be brought exclusively, and any action brought by Franchisor against Area Developer (or Area Developer's owners) may be brought, in the federal or state court covering the location at which Franchisor has its principal place of business at the time that the litigation is commenced. The parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Neither party will seek a transfer or change in venue from a venue established or authorized in this Section or elsewhere in this Agreement.

13.5 Right to Injunctive Relief.

Franchisor will have the right, without the posting of any bond or security and without the need to prove irreparable injury, to obtain specific enforcement of the terms of this Agreement from a court or competent jurisdiction, by temporary or permanent injunctions or other equitable relief. Franchisor will have the right, without limitation, to obtain injunctive relief to prevent Area Developer from engaging in the following acts, which Area Developer acknowledges would cause irreparable harm to Franchisor: (a) using the Intellectual Property during the term of this Agreement in any manner not authorized by this Agreement or infringing on the Intellectual Property after termination of this Agreement; (b) using any of the rights franchised by this Agreement in any manner not authorized by this Agreement; (c) failing to operate in accordance with the standards and procedures specified by Franchisor; (d) engaging in operations in violation of the in-term and post-term restrictions on competition set forth in Article 9; (e) disclosing to any person or using the trade secrets or confidential information of Franchisor in violation of this Agreement; (f) engaging in any Transfer without complying with this Agreement; (g) engaging in acts or practices in violation of applicable laws and regulations or that are fraudulent, dishonest or create health or other hazards to the public; or (h) significantly impairing the goodwill associated with Franchisor. The sole remedy of Area Developer, in the event of entry of an injunction, will be the dissolution of the injunction, if warranted, after notice and a hearing (all claims for damages by reason of the wrongful issuance of any injunction are being expressly waived by Area Developer). Franchisor's rights to obtain injunctive relief are in addition to all other remedies available to Franchisor under applicable law.

13.6 Costs of Enforcement.

If any legal action or other proceeding is begun for the enforcement of this Agreement, or for an alleged dispute, breach, default or misrepresentation under any term of this Agreement, then Franchisor, if Franchisor is the prevailing party, is entitled to recover reasonable pre-institution and post-institution attorneys fees, court costs, and all expenses even if not taxable as court costs (including all fees and expenses incident to appellant, bankruptcy and post-judgment proceedings), incurred in the action or proceeding in addition to all other relief to which Franchisor is entitled. Attorneys' fees includes paralegal fees, administrative costs, investigative costs, costs of expert witnesses, court reporter fees, sales and use taxes, if any, and all other charges billed by the attorney to Franchisor. If Franchisor engages legal counsel because of the Area Developer's failure to pay when due any monies owed under this Agreement or submit when due any reports, information or supporting records, or for any failure to otherwise comply with this Agreement, the Area Developer must reimburse Franchisor on demand for all of the above listed expenses Franchisor incurs.

13.7 No Class Action or Consolidation.

Franchisor and Area Developer agree that any litigation will only be conducted on an individual, not a class-wide basis, and that a litigation proceeding between Franchisor and Area Developer may not be consolidated with any other litigation proceeding between the parties and any other individual, corporation, limited liability company, partnership or other entity. The parties waive, to the fullest extent allowed by

law, any right to pursue or participate as a lead plaintiff or a class representative in any claim on a class or consolidated basis.

13.8 Jury Waiver; Time Period for Bringing Claims; Limitation of Damages.

SUBJECT TO APPLICABLE STATE LAW, FRANCHISOR AND AREA DEVELOPER IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

ALL CLAIMS BY AREA DEVELOPER ARISING UNDER THIS AGREEMENT OR FROM THE RELATIONSHIP BETWEEN THE PARTIES ARE BARRED UNLESS AN ACTION IS FILED AND TIMELY SERVED ON FRANCHISOR WITHIN ONE YEAR FROM THE DATE AREA DEVELOPER KNEW OR SHOULD HAVE KNOWN OF THE FACTS CREATING THE CLAIM, EXCEPT TO THE EXTENT ANY APPLICABLE LAW OR STATUTE PROVIDES FOR A SHORTER PERIOD OF TIME TO BRING A CLAIM OR AS OTHERWISE REQUIRED BY LAW.

AREA DEVELOPER WAIVES IN ANY JUDICIAL ACTION, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF ANY SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES AGAINST FRANCHISOR AND AGREES THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, AREA DEVELOPER WILL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY AREA DEVELOPER.

ARTICLE 14 – ACKNOWLEDGMENTS AND REPRESENTATIONS BY AREA DEVELOPER

14.1 Risk of Operations.

Area Developer understands the risks of being involved in the Franchise Businesses and is able to bear such risks. Area Developer also acknowledges that the success of Area Developer’s business depends primarily on Area Developer's efforts. In addition, other factors beyond the control of Franchisor or Area Developer may affect the success of Area Developer’s business, including competition, economic conditions, business trends, costs, market conditions, and other conditions that may be difficult to anticipate, assess or even identify. Area Developer understands and acknowledges that Area Developer’s business may lose money or fail.

14.2 Representations by Franchisor.

Area Developer acknowledges and agrees that, except as specifically set forth in this Agreement or the Franchisor's FDD or the attached "Acknowledgments by Area Developer," no representations or warranties, express or implied, have been made to Area Developer, either by Franchisor or anyone acting on its behalf or purporting to represent it, including, but not limited to, the prospects for successful operations, the level of business or profits that Area Developer might reasonably expect, or the desirability, profitability or expected volume or profit of Area Developer’s business. Area

Developer acknowledges that all such factors are necessarily dependent upon variables beyond Franchisor's control, including, without limitation, the ability, motivation and amount and quality of effort expended by Area Developer. Area Developer acknowledges that neither Franchisor, nor any of its agents or representatives have made or are authorized to make any oral, written or visual representations or projections of actual or potential sales, earnings, net or gross profits, operational costs or expenses, prospects or chances of success that are not contained in this Agreement or in the Franchisor's FDD. Area Developer agrees that it has not relied on and that Franchisor will not be bound by allegations of any representations as to earnings, sales, profits, costs, expenses, prospects or chances of success that are not contained in this Agreement or the Franchisor's FDD.

14.3 Franchisor's Review of Business Plans or Other Materials.

Area Developer understands and agrees that any business plan, pro-forma or other material prepared by Area Developer or its representatives and submitted to Franchisor is the sole responsibility of Area Developer. Any review by or comments from Franchisor or its representatives relating to those materials will be for discussion purposes only and will not constitute approval, endorsement or a guaranty of the information in those materials. No agent or employee of Franchisor will have the authority to approve, endorse or guaranty any information in those materials. Franchisor will not be responsible or liable to Area Developer for any claims relating to information in any such materials and Area Developer waives and releases Franchisor from any such claims.

14.4 Review of Materials and Consultation with Advisors.

Area Developer acknowledges that it is familiar with and has made an independent investigation of the business to be conducted by a Franchise Business and has reviewed Franchisor's FDD. Area Developer acknowledges that it has read and understood this Agreement, the appendixes to this Agreement, and the documents relating to this Agreement, if any, and has been given ample time and opportunity (and has been encouraged) to consult with an attorney or other professional advisor about the potential benefits and risks of entering into this Agreement. Area Developer represents that it understands and agrees to be bound by the obligations of this Agreement. Area Developer accepts the terms, conditions, covenants, representations and requirements contained in this Agreement and in Franchisor's FDD as being fair and reasonably necessary to maintain the high standards of quality, service and uniformity required to adequately protect and preserve the goodwill associated with the Franchise Marks and the Franchise Systems.

14.5 Representative Capacity of Franchisor's Personnel and Agents.

Area Developer acknowledges and agrees that in all of its dealings with Franchisor, Franchisor's owners, members, officers, directors, employees and agents act only in a representative, and not in an individual, capacity and that business dealings between Area Developer and them as a result of this Agreement are deemed to be only between Area Developer and Franchisor. Area Developer agrees that any claims it (or any of Area Developer's owners) may have against Franchisor's owners,

members, officers, directors, employees or agents must be brought against Franchisor only, and not against such owners, members, officers, directors, employees or agents in their individual capacity.

14.6 Independent Status of Contract; Non-Uniformity of Agreements.

Area Developer understands and agrees that Franchisor is entering into this Agreement with Area Developer independently and separately from any franchise or license that Franchisor may grant to any other person or entity, and that Area Developer is not entering into this Agreement in reliance on or because of any other agreement that Franchisor may have entered into with a third party. Area Developer understands and agrees that the terms of Franchisor's agreements with third parties, now and in the future, may be materially different with respect to any terms and condition of this Agreement, including but not limited to, fees, territory, term and renewals. These variations may be based on any factors or conditions that Franchisor deems to be in the best interest of the VARA Juice™ franchise system or a particular franchise, including but not limited to, peculiarities of a particular area, density, business potential, population of trade area, existing business practices or any other condition that Franchisor deems to be of importance to the operation of a specific franchise. Also, these variations may result from Franchisor, in its sole discretion, compromising, forgiving, or settling claims or disputes with or against other area developers. Area Developer will not be entitled to require Franchisor to disclose or grant to Area Developer a like or similar variation.

14.7 Terrorist and Money Laundering Activities.

Area Developer and its owners, officers, directors, members, partners and agents represent and warrant to Franchisor that: (a) they are not identified by name or alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control; (b) they are not directly or indirectly owned or controlled by the government of any country that is subject to a United States embargo; (c) they will not act directly or indirectly on behalf of the government of any country that is subject to a United States embargo; and (d) they are in full compliance with all laws proscribing money laundering and corrupt practices. Further, Area Developer and its owners, officers, directors, members, partners and agents represent and warrant to Area Developer that they have not violated and agree not to violate any law prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by the USA Patriot Act, U.S. Executive Order 13244, or any similar law. The foregoing constitute continuing representations and warranties, and Area Developer and its owners, officers, directors, members, partners and agents must immediately notify Franchisor in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

14.8 Ownership of Area Developer; Guaranties.

The name, entity classification, state of organization, owners and percentage of ownership of Area Developer are set forth on the Obligations and Representations of Individual Interested Parties attached as Appendix B. Area Developer represents that the information stated in Appendix B is accurate and complete. Area Developer agrees that it will immediately notify Franchisor (and comply with the provisions of Article 10 of this Agreement, if applicable) if there is any change in the information set forth in Appendix B. Failure to comply with this requirement will be a material default under this Agreement. Each of the owners of Area Developer and their spouses must personally guaranty Area Developer's obligations to Franchisor by signing the Guaranty attached as Appendix D. Also, if an affiliate of Area Developer operates a VARA Juice™ Restaurant, the affiliate may be required to guaranty all of the Area Developer's obligations to Franchisor by signing the Guaranty attached as Appendix D.

ARTICLE 15 – WAIVERS AND APPROVALS

15.1 No Waivers.

The failure or delay of any party at any time to require performance by another party of any provision of this Agreement, even if known, will not affect the right of that party to require performance of that provision or to exercise any right under this Agreement. The failure or delay of Franchisor to require performance by another area developer of any provision of its agreement, even if known, will not affect the right of Franchisor to require performance of that provision in this Agreement or to exercise any right under this Agreement. Any waiver by any party of any breach of any provision of this Agreement is not a waiver of any continuing or later breach of that provision, a waiver of the provision itself, or a waiver of any right under this Agreement. No notice to or demand on any party in any case, of itself, entitles that party to any other notice or demand in similar or other circumstances.

15.2 Consents, Approvals and Satisfaction; Liability.

Whenever Franchisor's consent, approval, or acceptance is required under this Agreement, consent, approval, or acceptance will not be unreasonably withheld or delayed unless specifically stated in this Agreement to the contrary. All consents, approvals, or acceptances required of Franchisor are not binding on Franchisor unless the consent, approval, or acceptance is in writing and signed by the president or a managing member of Franchisor. Franchisor's consent, approval, or acceptance, whenever required, may be withheld if Area Developer is in default under this Agreement. Where the satisfaction of Franchisor is required under this Agreement, unless the Agreement expressly states otherwise, the satisfaction is determined in Franchisor's sole discretion. Franchisor will not be liable to Area Developer in any manner for providing or failing to provide or for any delay in providing any waiver, approval, acceptance, assistance, consent or suggestion to Area Developer. Area Developer waives any claims against Franchisor for such liability.

15.3 Franchisor's Reasonable Business Judgment.

Whenever Franchisor has reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant Area Developer a right to take or omit an action, Franchisor may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to Franchisor and Franchisor's judgment of what is in Franchisor's and/or the VARA Juice™ franchise system's best interests at the time Franchisor's decision is made, without regard to either whether Franchisor could have made other reasonable or even arguably preferable alternative decisions or whether Franchisor's decision promotes its financial or other individual interest. Examples of items that will promote or benefit the VARA Juice™ franchise system include, without limitation, enhancing the value of the Intellectual Property, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the VARA Juice™ franchise system.

ARTICLE 16—GENERAL CONDITIONS AND PROVISIONS

16.1 Independent Contractor.

Area Developer acknowledges and agrees that Area Developer will be an independent contractor under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, agency, joint employer, or employment relationship of any kind. The parties acknowledge that this Agreement does not create a fiduciary relationship between the parties. Area Developer will not, without Franchisor's prior written approval, have any power to obligate Franchisor for any expenses, liabilities, or other obligations, other than as specifically provided in this Agreement. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between Area Developer and Franchisor is other than that of a franchisor and an area developer. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Area Developer unless expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property that directly or indirectly arises from or relates to the Area Developer's operation of the Franchise Businesses developed under this Agreement.

Area Developer acknowledges and agrees, and will never contend otherwise, that Area Developer alone will exercise day-to-day control over all operations, activities, and elements of the Franchise Businesses developed under this Agreement and that under no circumstance will Franchisor do so or be deemed to do so. Area Developer further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications, and procedures of the Franchise Systems, which Area Developer must comply with under this Agreement, whether contained in the Brand Standards Manual or otherwise, do not directly or indirectly constitute, suggest, infer, or imply that Franchisor controls any aspect or element of the day-to-day operations of the Franchise Businesses developed under this Agreement, which Area Developer alone controls, but only constitutes standards that Area Developer

must adhere to when exercising control of the day-to-day operations of the Franchise Businesses developed under this Agreement. Area Developer is an independent contractor, and Area Developer is solely responsible for all aspects of the development and operation of the Franchise Businesses developed under this Agreement, subject only to the conditions and covenants established by this Agreement. Without limiting the generality of the foregoing, Area Developer acknowledges that Franchisor has no responsibility to ensure that the Franchise Businesses are developed and operated in compliance with all applicable laws, ordinances and regulations and that Franchisor shall have no liability in the event the development or operation of the Franchise Businesses violates any law, ordinance or regulation.

None of Area Developer's employees will be considered Franchisor's employees. Area Developer and its employees whose compensation Area Developer may pay in any way, directly or indirectly, expressly or by implication, will not be construed to be Franchisor's employee for any purpose, including with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any local, state or federal governmental agency. Franchisor will have no direct or indirect control over Area Developer's employees' terms and conditions of employment. Franchisor does not share or codetermine the terms and conditions of employment of any of Area Developer's employees or participate in matters relating to the employment relationship between Area Developer and its employees, such as hiring, promotion, demotion, termination, hours or schedule worked, rate of pay, benefits, work assigned, discipline, response to grievances and complaints or working conditions. Area developer has sole responsibility and authority for these terms and conditions of employment. Area Developer is solely responsible for compliance with all federal, state, county, municipal, and other civil and criminal statutes, laws, ordinances, regulations, rules, and orders of public authorities applicable to its employment practices and employees, including the Fair Labor Standards Act and comparable laws regulating minimum wage, overtime pay, recordkeeping, youth employment standards, and other aspects of employment. Franchisor will not control and will not be responsible for Area Developer's payroll or other employee matters regardless of any information that Franchisor may provide in operations or training manuals or otherwise. Area Developer agrees, and will never contend otherwise, that any authority Franchisor has under this Agreement to perform certain functions for the Franchise Businesses developed under this Agreement does not directly or indirectly vest in Franchisor the power to hire, fire or control any of Area Developer's employees. Area Developer must indemnify Franchisor and hold Franchisor harmless from and against any liability relating to or arising from employment related decisions and obligations, including joint employer liability and labor and employment law violations by Area Developer or its employees.

Except as expressly provided in this Agreement, Franchisor may not control or have access to Area Developer's funds or the expenditure of Area Developer's funds or in any other way exercise dominion or control over the Franchise Businesses developed under this Agreement. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or

represent that the relationship between Franchisor is other than that of a franchisor and an area developer. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by Area Developer which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to Area Developer's operation of the Franchise Businesses developed under this Agreement.

16.2 Indemnification.

Area Developer agrees that it will, at its sole cost, at all times defend, indemnify and hold harmless Franchisor, any affiliate of Franchisor, the affiliates, subsidiaries, successors and assigns and designees of each and the officers, directors, managers, employees, agents, attorneys, shareholders, owners, members, designees and representatives of all of the foregoing (the "Indemnitees") to the fullest extent permitted by law, from all claims, losses, liabilities and costs incurred in connection with any civil, criminal or governmental action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether any of the foregoing is reduced to judgment) or any settlement of the foregoing, which actually or allegedly, directly or indirectly, arises out of, is based on, is a result of, or is related in any way to the operation of Area Developer's business, including, without limitation: any personal injury, death or property damage suffered by any customer, visitor, operator, employee or guest of Area Developer's business; crimes committed on or near Area Developer's business or vehicles used by or in Area Developer's business; all acts, errors, neglects or omissions engaged in by Area Developer and its agents; all acts, errors, neglects or omissions of Area Developer and/or the owners, members, officers, directors, management, employees, agents, servants, contractors, partners, proprietors, affiliates or representatives of Area Developer (or any third party acting on behalf of or at the direction of Area Developer), whether in connection with Area Developer's business or otherwise.

As used above, the phrase "claims, losses, liabilities and costs" includes: all claims; causes of action; fines; penalties; liabilities; losses; compensatory, exemplary, statutory or punitive damages or liabilities; costs of investigation; lost profits; court costs and expenses; reasonable attorneys' and experts' fees and disbursements; settlement amounts; judgments; compensation for damage to Franchisor's reputation and goodwill; costs of or resulting from delays; travel, food lodging and other living expenses necessitated by the need or desire to appear before (or witness the proceedings of courts or tribunals (including arbitration tribunals), or government or quasi-governmental entities (including those incurred by Indemnitees' attorneys and/or experts); all expenses of recall, refunds, compensation and public notices; and other such amounts incurred in connection with the matters described. All such losses and expenses incurred under this indemnification provision will be chargeable to and paid by Area Developer, regardless of any actions, activity or defense undertaken by Indemnitees or the subsequent success or failure of the actions, activity or defense.

Area Developer agrees to give Franchisor written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for

indemnification by any Indemnitee within three days of Area Developer's actual or constructive knowledge of it. At Area Developer's expense and risk, Franchisor may elect to assume (but under no circumstance will Franchisor be obligated to undertake) the defense and/or settlement of the action, suit, proceeding, claim, demand, inquiry or investigation. Franchisor's undertaking of defense and/or settlement will in no way diminish Area Developer's obligation to indemnify Franchisor and other Indemnitees and to hold Franchisor and other Indemnitees harmless. Franchisor will have the right, at any time it considers appropriate, to offer, order, consent or agree to settlements or take any other remedial or corrective actions Franchisor considers expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in Franchisor's sole judgment, there are reasonable grounds to do so.

This indemnity obligation will continue in full effect even after the expiration, Transfer or termination of this Agreement. Franchisor's right to indemnity under this Agreement will arise and be valid notwithstanding that joint or concurrent liability may be imposed on Franchisor by statute, ordinance, regulation or other law. An Indemnitee need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses in order to maintain and recover fully a claim against Area Developer under this Section. Area Developer agrees that a failure to pursue recovery or mitigate a loss will not reduce or alter the amounts that an Indemnitee may recover from Area Developer under this Section.

16.3 Definition of Affiliate.

For purposes of this Agreement, an affiliate of a party is any person (including an individual, sole proprietorship, partnership, corporation, limited liability company or other entity) that, directly or indirectly, controls, is controlled by or is under common control with the party or any of its shareholders, officers, directors, partners, owners or investors.

16.4 Appraisal Method.

If a value is to be determined by appraisal as referred to in Section 10.3, the following method will be used to determine the appraised value. If the parties are able to agree on an independent appraiser, that appraiser will determine the applicable value and his or her determination will be binding on the parties. If the parties are not able to agree on an independent appraiser within fifteen (15) days of the event triggering the appraisal, each party will select an independent appraiser qualified or certified to make the appraisal. The independent appraisers chosen will then select a third independent appraiser. The third independent appraiser will determine the applicable value and his or her determination will be binding on the parties. Franchisor and Area Developer agree to select their respective appraisers within fifteen (15) days after the event triggering the appraisal and the two appraisers chosen are obligated to appoint the third appraiser within fifteen (15) days after the date on which the last of the two party-appointed appraisers is appointed. Franchisor and Area Developer will bear the cost of their own appraisers and share equally the reasonable fees and expenses of the third appraiser. The parties will take reasonable actions to cause the appraiser to complete his or her appraisal within thirty (30) days after the third appraiser's appointment.

16.5 Third Parties.

Except as provided in this Agreement to the contrary for any affiliates or franchisees of Franchisor, nothing in this Agreement, whether expressed or implied, is intended to confer any rights under this Agreement on any person (including other area developers or franchisees) other than the parties and their respective personal representatives, other legal representatives, heirs, successors and permitted assigns.

16.6 Notices.

Unless otherwise specified in this Agreement, notices under this Agreement must be in writing signed by the party serving the same and must be sent by: (a) registered or certified mail, return receipt requested, postage pre-paid, in which case the notice will be complete two days after mailing; or (b) reputable overnight courier service, in which case the notice will be complete one day after delivery to the overnight courier. The notice must be sent to the address set forth below or at such address as designated by notice pursuant to this Section.

If to Franchisor:	VARA Juice Franchising, LLC Attention: Ali Albadani, President 3231 S. Gulley Road, Suite D Dearborn, Michigan 48124
With a copy to: (does not constitute notice)	Mark J. Burzych Fahey Schultz Burzych Rhodes PLC 4151 Okemos Road Okemos, Michigan 48864
If to the Area Developer:	See Paragraph 6 of Appendix A.

16.7 Force Majeure Events.

For purposes of this Agreement, a "Force Majeure Event" includes acts of God, fires, floods, earthquakes, and other natural disasters, explosions, wars, strikes, lock-outs or other industrial disturbances, riots, epidemics, rebellions, embargoes, and government regulations, civil or military takeovers, or other similar event not within the control of the party affected. A Force Majeure event does not include economic recessions and depressions and other economic downturns. If the performance of an obligation under this Agreement (including without limitation Area Developer's compliance with the Development Schedule) by either party is rendered impossible, directly and proximately, by a Force Majeure Event that cannot be overcome by use of normal commercial measures and that was not directly or indirectly caused by, contributed to, or exacerbated by any act or omission of that party or any person acting on behalf of that party, the time for that party's performance of the obligation will be extended for the period during which performance is rendered impossible due to the Force Majeure Event. The party whose performance is affected by a Force Majeure Event must give prompt written notice of the event to the other party, which includes the

nature of the Force Majeure Event and an estimate of its duration. Notwithstanding the foregoing, Area Developer will not, under any circumstances, be excused from timely performance of its obligations relating to the use and protection of the Franchise Marks or Confidential Information, the payment of any sums of money owed to Franchisor, or the restrictions regarding operating a Competing Business. Also, notwithstanding the foregoing, this provision will not extend Area Developer's time for performance of an obligation beyond a period of thirty (30) days without the written consent of Franchisor.

16.8 Entire Agreement; Modifications.

This Agreement and all appendixes and other documents attached to this Agreement are incorporated in this Agreement and will constitute the entire agreement between the parties. This Agreement supersedes and replaces any and all previous or contemporaneous written and oral agreements, understandings, promises, representations, inducements, or dealings between the parties. However, nothing in this Section or otherwise in this Agreement is intended to disclaim or waive Area Developer's reliance on any statements made in the FDD delivered to Area Developer or in the exhibits and amendments to the FDD. This Agreement may not be amended or modified except in a writing executed by both parties, except that Franchisor may unilaterally modify the Franchise Systems, manuals and its specifications as provided in this Agreement.

THIS SECTION 16.8 DOES NOT APPLY TO THE SEPARATE CONFIDENTIALITY AND NONDISLCOSURE AGREEMENT AND COVENANT NOT TO COMPETE EXECUTED BY YOU AND YOUR OWNERS, OR THE GUARANTY, WHICH EACH CONSTITUTE A SEPARATE AGREEMENT AND ARE NOT, SHALL NOT BE, INTEGRATED WITH OR CONSIDERED A PART OF THIS AGREEMENT.

16.9 Severability.

Each Section, part or provision of this Agreement will be considered severable. If any Section, part or provision is found unenforceable by a court of competent jurisdiction, that determination will not impair the operation or affect the validity of the remainder of this Agreement unless such unenforceability, in the opinion of Franchisor, materially alters the protection of the Intellectual Property or Franchisor's source of revenues. In that event, Franchisor may substitute for this Agreement, a new agreement without such unenforceable terms and such additional terms as may be appropriate under the circumstances.

16.10 Obligations Joint and Several.

If there is more than one individual or entity executing this Agreement as Area Developer, all such persons are jointly and individually liable for the Area Developer's obligations under this Agreement.

16.11 Execution by Franchisor.

The submission of this Agreement is not an offer by Franchisor and Franchisor is not bound in any way until an executive officer of Franchisor executes this Agreement.

16.12 Headings.

Article and Section headings are for convenience of reference only and do not limit or affect the provisions of this Agreement.

16.13 Counterparts.

This Agreement may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

16.14 Supplemental Agreements.

Area Developer and/or its owners must sign supplemental agreements, which are attached as Appendices to this Agreement, simultaneous with the signing of this Agreement, including the following:

(a) **Appendix A—Specifics.** This document describes the number of Franchise Businesses to be developed, the Development Territory, the Development Schedule, the term, and Area Developer's address for notice.

(b) **Appendix B—Obligations and Representation of Individual Interested Parties.** The owners of Area Developer must sign this document to agree to be personally bound by the provisions of this Agreement and to provide information about Area Developer and its owners.

(c) **Appendix C—Acknowledgements by Area Developer.** Area Developer must complete and sign this document to provide information about representations and disclosures by Franchisor so that Franchisor may ensure that all applicable franchise rules and laws have been followed in the sale of the franchise to Area Developer.

(d) **Appendix D—Guaranty.** The owners of Area Developer must sign this document to agree to be personally bound by the financial obligations of Area Developer to Franchisor.

(e) **Appendix E—Confidentiality and Nondisclosure Agreement and Covenant Not to Compete.** Area Developer and owners of Area Developer must sign this document to be separately bound by the confidentiality, nondisclosure, and noncompetition obligations of Area Developer to Franchisor.

VARA JUICE FRANCHISING, LLC

By: _____

Its: _____

AREA DEVELOPER

_____

By: _____

Its: _____

APPENDIX A—SPECIFICS

1: The number of Franchise Businesses Area Developer is authorized to develop in the Development Territory is _____.

2: The Development Territory, as referred to in Section 2.1, shall be defined as that area within the following borders or as depicted in the attached map:

_____

_____

_____

3: The Development Schedule referred to in Section 3.1 is:

Time Period Ending	Cumulative Number of Franchise Businesses that must be in Operation in the Development Territory

4: The initial term of this Agreement is _____.

5: The initial fee payable by Area Developer is $_____.

6: Area Developer's address for purposes of notice under Section 16.6 is:

AREA DEVELOPER
Attn: ***Designated Owner***
Area Developer Street Number ***Area Developer Street Name***
Area Developer City Name, ***Area Developer State Name*** ***Area Developer Zip Code***
Facsimile No.: ***Area Developer Fax Number***

This Appendix A—Specifics is current and complete as of _____, 20__.

VARA Juice Franchising, LLC

_____
Area Developer

By: _____ By: _____

Its: _____ Its: _____

Date: _____ Date: _____

APPENDIX B—OBLIGATIONS AND REPRESENTATIONS OF INDIVIDUAL INTERESTED PARTIES

This is an Appendix to the Area Development Agreement between VARA Juice Franchising, LLC and the Area Developer named below dated _____, 20_____ ("Area Development Agreement"). All capitalized terms not defined in this Appendix will have the same meaning ascribed to them in the Area Development Agreement.

Each of the individuals signing below (each an "Interested Party") is directly or indirectly beneficially interested in Area Developer's business as a shareholder, officer, director, partner, member, owner, investor, family member and/or affiliate of Area Developer. As such, each Interested Party hereby agrees to and shall be jointly, severally and personally bound by all the terms and provisions of the Area Development Agreement, including but not limited to, those requiring the payment of money by Area Developer, to the same extent and in the same manner as Area Developer is bound, the confidentiality covenants, the non-competition covenants, and all other restrictive covenants set forth in Articles 8 and 9 of the Area Development Agreement, whether or not Interested Party's status as a shareholder, officer, director, partner, member, owner, investor, family member and/or affiliate of Area Developer may change or cease during or after the term of the Area Development Agreement. This Appendix will not impair any separate instrument of guaranty or subordination that any Interested Party signing below has executed or may execute in the future.

Each Interested Party signing below represents and warrants to Franchisor that the following is correct and true:

Legal Name of Area Developer: _____

Type of Entity and State of Organization (sole proprietorship, corporation, partnership, limited liability company, etc.): _____

_____

d/b/a (if applicable): _____

Address of Area Developer: _____

_____

Business Telephone: _____

Name, Address, Phone No., Email Address, Title and % of Ownership of each Owner of an interest in Area Developer or Area Developer's Business:

Name	***Owner 1***
Address	***Owner 1 Address***
Phone Number	***Owner 1 Telephone Number***
Email Address	***Owner 1 Email Address***
Title	***Owner 1 Title***
Percentage of Ownership	***Owner 1 Percentage of Ownership Interest***

Name	***Owner 2***
Address	***Owner 2 Address***
Phone Number	***Owner 2 Telephone Number***
Email Address	***Owner 2 Email Address***
Title	***Owner 2 Title***
Percentage of Ownership	***Owner 2 Percentage of Ownership Interest

Name	***Owner 3***
Address	***Owner 3 Address***
Phone Number	***Owner 3 Telephone Number***
Email Address	***Owner 3 Email Address***
Title	***Owner 3 Title***
Percentage of Ownership	***Owner 3 Percentage of Ownership Interest

(Attach documents and contracts governing the ownership, management, and other significant aspects of the business entity (e.g., articles of incorporation or organization, partnership or shareholder agreements, operating agreements, stock certificates, etc.))

Acknowledged and Agreed by Each Undersigned Owner:

/S/_____ Dated: _____

_____

(*Print Name Above)*

/S/_____ Dated: _____

_____
(*Print Name Above)*

/S/_____ Dated: _____

_____
(*Print Name Above)*

APPENDIX C—ACKNOWLEDGEMENTS BY AREA DEVELOPER

You are entering into an Area Development Agreement for the development of VARA Juice Franchising, LLC franchises. The purpose of this document is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your Area Developer business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgements and Representations*.

1. Did you receive a copy of our Franchise Disclosure Document (and all exhibits and appendixes) at least 14 days before you signed a binding agreement with, or paid any consideration to, us or our affiliates in connection with the proposed franchise sale? Check one: (_) Yes (_) No. If no, please comment:_____

_____

_____

_____

1A. If you are a resident of or your franchise will be located in **Iowa**, **New York**, **Oklahoma** and **Rhode Island**, did you receive a copy of our Franchise Disclosure Document at least by the earliest of: (a) at the time of your first personal meeting with us to discuss the franchise; or (b) 10 business days before you signed a binding agreement with, or made a payment to, us or our affiliates in connection with the proposed franchise sale? Check one: (_) N/A (_) Yes (_) No. If no, please comment:_____

_____

_____

1B. If you are a resident of or your franchise will be located in **Indiana**, **Michigan**, **Washington** or **Wisconsin**, did you receive a copy of our Franchise Disclosure Document at least 10 business days before you signed a binding agreement with, or made a payment to, us or our affiliates in connection with the proposed franchise sale? Check one: (_) N/A (_) Yes (_) No. If no, please comment:_____

_____

_____

_____

2. Did you understand all of the information contained in the Franchise Disclosure Document? Check one: (_) Yes (_) No.

   If No, what parts of the Franchise Disclosure Document do you not understand? :

_____

_____

_____

3. Were the terms and conditions of the Area Development Agreement presented to you for signing materially different from the Area Development Agreement contained in the Franchise Disclosure Document delivered to you? Check one: (_) Yes (_) No.

   If yes, did you receive a copy of the Area Development Agreement in the form presented to you for signing at least seven calendar days before signing the Area Development Agreement? Check one: (_) Yes (_) No. If no, please comment:

   _____

   _____

   _____

4. Was any oral, written or visual claim or representation made to you that contradicted the disclosures in the Franchise Disclosure Document? Check one: (_) Yes (_) No. If yes, please state in detail the oral, written or visual claim or representation:_____

   _____

   _____

5. Except as stated in Item 19 of Franchisor's Disclosure Document, did any employee or other person speaking on behalf of Franchisor make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Restaurant location or business, or the likelihood of success of your Area Development business? Check one: (_) Yes (_) No. If yes, please state in detail the oral, written or visual claim or representation:_____

   _____

   _____

   _____

6. Except as stated in Item 19 of Franchisor's Disclosure Document, did any employee or other person speaking on behalf of Franchisor make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document? Check one: (_) Yes (_) No. If yes, please comment:_____

   _____

   _____

   _____

7. Do you understand that the Area Development Agreement contains the entire agreement between you and us concerning Area Developer's business, meaning that any prior oral or written statements not set out in the Area Development Agreement will not be binding? Check one: (_) Yes (_) No. If no, please comment:_____

8. Do you understand that the success or failure of your Area Developer business will depend in large part upon your skills and experience, your business acumen, your location, the local market for products under Franchisor's trademarks, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you open your Area Development Business may change? Check one: (_) Yes (_) No. If no, please comment:

9. Have you discussed the benefits and risks of operating as an Area Developer with an attorney, accountant, or other professional advisor and do you understand those risks? Check one: (_) Yes (_) No. If no, please comment:

10. Do you acknowledge that you are an independent contractor and responsible for running as an Area Developer and that we do not have the authority to hire or fire your employees? Check one: (_) Yes (_) No. If no, please comment:

11. Do you expressly agree and will never contest otherwise, that our authority under this Agreement to certify certain of your employees for qualification to perform certain functions as an Area Developer does not directly or indirectly vest in us the power to hire, fire, or control any such employee? Check one: (_) Yes (_) No.

12. Do you acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities, and elements as an Area Developer and that under no circumstance shall we do so or be deemed to do so? Check one: (_) Yes (_) No.

13. Do you further acknowledge and agree and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the Franchise Systems which you are required to comply with under this Agreement, whether set forth in our Brand Standards Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-

to-day operations of as an Area Developer, but rather are to protect the VARA Juice™ system and brand? Check one: (_) Yes (_) No.

14. You understand and agree that it is unlawful and a criminal offense to duplicate or reproduce any copyrighted materials: (_) Yes (_) No.

15. You acknowledge that you have conducted an independent investigation of the Restaurant concept licensed by this Agreement, that you have had an adequate opportunity to be advised by advisors of your own choosing regarding all pertinent aspects of this Agreement and the franchise relation created by it, that the business venture contemplated by this Agreement involves business risks, and that the success of the business will be largely dependent upon the abilities of the Owners, if the Area Developer is a business entity. Area Developer understands that Franchisor makes no express or implied warranties or representations, guarantees or assurances that Area Developer will achieve any degree of success in operation as an Area Developer and, while Franchisor will provide Area Developer with advice and consultation as provided in this Agreement, success in operation depends ultimately on Area Developer and on other factors including, but not limited to, location, marketing, regional tastes and preferences, economic conditions, financial considerations and competition: (_) Yes (_) No.

16 AREA DEVELOPER RECOGNIZES THAT FRANCHISOR HAS ENTERED INTO THIS AGREEMENT IN RELIANCE UPON AND IN RECOGNITION OF THE FACT THAT AREA DEVELOPER SHALL HAVE FULL RESPONSIBILITY FOR ITS MANAGEMENT AND OPERATION LICENSED BY THIS AGREEMENT, AND THAT THE AMOUNT OF PROFIT OR LOSS RESULTING FROM THE OPERATION AS AN AREA DEVELOPER WILL BE DIRECTLY ATTRIBUTABLE TO THE PERFORMANCE OF AREA DEVELOPER: (_) Yes (_) No.

17. All information provided to Franchisor in connection with the approval of Area Developer as an Area Developer is truthful and accurate: (_) Yes (_) No.

18. Area Developer acknowledges that this Agreement requires arbitration of disputes in the state and county in which Franchisor has its principal place of business at the time the action is filed; that an exception to this requirement is Franchisor's right to bring a court action for specified matters; that the exclusive venue and jurisdiction for any court action is the state in which Franchisor has its principal place of business at the time the action is filed; and that Franchisor and Area Developer waive the right to a jury, to punitive damages, and to bring multi-plaintiff, consolidated, or class-wide actions; and that one (1) year state of limitations applies to claims between the parties subject to specified exceptions: (_) Yes (_) No.

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE ARE AND WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGEMENT.

Signed:_____	Signed:_____
Print Name:_____	Print Name:_____
Date:_____	Date:_____

*Such representations are not intended to, nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law.

APPENDIX D—GUARANTY

Each of the persons signing this Guaranty (each a “Guarantor”), in order to induce VARA JUICE FRANCHISING, LLC (“Franchisor”) to enter into an Area Development Agreement, dated the _____ day of _____, 20___, with _____ _____ ("Area Developer"), unconditionally and absolutely guaranties payment when due, whether by stated maturity, demand, acceleration or otherwise, of all existing and future indebtedness (“Indebtedness”) of Area Developer to Franchisor. Indebtedness includes without limit: any and all obligations or liabilities of the Area Developer to Franchisor under the Area Development Agreement or any other agreement between the Franchisor and Area Developer or any affiliate of Area Developer or otherwise arising, whether absolute or contingent, direct or indirect, voluntary or involuntary, liquidated or unliquidated, joint or several, known or unknown; any and all indebtedness, obligations or liabilities for which Area Developer would otherwise be liable to Franchisor were it not for the invalidity, irregularity or unenforceability of them by reason of any bankruptcy, insolvency or other law or order of any kind, or for any other reason; any and all amendments, modifications, renewals and/or extensions of any of the above; and all costs of collecting Indebtedness, including, without limit, actual attorney fees. In addition, each Guarantor agrees as follows:

1. This Guaranty is a continuing guaranty of payment and not of collection and remains effective whether the Indebtedness is from time to time reduced and later increased or entirely extinguished and later reincurred.

2. Guarantor will pay to Franchisor all costs and expenses, including reasonable attorney fees, incurred in enforcing this Guaranty.

3. If any Indebtedness is guaranteed by two or more guarantors, the obligation of Guarantor will be several and also joint, each with all and also each with any one or more of the others and may be enforced at the option of Franchisor against each severally, any two or more jointly, or some severally and some jointly. Franchisor, in its sole discretion, may release any one or more of the Guarantors for any consideration that it deems adequate, and may fail or elect not to prove a claim against the estate of any bankrupt, insolvent, incompetent or deceased Guarantor; and after that, without notice to any Guarantor, Franchisor may extend or renew any or all Indebtedness and may permit Area Developer to incur additional Indebtedness, without affecting in any manner the unconditional obligation of the remaining Guarantor(s). Guarantor acknowledge(s) that the effectiveness of this Guaranty is not conditioned on any or all of the Indebtedness being guaranteed by anyone else.

4. Guarantor, to the extent not expressly prohibited by applicable law, waive(s) any right to require Franchisor to: (a) proceed against any person or property; (b) give notice of the terms, time and place of any public or private sale of personal property security held from Area Developer or any other person, or otherwise comply with the provisions of Sections 9-611 or 9-621 of the Michigan or other applicable

Uniform Commercial Code, as the same may be amended, revised or replaced from time to time; or (c) pursue any other remedy in Franchisor's power. Guarantor waive(s) notice of acceptance of this Guaranty and presentment, demand, protest, notice of protest, dishonor, notice of dishonor, notice of default, notice of intent to accelerate or demand payment of any Indebtedness, any and all other notices to which Guarantor might otherwise be entitled, and diligence in collecting any Indebtedness, and agree(s) that Franchisor may, once or any number of times, modify the terms of any Indebtedness, compromise, extend, increase, accelerate, renew, or forbear to enforce payment of any or all Indebtedness, or permit Area Developer to incur additional Indebtedness, all without notice to Guarantor and without affecting in any manner the unconditional obligation of Guarantor under this Guaranty.

5. Guarantor unconditionally and irrevocably waive(s) each and every defense and setoff of any nature which, under principles of guaranty or otherwise, would operate to impair or diminish in any way the obligation of Guarantor under this Guaranty, and acknowledge(s) that each such waiver is by this reference incorporated into each security agreement, collateral assignment, pledge and/or other document from Guarantor now or later securing this Guaranty and/or the Indebtedness, and acknowledge(s) that as of the date of this Guaranty no such defense or setoff exists.

6. This Guaranty is an absolute and continuing guarantee and will remain in effect unless revoked in writing by Guarantor.

7. As long as Area Developer owes any monies to Franchisor (other than payments that are not past due) Area Developer will not pay and Guarantor will not accept payment of any part of any indebtedness owed by Area Developer to us, or any one of us, either directly or indirectly, without the consent of Franchisor.

8. This Guaranty constitutes the entire agreement of Guarantor and Franchisor with respect to the subject matter of this Guaranty. No waiver, consent, modification or change of the terms of the Guaranty will bind any of Guarantor or Franchisor unless in writing and signed by the waiving party or an authorized officer of the waiving party, and then this waiver, consent, modification or change will be effective only in the specific instance and for the specific purpose given. This Guaranty will inure to the benefit of Franchisor and its successors and assigns and will be binding on Guarantor and Guarantor's heirs, legal representatives, successors and assigns including, without limit, any debtor in possession or trustee in bankruptcy for any of Guarantor. Guarantor has (have) knowingly and voluntarily entered into this Guaranty in good faith for the purpose of inducing Franchisor to extend credit or make other financial accommodations to Area Developer. If any provision of this Guaranty is unenforceable in whole or in part for any reason, the remaining provisions shall continue to be effective.

9. THIS GUARANTY WILL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN. GUARANTOR IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE STATE AND

FEDERAL COURTS OF THE STATE AND COUNTY OF WHICH FRANCHISOR'S PRINCIPAL PLACE OF BUSINESS IS LOCATED AT THE TIME THAT THE LITIGATION IS COMMENCED AND WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. SERVICE OF PROCESS MAY BE MADE ON GUARANTOR IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS GUARANTY OR GUARANTOR'S RELATIONSHIP WITH FRANCHISOR BY ANY MEANS ALLOWED BY MICHIGAN OR FEDERAL LAW. VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS GUARANTY WILL BE THE STATE AND FEDERAL COURTS IN WHICH FRANCHISOR HAS ITS PRINCIPAL PLACE OF BUSINESS AT THE TIME THAT THE LITIGATION IS COMMENCED; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION THAT INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE THAT HAS JURISDICTION.

10. GUARANTOR AND FRANCHISOR ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS GUARANTY OR THE INDEBTEDNESS.

11. The Franchisor is required to enforce this Guaranty in any judicial or arbitration proceeding or any appeals, each Guarantor, jointly and severally, must reimburse Franchisor for its enforcement costs. Enforcement costs include reasonable accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

12. The failure to insist upon performance in any one (1) or more instances upon non-performance of any terms, covenants, and conditions of this Guaranty shall not be construed as a waiver of future performance of any such term, covenant, or condition of this Guaranty, and any obligations with respect hereto shall continue in full force and effect. Except as otherwise expressly provided in this Guaranty, no remedy conferred upon the Parties pursuant to this Guaranty is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Guaranty or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise of any right, power or remedy pursuant to this Guaranty shall preclude any other or further exercise thereof.

13. This Guaranty may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Guaranty may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Guaranty.

Guarantor:

Dated: _____ _____

(printed name)

Guarantor:

Dated: _____ _____

(printed name)

Guarantor:

Dated: _____ _____

(printed name)

Guarantor:

Dated: _____ _____

(printed name)

APPENDIX E— CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT AND COVENANT NOT TO COMPETE

VARA JUICE FRANCHISING, LLC

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT AND COVENANT NOT TO COMPETE
(Area Developer and Principal Owner)

This Confidentiality and Nondisclosure Agreement and Covenant Not to Compete (the "Agreement") is entered into as of the date or dates set forth below by and between _____ located at _____ ("Area Developer") and VARA FRANCHISING, LLC, located at 3231 S. Gulley Road, Suite D, Dearborn, Michigan 48124, (the "Company"), and _____ owner of Area Developer ("Owner"). Area Developer and Owner are hereinafter, collectively referred to as the "Area Developer Parties".

WHEREAS, Area Developer is a party to that certain Area Development Agreement dated _____, 20__ ("Area Development Agreement") by and between Area Developer and the Company;

WHEREAS, the Company is the Franchisor of VARA Juice™ Restaurants and has the authority to disclose and discuss all information relating to the operations of a VARA Juice ™ Restaurant;

WHEREAS, Confidential Information and Trade Secrets, which are more particularly described below, will be disclosed to the Area Developer Parties in relation to Area Developer's development of its VARA Juice™ Restaurant franchises; and

WHEREAS, the Area Developer Parties understand the necessity of not disclosing any such information to any other party or using such information to compete against the Company, any affiliate(s) or other franchisee(s) of the Company, or in any business (i) that is a Competing Business (as defined below) or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Area Developer, or the Company, any affiliate(s) of the Company, or the Company's other franchisees.

NOW, THEREFORE, in order to induce the Company to transmit the aforesaid information to the Area Developer Parties, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby agree as follows:

1) **Franchise System**

a) The Company franchises a system for the operation of a quick-service restaurant concept offering made to order fruit and vegetable smoothies, fruit cups, fruit and vegetable juice blends, iced coffee beverages, and ice cream using fresh ingredients for dine-in or takeout. The restaurant concept includes technical information and expertise relating to the preparation and serving of food products; the use of recipes, syrups, juice blends, and other food and beverage products, all of which constitute trade secrets and are identified by the public with VARA Juice™; prescribed exterior and interior design, decor, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; training and assistance; and advertising and promotional programs (collectively

"Systems"); all of which may be changed, improved, and further developed by the Company.

b) A business operated under the Systems, the Company's trademarks, and the Company's trade dress, whether operated by the Company or its affiliates or other persons authorized by the Company, will be referred to in this Agreement as a "Restaurant." The Restaurant that Area Developer is licensed to operate under the Franchise Agreement will be referred to in this Agreement as the "Franchise Business."

2) **Definitions.**

a) The term "Brand Standards Manual" shall mean all manuals or other written materials relating to the Systems or containing the Company's specifications.

b) The term "Competing Business" shall means any business that is the same or similar to a Restaurant, including any food service business with a menu substantially featuring smoothies, juice blends, ice cream, coffee beverages, or similar foods or beverages (such as, for example, Tropical Smoothie, Smoothie King, Robeks, Planet Smoothie, Jamba/Jamba Juice, and Freshi), or other products and services that may be offered by Restaurants now or in the future.

c) The term "Confidential Information" shall include, but shall not be limited to:

(1) Brand Standards Manuals, training methods, operations methods, and other techniques, processes, policies, procedures, systems and data;
(2) Knowledge and experience relating to Restaurants;
(3) Advertising, marketing techniques and strategies, and advertising programs used in developing and operating Restaurants;
(4) All information regarding the identities and business transactions of customers and suppliers;
(5) Computer software and similar technology that has been or may be developed by or for the Company or its agents, which is proprietary to the Company, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;
(6) Knowledge of the operating results and financial performance of Restaurants;
(7) Other aspects of the Franchise System now or later revealed to the Area Developer Parties and all changes and enhancements in the Franchise System, even if developed by the Area Developer Parties; and
(8) Other property that the Company describes as being Confidential Information or Trade Secrets of the Franchise System.

d) The term "Franchise Location" shall mean the location for the Franchise Business approved in writing by the Company pursuant to the Franchise Agreement.

e) The term "Geographic Areas" shall mean: (i) the Franchise Location; (ii) the area within twenty-five (25) miles of the Franchise Location; and (iii) the areas within twenty-five (25) miles of any other VARA Juice™ Restaurant existing or in development at the time any Area Developer Party begins to operate the Competing Business.

f) The term "Trade Secret" shall mean information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, patterns, compilations, recipes, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the Franchise Business that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

3) **Confidentiality and Nondisclosure**.

a) The Area Developer Parties, and their Family Members, shareholders, officers, directors, partners, members, managers, owners, investors, employees, and agents, shall not at any time, during the term of the Franchise Agreement, or after the termination, expiration, or any other end of the Franchise Agreement, communicate, disclose, or use any Confidential Information or Trade Secrets (collectively, "Information") for their own benefit, or the benefit of any third party, nor will the Area Developer Parties directly or indirectly aid any third party to imitate, duplicate, or "reverse engineer" any of the Information. The Area Developer Parties agree to use and permit the use of Information solely in connection with the operation of the Franchise Business. The Area Developer Parties shall not, without the Company's prior written consent, copy, duplicate, record, or otherwise reproduce any Information. The Area Developer Parties hereby indemnify the Company and its directors, officers, employees, agents, members, successors and assigns, affiliates and subsidiaries, and the respective directors, officers, employees, agents, shareholders, managers, members, affiliates, and successors and assigns of each, from any damages, costs, or expenses resulting from or related to any disclosure or use of Information by the Area Developer Parties or their respective Family Members, shareholders, officers, directors, partners, members, managers, owners, investors, employees, and agents. The Area Developer Parties agree never to copy, duplicate, record or otherwise reproduce any of the Information, in whole or part, share it with any other third-party individual or entity (except as provided herein), store it in a computer or other electronic format, or otherwise make it available to any third party by any other means whatsoever. The Area Developer Parties shall retain all Information in strict confidence and not use the Information except as otherwise provided herein. The Area Developer Parties agree not to claim any right or interest in or to disclose Information to others.

b) During the term of the Franchise Agreement between Area Developer and the Company or in the event the Franchise Agreement terminates, expires without renewal, or ends for any other reason, the Area Developer Parties, and Family Members, shareholders, officers, directors, partners, members, managers, owners, investors, employees, and agents must not use any of the Information to own, operate, or develop any Competing Business.

c) The Area Developer Parties acknowledge the Company's exclusive ownership of the Information and the System and the Company's exclusive ownership of the Company's trademarks. No Area Developer Party shall, directly or indirectly, contest or impair the Company's exclusive ownership of, and/or license with respect to, the Information, the System, or the Company's trademarks.

d) In the event that the Franchise Agreement between Area Developer and the Company terminates, expires without renewal, or ends for any other reason, or upon the Company's reasonable request, the Area Developer Parties shall return to the Company all Information, and shall not retain any copies in whatever form, including without limitation electronically stored information, or other reproductions, or extracts thereof, provided or prepared by the Company or the Area Developer Parties or any of their respective officers, members, managers, shareholders, directors, agents, employees, representatives, or consultants. The Area Developer Parties shall provide a certificate to the Company, in a form satisfactory to the Company, that all of the foregoing have in fact been returned and/or destroyed.

4) **Non-competition.**

a) The Area Developer Parties acknowledge that the Information disclosed to the Area Developer Parties and all other aspects of the Company's System are highly valuable assets of the Company, and the Area Developer Parties agree that the Area Developer Parties and their shareholders, officers, directors, partners, members, managers, owners, investors, Family Members and affiliates must not, during the term of the Franchise Agreement, engage in any activity in competition with the Company or its franchisees and licensees, including involvement, whether as an owner (except ownership of no more than one percent (1%) of a publicly traded entity), director, officer, member, manager, employee, consultant, lender, representative or agent, or in any other capacity, or otherwise in any business that is involved, in whole or in part, in a Competing Business (except other Restaurants operated under franchise agreements entered into with the Company), or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business, unless you have received the Company's prior written approval.

b) In the event that the Franchise Agreement between and the Company terminates, expires without renewal, or ends for any other reason, the Area Developer Parties and their shareholders, officers, directors, members, managers, partners, owners, investors, Family Members, and affiliates, must not, for a period of two (2) years commencing on the later of the effective date of termination, expiration, non-renewal, or any other end of the Franchise Agreement, directly or indirectly, engage in any activity in competition with the Company or its franchisees and licensees, including involvement, whether as an owner (except ownership of no more than one percent (1%) of a publicly traded entity), partner, director, officer, member, manager, employee, consultant, lender, representative, or agent, or in any other capacity in any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business; provided that, the restrictions in this Section will only apply within the Geographic Areas.

c) The Area Developer Parties and their shareholders, officers, directors, members, managers, partners, owners, and investors, Family Members, and affiliates, must not, during the term of the Franchise Agreement and for a period of two (2) years after termination, expiration, non-renewal, or any other end of the Franchise Agreement, for any reason whatsoever, directly or indirectly: (a) divert or attempt to divert any business or customer of the Franchise Business or any other Restaurant to any Competing Business by direct or indirect inducements or otherwise; (b) sponsor, appoint, or encourage or influence or promote friends, relatives, or associates to operate a

Competing Business; or (c) employ any person or furnish or permit access to the Information to any person who is engaged or has arranged to become engaged in any activity in competition with VARA Juice™ Restaurants, including involvement, either as an owner (except no more than one percent (1%) of the publicly traded securities of an entity), partner, director, officer, member, manager, employee, consultant, lender, representative, or agent, or in any other capacity, of any business that is involved, in whole or in part, in a Competing Business or in any business or entity that franchises, licenses, or otherwise grants to others the right to operate a Competing Business.

d) The Area Developer Parties acknowledge and agree that if any of the Area Developer Parties should violate the provisions of this Section 4 with respect to the operation of a Competing Business following expiration, termination, or any other end of the Franchise Agreement, then the period for which the prohibition stated therein shall be extended until two (2) years following the date such Area Developer Parties ceases all activities that are in violation of this Section 4.

5) **Effect of Agreement.** The Company's sole obligation under this Agreement is to provide the Confidential Information to the Area Developer Parties at the outset of the parties' business relationship so that the Area Developer Parties may open and operate the Franchise Business. The Company shall have no further obligations under this Agreement once the Company has provided the Information to the Area Developer Parties. Nothing in this Agreement shall be construed to create any additional or continuing obligation of the Company after the Company initially provides the Confidential Information to the Area Developer Parties. The Area Developer Parties' obligations under this Agreement shall continue in effect after termination, expiration, or any other end of the Franchise Agreement, regardless of the reason or reasons, whether such was voluntary or involuntary, and the Company is entitled to communicate the Area Developer Parties' obligations under this Agreement to any third party to the extent deemed necessary by the Company for protection of its rights.

6) **Reasonableness of Restrictions.** The Area Developer Parties have carefully considered the nature and extent of the restrictions upon the Area Developer Parties set forth in this Agreement (including without limitation, the covenants not to compete, confidentiality restrictions, and the restrictions on assignment) and the rights and remedies conferred upon all of the parties under this Agreement. Such restrictions, rights, and remedies: (a) are reasonable, including, but not limited to, their term and geographic scope; (b) are designed to preclude competition which would be unfair to the Company and the Franchise System; (c) are fully required to protect the Company's legitimate business interests; and (d) do not confer benefits upon the Company that are disproportionate to the Area Developer Parties' detriment. The covenants not to compete set forth in this Agreement are fair and reasonable, and will not impose any undue hardship on the Area Developer Parties, since the Area Developer Parties have other considerable skills, experience, and education which afford the Area Developer Parties the opportunity to derive income from other endeavors. The Area Developer Parties acknowledge that each of the terms set forth herein, including the restrictive covenants, are fair and reasonable and are reasonably required for the protection of the Company, the Company's Information, the Company's business system, its network of franchises, the Company's Goodwill, and the Company's trade and service marks, and the Area Developer Parties waive any right to challenge these restrictions as being overly broad, unreasonable, or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then the Area Developer Parties agree to submit to the reduction of any such

activity, time period, or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the Parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

7) **Relief for Breaches of Confidentiality and Non-Competition.** The Area Developer Parties acknowledge that it will be difficult to measure the damages to the Company from any breach of a Area Developer Party of the covenants and restrictions set forth herein, that the injury to the Company from any such breach would be incalculable and irremediable and the damages are not an alternative or an adequate remedy. The Area Developer Parties therefore agree that in the event any Area Developer Party breaches or attempts to breach any of the terms of this Agreement, the Company shall be entitled as a matter of right to obtain from any court of competent jurisdiction an injunction (i) prohibiting the breaching party from any further breaches of this Agreement; (ii) rescinding any action taken by the breaching party contrary to the terms of this Agreement; and (iii) authorizing the Company to recover from the breaching party any and all salaries, fees, commissions, income, profits or other remuneration or gain which the breaching party may have received or to which it may have become entitled to receive from or by reason of the conducting of any activity in violation of the terms, conditions or covenants of this Agreement. The issuance of such an injunction will not prevent the Company from obtaining such other relief as is appropriate under the circumstances, such as the award of other monetary damages.

8) **Independent Contractor and Joint Employer Disclaimer.** The Area Developer Parties understand and agree that nothing in this Agreement may be construed to create a partnership, joint venture, agency or employment relationship of any kind between the Company or any of the Area Developer Parties. No party shall represent that the relationship between the Company and the Area Developer Parties is other than that of franchisor and area developer. The Company does not assume any liability, and shall not be considered liable, for any agreements, representations, or warranties made by the Area Developer Parties unless expressly authorized under this Agreement. The Company will not be obligated for any damages to any person or property that directly or indirectly arises from or is related to the operation of the Franchise Business by the Area Developer Parties. The Area Developer Parties acknowledge and agree, and will never contend otherwise, that the Area Developer Parties alone will exercise day-to-day control over all operations, activities and elements of the Franchise Business and that under no circumstance will the Company do so or be deemed to do so. The Area Developer Parties further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, and covenants the Area Developer Parties are required to comply with under this Agreement do not directly or indirectly constitute, suggest, infer or imply that the Company controls any aspect or element of the day-to-day operations of the Franchise Business. None of Area Developer Parties' employees nor the Area Developer Parties will be considered employees of the Company. Neither the Area Developer Parties nor any of Area Developer Parties' employees whose compensation Area Developer may pay in any way, directly or indirectly, expressly or by implication, will be construed to be an employee of the Company for any purpose, including, without limitation, with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any local, state or federal governmental agency.

9) **Miscellaneous.**

a) The parties agree that this Agreement shall become non-executory after the Company's disclosure of the Information.

b) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between the parties. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

c) Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. § 1050 et. seq), as amended, this Agreement shall be governed by the laws of the state of Michigan. The parties agree, however, that if the Franchise Business is not located in Michigan, and if no Area Developer Party a resident of Michigan, the provisions of the Michigan Franchise Investment Law and the regulations promulgated thereunder shall not apply to this Agreement.

d) Any action brought by any party to this Agreement shall only be brought in the appropriate state or federal court located in or serving the county in which the Company's principal place of business is located at the time the litigation is commenced. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by the Company where any Area Developer Party is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments in any appropriate jurisdiction.

e) If the Company is required to enforce this Agreement in any judicial or arbitration proceeding or any appeals, each Area Developer Party, jointly and severally, must reimburse the Company for its enforcement costs. Enforcement costs include actual accountants', attorneys', attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Agreement.

f) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of the parties and shall inure to the benefit of the parties and their respective successors and assigns. Area Developer Parties may not assign this Agreement without the prior written consent of the Company. The Company may assign this Agreement without the prior consent of the Area Developer Parties.

g) The failure to insist upon performance in any one (1) or more instances upon non-performance of any terms, covenants, and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant, or condition of this Agreement, and the obligations of each party with respect thereto shall continue in full force and effect.

h) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

i) The existence of any claim or cause of action a Area Developer Party might have against the Company will not constitute a defense to the enforcement by the Company of this Agreement.

j) In the event any Section or portion of any Section in this Agreement shall be determined to be invalid or unenforceable for any reason(s), such invalidity or unenforceability shall not affect the validity and enforceability of the remaining valid and enforceable Sections hereof, which shall be construed as if such invalid or unenforceable Section or Sections had not been inserted.

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon the parties pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party to this Agreement of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

l) This Agreement may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument. This Agreement may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Agreement.

THE AREA DEVELOPER PARTIES CERTIFY THAT THEY HAVE READ THIS AGREEMENT CAREFULLY AND UNDERSTAND AND ACCEPT THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO ANY AREA DEVELOPER PARTY TO INDUCE THE SIGNING OF THIS AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year written below.

AREA DEVELOPER:	COMPANY:
_____	VARA JUICE FRANCHISING, LLC
By:_____	By: _____
Its:_____	Its:_____
Dated:_____	Dated: _____

OWNER:

_____

Principal Owner 1

Dated: _____

EXHIBIT H

LIST OF VARA JUICE FRANCHISING, LLC'S FRANCHISED RESTAURANTS

As of December 31, 2023

Owner	Address	City	State	Zip	Phone	Affiliate Owned	Not Open
MICHIGAN							
Alex Juice, LLC	3673 15 Mile Road	Sterling Heights	MI	48310	586-355-5438		
Albakhiti, LLC	25254 Greenfield Road	Oak Park	MI	48237	313-202-9929		
NEW JERSEY							
Aljaeydi, LLC	311 Crooks Ace	Patterson	NJ	07503	973-970-2626		

EXHIBIT I

LIST OF FRANCHISEES THAT RECENTLY LEFT THE SYSTEM

LIST OF FRANCHISEES THAT RECENTLY LEFT THE SYSTEM

The following are the name, city and state and business telephone number, or if unknown the last home telephone number of each Franchisee who has had a franchise terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the calendar year 2023 or who have not communicated with us within 10 weeks of our application date (or the date of this Offering Circular, if this Offering Circular is not for use in a state requiring registration of franchises).

NONE

EXHIBIT J

FINANCIAL STATEMENTS

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

Vara Juice Franchising LLC

Balance Sheet

As of October 2, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
BUS COMPLETE CHK (8822) - 1	57,365.83
Total Bank Accounts	**$57,365.83**
Accounts Receivable	
Accounts Receivable (A/R)	0.00
Total Accounts Receivable	**$0.00**
Other Current Assets	
Undeposited Funds	0.00
VJ DISTRIBUTION CENTER INC	54,760.00
Waleed- Loan	0.00
Total Other Current Assets	**$54,760.00**
Total Current Assets	**$112,125.83**
TOTAL ASSETS	**$112,125.83**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Deffer Franchise Fees	18,750.00
Direct Deposit Payable	0.00
Intercompany Payable	
VJ DISTRIBUTION CENTER	14,080.24
Total Intercompany Payable	**14,080.24**
Payroll Liabilities	
Federal Taxes (941/943/944)	3,523.00
Federal Unemployment (940)	125.40
MI Income Tax	1,729.75
MI Unemployment Tax	105.30
Total Payroll Liabilities	**5,483.45**
Unearned Gift Card	94.98
Total Other Current Liabilities	**$38,408.67**
Total Current Liabilities	**$38,408.67**
Total Liabilities	**$38,408.67**
Equity	
Opening Balance Equity	0.00
Retained Earnings	-34,687.70
Net Income	108,404.86
Total Equity	**$73,717.16**
TOTAL LIABILITIES AND EQUITY	**$112,125.83**

Vara Juice Franchising, LLC

Audited Financial Statements

From March 2, 2023 (Inception) To December 31, 2023

Vara Juice Franchising, LLC

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Etiendem CPA

Etiendem CPA
Certified Public Accountant
11357 Nuckols Rd #2113
Glen Allen, VA 23059

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Website: www.etiendemcpa.com

INDEPENDENT AUDITORS' REPORT

To the Members of

The Vara Juice Franchising, LLC

Opinion

I have audited the accompanying financial statements of Vara Juice Franchising, LLC which comprise the balance sheets as of December 31, 2023, and the related statements of income, changes in members' equity, and cash flows from March 2, 2023 (inception) to December 31, 2023, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Vara Juice Franchising, LLC as of December 31, 2023, and the changes in member's equity and its cash flows from March 2, 2023 (inception) to December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Vara Juice Franchising, LLC and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Vara Juice Franchising, LLC 's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Vara Juice Franchising, LLC 's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Vara Juice Franchising, LLC 's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that I identified during the audit.

Glen Allen, Virginia
April 26, 2024

VARA JUICE FRANCHISING, LLC
Balance Sheets
As of December 31, 2023

Assets	
Current Assets	
Cash and Cash Equivalents	$50,099
Other Current Assets	3,000
Total Current Assets	53,099
Non Current Assets	
Total Non current Asset	-
Total Assets	$53,099
Liabilities and Member's Equity	
Current Liabilities:	
Trade Payables	$68,979
Differed Franchise Fees	18,750
Unearned Gift Card	57
Total Current Liabilities	87,787
Member's Equity	(34,688)
Total Liabilities and Members' Equity	$53,099

The accompanying notes are an integral part of the financial statements.

VARA JUICE FRANCHISING, LLC
Income Statements and Statements of Changes in Members' Equity
From March 2, 2023 (inception) to December 31, 2023

Revenue		
Service Revenue	$	74,477
Less: Cost of Franchise and Subcontractor Services		-
Net Royalty and Fee Income		74,477
Operating Expenses		
Compensation		5,396
Professional Fees		7,971
General and Administrative		26,407
Software Expenses		15,059
Advertising and promotion		54,333
Total Expense		109,165
Operating Loss		(34,688)
Net Income		(34,688)
Members' Equity, Beginning of Year	$	-
Net Income		(34,688)
Members' Equity, End of Year	$	(34,688)

The accompanying notes are an integral part of the financial statements.

VARA JUICE FRANCHISING, LLC
Statements of Cash Flows
From March 2, 2023 (inception) to December 31, 2023

Cash flows from operating activities	
Net Income	$(34,688)
Adjustments to reconcile net income	
to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
(Increase) Decrease in unearned revenue	57
Increase(Decrease) in differed franchise fees	18,750
Increase(Decrease) in trade payable	68,979
Net cash provided by operating activities	53,099
Cash flows from investing activities	
Loan to Individual	(3,000)
Net cash used in investing activities	(3,000)
Net change in cash and cash equivalents	50,099
Cash and Cash Equivalents, Beginning of Year	-
Cash and Cash Equivalents, End of Year	$ 50,099

The accompanying notes are an integral part of the financial statements.

VARA JUICE FRANCHISING, LLC
Notes to the Financial Statements
From March 2, 2023 (inception) to December 31, 2023

Note 1 - Organization and Business

Vara Juice Franchising, LLC was established in Michigan on March 2, 2023. The company is owned by Ali Ali ALbadnai, 33.3%, Osam Albadani, 28.3%, Amr Albadani, 10%, and Abdulaziz Alnasef, 28.3%.

The Company is a growing brand in the health and wellness sector, focusing on providing high-quality, natural smoothies. Our core philosophy centers around offering products made exclusively from fresh, neutral fruits without the addition of any powders or artificial ingredients. As a franchise, we are committed to maintaining the integrity of our products while fostering a community of health-conscious consumers and entrepreneurs. Our franchises are equipped with the knowledge and tools necessary to deliver exceptional service and products that meet the Vara Juice standard of quality and nutritional value.

We believe in transparency, quality, and sustainability, and these values are reflected in every aspect of our operations, from sourcing ingredients to customer service. Our goal is to become a leader in the smoothie industry by setting high standards for natural and healthy beverages.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting
The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Revenue Recognition
The Company recognizes revenue in accordance with FASB Accounting Standards Codification Topic 606, Revenue from Contracts with Customers (ASC 606). The terms of the current Franchise Disclosure Document require franchisees to pay the Company an initial franchise fee in exchange for the Company's assistance in training, manuals, systems, a designated territory to operate in, and other start up supplies and support. Under ASC 606, the franchisor must determine if the pre-opening activities contain any distinct goods or services, known as performance obligations, and then allocate the initial franchise fees to those performance obligations using the stand-alone selling price of the goods or services. Further clarification was provided in ASU 2021-02 Franchisors – Revenue from Contracts with Customers which allows private companies a practical expedient in determining the amount and timing of revenue recognition for preopening activities. Using this method, approximately 75% of the performance obligations are met at the time of start-up including delivery of startup supplies, manuals, and equipment as well as training and an initial book of business. Therefore, 75% of the initial franchise fee is recognized at the time of sale. The remaining 25% of the fee is recorded in contract liabilities and amortized over a 3-year period which management deems to be the period where the franchisee's book of business is stabilized, and the value is transferred to the franchisee. There were three new franchises in 2023 and an existing contract liability of $18,750 recognized in the financial statements as differed franchise fees.

The Company charges the franchisee an initial franchise fee of Twenty-Five Thousand and 00/100 Dollars ($25,000.00). A weekly royalty fee ("Royalty") in an amount equal to five percent (5%) of gross sales or $350, whichever is greater and a weekly contribution to the Brand Development Fund in the amount of two percent (2%) of gross sales or $138, whichever is greater is also charged to franchisees as outlined in the Franchise Disclosure Document (FDD). There may be additional fees which are payable to the Company or a 3rd party which are outlined in the FDD.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in bank deposit accounts. The carrying amount approximates fair value due to the nature of the instruments. As of December 31, 2023, the Company's cash balances did not exceed Federal Deposit Insurance Corporation limits of $250,000 per depositor per bank.

Fixed Assets

Fixed assets consist of a vehicle which is being depreciated over a 5-year useful life and is fully depreciated as of December 31, 2023.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Note 3 - Income Taxes

The Company is a limited liability company which is treated as a partnership for tax purposes. As such, the members report and pay income taxes through their personal tax returns. The Company generally does not pay income taxes. As a result, no provision for income taxes has been included in these financial statements. The Company follows the guidance in ASC 740-10 as it relates to uncertain tax positions as of December 31, 2023, and has evaluated its tax positions taken for filings with the Internal Revenue Service and the state jurisdiction of North Carolina where it operates. The Company has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress.

Note 4 – Related Party

Vara Juice Franchising, LLC provided a loan of $3,000 to one of its Franchisees at 0% interest rate on December 22, 2023, to be paid in full on January 22, 2024. This is presented as other current assets in the balance sheet.

Vara Juice Distribution Center, LLC is owned by the same owners of Vara Juice Franchising, LLC. The Trade Payables of $68,979 in the balance sheet represent amount owe by Vara Juice Franchising, LLC to Vara Juice Distribution Center, LLC for Vara Juice Franchising, LLC expenses paid by Vara Juice Distribution Center, LLC.

Note 5 - Subsequent Events

In preparing these financial statements in accordance with Accounting Standards Codification No. 855 – Subsequent Events, the Company has evaluated events and transactions for potential recognition or disclosure April 26, 2024, the date the financial statements were available to be issued. The Company has no knowledge of significant subsequent events as of this date that would require adjustment to or disclosure in the financial statements.

EXHIBIT K

STATE SPECIFIC DISCLOSURES AND ADDENDA

ADDITIONAL STATE-SPECIFIC DISCLOSURES FOR THE MULTI-STATE FRANCHISE DISCLOSURE DOCUMENT OF VARA JUICE FRANCHISING, LLC

The following are additional disclosures for the Franchise Disclosure Document of VARA JUICE FRANCHISING, LLC required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

CALIFORNIA

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

2. IN ADDITION TO THE INFORMATION SET FORTH IN ITEM 3 OF THE DISCLOSURE DOCUMENT, NEITHER THE FRANCHISOR NOR ANY PERSON LISTED IN ITEM 2 OF THE DISCLOSURE DOCUMENT IS SUBJECT TO ANY CURRENTLY EFFECTIVE ORDER OF ANY NATIONAL SECURITIES ASSOCIATION OR NATIONAL SECURITIES EXCHANGE, AS DEFINED IN THE SECURITIES EXCHANGE ACT OF 1934, 15 USCA 78(a), ET SEQ., SUSPENDING OR EXPELLING SUCH PERSONS FROM MEMBERSHIP IN SUCH ASSOCIATION OR EXCHANGE.

3. THE FOLLOWING PARAGRAPHS ARE AN ADDITION TO THE DISCLOSURE CONTAINED IN ITEM 17 OF THE DISCLOSURE DOCUMENT.

(a) California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

(b) The Franchise Agreement contains a covenant not to compete that extends beyond termination of the franchise. That provision may not be enforceable under California law.

(c) The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 USCA Sec. 101, et seq.).

(d) The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

(e) You must sign a general release if you renew or transfer your franchise. California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

(f) Section 31125 of the California Corporations Code requires the Franchisor to give the Franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to solicitation of a proposed material modification of an existing franchise.

The URL address for the VARA JUICE FRANCHISING, LLC Website is http://www.varajuice.com. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

HAWAII

1. The following is in addition to the disclosure in Item 8 of the Franchise Disclosure Document:

The requirement for you to purchase products from us or some other entity as we designate in writing, may be unlawful under Hawaii Law. If, and to the extent, that requirement is found to be unlawful, that requirement will be void (to the extent unlawful) and you must purchase those products from approved suppliers.

2. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

Any release signed by you as a condition of renewal or transfer will not exclude claims you may have under the Hawaii Investment Law

ILLINOIS

1. The following Special Risks About *This* Franchise are in addition to those Special Risks listed on Page 5 of the Franchise Disclosure Document:

Financial Condition. The franchisor's financial condition, as reflected in its financial statements (see Item 21), call into question the franchisor's financial ability to provide services and support to you.

Short Operating History. The franchisor is at an early state of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

2. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

The Franchise Agreement, as amended for the State of Illinois, provides that:

(a) Section 20 of the Illinois Franchise Disclosure Act of 1987 (the "Act") will control over any inconsistent provisions in the Agreement relating to renewal of the Agreement.

(b) Section 19 of the Act will control over any inconsistent provisions in the Agreement relating to termination of the Agreement.

(c) Illinois law governs the franchise agreements.

(d) Any provision of the Agreement specifying a state other than Illinois as the forum for litigation is void with respect to any cause of action that is otherwise enforceable in the State of Illinois.

(e) In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

3. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of; (i) waiving any claims under applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. Deferral of Initial Franchise Fee. Franchisee's payment of initial franchise fees will be deferred until Franchisor has met all of its initial obligations to Franchisee, and Franchisee has commenced doing business. This financial assurance requirement was imposed by the Illinois Attorney General's Office due to Franchisor's financial condition.

INDIANA

1. **REGISTRATION OF THIS FRANCHISE IN THE STATE OF INDIANA DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER.**

2. The following is in addition to the disclosure in Item 8 of the Franchise Disclosure Document:

The requirement for you to purchase products from us or some other entity as we designate in writing, may be unlawful under Indiana Law. Under the Franchise Agreement amended for use in Indiana, if, and to the extent, that requirement is found to be unlawful, that requirement will be void (to the extent unlawful) and you must purchase those products from approved suppliers.

3. The following is in addition to the disclosure in Item 12 of the Franchise Disclosure Document:

(a) Under the Franchise Agreement amended for use in Indiana, we are prohibited from establishing a Franchisor owned outlet engaged in a substantially identical business to that of the Franchise Business within your Protected Area, whether or not the business is operated under the Franchise Marks.

4. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

(a) Under the Franchise Agreement amended for use in Indiana, the post-termination non-competition covenant only applies to your Protected Area and does not include the areas within a radius of any other VARA Juice™ Restaurant location.

(b) The Franchise Agreement amended for use in the State of Indiana specifies that the Agreement and the construction of the Agreement will be governed by the laws of the State

of Michigan except that the Indiana Franchise Law (Indiana Code 23-2-2.5 and 23-2-2.7) will control where applicable.

MARYLAND

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

ANY RELEASE CONTAINED IN THE FRANCHISE AGREEMENT OR ANY OTHER AGREEMENT REQUIRED AS A CONDITION OF THE SALE, RENEWAL OR TRANSFER OF THE FRANCHISE WILL NOT APPLY TO ANY LIABILITY UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

THE FRANCHISE AGREEMENT SPECIFIES THE APPLICATION OF MICHIGAN LAWS AND MICHIGAN VENUE FOR LITIGATION, HOWEVER, YOU MAY BRING AN ACTION UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW IN ANY COURT OF COMPETENT JURISDICTION IN MARYLAND.

ANY CLAIM ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW MUST BE BROUGHT WITHIN THREE YEARS AFTER THE GRANT OF THE FRANCHISE.

MINNESOTA

1. The following is in addition to the disclosures in Items 13 and 17 of the Franchise Disclosure Document:

(a) MINN. STAT. SECTION 80C.21 and MINNESOTA RULES 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce: (1) any of the franchisee's rights as provided for in MINN. STAT. CHAPTER 80C; or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

(b) With respect to franchises governed by Minnesota law, the franchisor will comply with MINN. STAT. SECTION 80C.14 SUBD. 3-5, which require (except in certain specified cases):

(i) that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement; and

(ii) that consent to the transfer of the franchise will not be unreasonably withheld.

(c) MINNESOTA RULES 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release, other than with respect to the voluntary settlement of disputes between us.

(d) The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See MINNESOTA RULES 2860.4400(J) also, a court will determine if a bond is required.

(e) The Limitations of Claims section of the Franchise Agreement must comply with MINN. STAT. SECTION 80C.17 SUBD. 5.

2. The following is in addition to the disclosures made in Items 5 and 7 of the Franchise Disclosure Document:

(a) Franchisee's payment of the initial franchise fee will be deferred until Franchisor has met all of its initial obligations to Franchisee, and Franchisee has commenced doing business.

3. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

NEW YORK

1. **REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271.**

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS DISCLOSURE DOCUMENT.

2. Litigation. The following is in addition to the disclosure in Item 3 of the Franchise Disclosure Document:

Except for any actions disclosed in the body of the Disclosure Document, neither the franchisor, a predecessor, a parent or affiliate that induces franchise sales by promising to back the franchisor financially or otherwise guarantees the franchisor's performance, an affiliate who offers franchises under the Franchisor's principal trademarks, nor any person identified in Item 2 of the Franchise Disclosure Document:

A. Has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations; or any pending action, other than routine litigation incidental to

the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. Bankruptcy. The following is in addition to the disclosure in Item 4 of the Franchise Disclosure Document:

Except as disclosed in the body of the Disclosure document, neither Franchisor, and parent, predecessor, affiliate, officer, or general partner of the franchisor, nor any other individual who will have management responsibility relating to the sale or operation of franchises offered in the Franchise Disclosure Document has, during the ten (10) year period immediately before the date of the Disclosure document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. bankruptcy code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code during or within one (1) year after the officer or general partner of the Franchisor held this position in the company or partnership.

4. Initial Franchise Fee. The following is in addition to the disclosure in Item 5 of the Franchise Disclosure Document:

The initial franchise fee may, in part, be profit to us, and is, in part, used to pay our following expenses and costs: (a) employee salaries and benefits; (b) sales, administrative and operating expenses; (c) legal and accounting fees; (d) expenses of technical assistance, service and support; (e) protection of our trademarks; (f) other operational expenses incurred by us relating to franchising.

5. Renewal, Termination, Transfer and Dispute Resolution. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

(a) Conditions for our approval of the transfer--The release you must sign if you transfer your franchise will not apply to any claims you may have arising under Article 33 of the General Business Law of the State of New York.

(b) Assignment of contract by us--No assignment of our rights in the Franchise Agreement will be made by us except to an assignee who, in our good faith and judgment, is willing and able to assume our duties under the Agreement.

(c) Choice of law--The choice of law provision, which requires application of Michigan laws, will not be considered a waiver of your rights under Article 33 of the General Business Law of the State of New York.

(d) Modification of agreements--Revisions to the operations manual will not unreasonably affect your obligations, including economic requirements, under the Franchise Agreement.

NORTH DAKOTA

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C.):

(a) Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute.

(b) Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

(c) Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

(d) Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

(e) Applicable Laws: Franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota.

(f) Waiver of Trial by Jury: Requiring North Dakota franchises to consent to a waiver of a trial by jury.

(g) Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

(h) General Release: Franchise Agreements that require the franchisee to sign a general release on renewal of the franchise agreement.

(i) Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(j) Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The

prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

RHODE ISLAND

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

VIRGINIA

1. The following statements are added to Item 17 of the Franchise Disclosure Document:

(a) Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

(b) Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

2. No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

(a) The State of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in your relationship with us, including the areas of termination and renewal of your franchise. There may also be court decisions that may supersede the franchise agreement in your relationship with us including the areas of termination and renewal of your franchise.

(b) In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

(c) A release or waiver of rights executed by a franchisee will not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

(d) Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

WISCONSIN

1. The following is in addition to the disclosure in Item 17 of the Franchise Disclosure Document:

Chapter 135, Stats., Wisconsin Fair Dealership Law, supersedes any provision of the Franchise Agreement or any other agreement inconsistent with that law.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE SPECIFIC ADDENDA TO THE FRANCHISE AGREEMENT

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF CALIFORNIA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

In recognition of the requirements of the California Franchise Investment Law, Cal Corp Code 31000-31516 and the California Franchise Relations Act, Cal Bus Prof Cod 20000-20043, the parties agree as follows:

1. The California Franchise Relations Act provides you rights concerning termination or non-renewal of the Area Development Agreement, which may supersede provisions in the Area Development Agreement, specifically Article 10.

2. Section 11.4(a), which terminates the Area Development Agreement upon your bankruptcy, may not be enforceable under federal bankruptcy law (11 USC Section 101, *et. seq*).

3. Section 9.2, which contains a covenant not to compete that extends beyond the expiration or termination of the Agreement; this covenant may not be enforceable under California Law.

4. The Area Development Agreement requires litigation to be conducted in a court located outside of the State of California. This provision might not be enforceable for any cause of Action arising under California Law.

5. The Area Development Agreement requires application of the laws of a state other than California. This provision might not be enforceable under California Law.

6. Article 13 requires binding arbitration. The arbitration will occur at the forum indicated in Article 13, with the costs being borne by you if Franchisor is the prevailing party. Prospective Developers are encouraged to consult with legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California.

7. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of the Area Development Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

8. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law or the California Franchise Relations Act are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

_____
AREA DEVELOPER

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF HAWAII

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

In recognition of the requirements of the Hawaii Franchise Investment Law, Haw. Rev. Stat. § 482E-1, et seq., the parties agree as follows:

1. Release on Renewal. Section 3.2(h) of the Franchise Agreement, is amended to read as follows:

(h) You have signed a general release, in a form specified by us, of any and all claims against us and our affiliates, and their respective officers, directors, agents, members and employees, excluding only such claims as you may have under the Hawaii Investment Law.

2. Supplier Requirements. Section 8.5 of the Franchise Agreement is amended by adding the following:

If, and to the extent, the requirement for you to purchase products from a Designated Supplier is unlawful under Hawaii Law, that requirement will be void (to the extent unlawful) and you must purchase those products in accordance with our specifications and only from Approved Suppliers.

3. Release on Transfer. Section 14.3(d) of the Franchise Agreement, is amended to read as follows:

(d) You and the Seller must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (f) below) and must sign an agreement, in the form specified by us, that releases us and our affiliates, owners, officers, directors, employees, and agents from any and all claims and causes of action, excluding only such claims as you may have under the Hawaii Franchise Investment law.

4. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF ILLINOIS

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee").

In recognition of the requirements of the Illinois Franchise Disclosure Act, Ill. Comp. State. §§ 705/1 to 705/44 (the "Act"), the parties agree as follows:

1. Renewal. Section 3.2 of the Franchise Agreement is amended by adding the following paragraph:

Section 20 of the Act will control over any inconsistent provisions in this Agreement relating to renewal of the Agreement.

2. Termination. Article 15 of the Franchise Agreement is amended by the addition of the following Section 15.9:

15.9. Section 19 of the Act will control over any inconsistent provisions in this Agreement relating to termination of the Agreement.

3. Applicable Law. Section 18.3 of the Franchise Agreement is amended by adding the following:

Illinois law governs the franchise agreement.

4. Venue. Section 18.4 of the Franchise Agreement is amended by adding the following:

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

5. Illinois Franchise Disclosure Act. The Franchise Agreement is amended by the addition of the following paragraph as Section 20.17:

20.17 In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

6. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of; (i) waiving any claims under applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Deferral of Initial Franchise Fee. Franchisee's payment of initial franchise fees will be deferred until Franchisor has met all of its initial obligations to Franchisee, and Franchisee has commenced doing business. This financial assurance requirement was imposed by the Illinois Attorney General's Office due to Franchisor's financial condition.

8. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF INDIANA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

In recognition of the requirements of the Indiana Deceptive Franchise Practices Act, Indiana Code 23-2-2.7, the parties agree as follows:

1. Limited Exclusivity. Section 2.3 of the Franchise Agreement is amended by adding the following:

> We will not operate or authorize any other person to operate a substantially identical business to that of the Franchise Business within the Protected Area, whether or not the business is operated under the Franchise Marks.

2. Release on Renewal. Section 3.2(h) of the Franchise Agreement, is amended to read as follows:

> (h) You have signed a general release, in a form specified by us, of any and all claims against us and our affiliates, and their respective officers, directors, agents, members and employees, except those claims arising under the Indiana Deceptive Franchise Practices Law, Indiana Code 23-2-2.7.

3. Supplier Requirements. Section 8.6 of the Franchise Agreement is amended by adding the following:

> If, and to the extent, the requirement for you to purchase products from a Designated Supplier is unlawful under Indiana Law, that requirement will be void (to the extent unlawful) and you must purchase those products in accordance with our specifications and only from Approved Suppliers.

4. Restrictions on Competition. Section 13.4(b) of the Franchise Agreement is amended to read as follows:

> (b) "Geographic Areas" means the Protected Area.

5. Release on Transfer. Section 14.3(d) of the Franchise Agreement, is amended to read as follows:

> (d) You and the Seller must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (f) below) and must sign an agreement, in the form specified by us, that releases us and our affiliates, owners, officers, directors, employees, and agents from any and all claims and causes of action, except those claims arising under the Indiana Deceptive Franchise Practices Law, Indiana Code 23-2-2.7.

6. Applicable Law. Section 18.3 of the Franchise Agreement is amended by adding the following at the end of that Section:

Notwithstanding the foregoing, the Indiana Franchise Law (Indiana Code 23-2-2.5 and 23-2-2.7) will control where applicable.

7. Effectiveness of Addendum. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Law are met independently without reference to this Addendum.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF MARYLAND

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Annotated Code of Maryland, Article-Business Regulation, Title 14, §§ 14-201 to 14-233, the parties agree as follows:

1. Release on Renewal. Section 3.2(h) of the Franchise Agreement is amended to read as follows:

> You have signed a general release, in a form specified by us, of any and all claims against us and our affiliates, and their respective officers, directors, agents, members and employees, except claims arising under the Maryland Franchise and Disclosure Law.

2. Release on Transfer. Section 14.3(d) of the Franchise Agreement is amended to read as follows:

> (d) You and the Seller must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (f) below) and must sign an agreement, in the form specified by us, that releases us and our affiliates, owners, officers, directors, employees, and agents from any and all claims and causes of action, except claims arising under the Maryland Franchise Registration and Disclosure Law.

3. Limitations of Claims. Section 18.8 of the Franchise Agreement is amended by adding the following sentence at the end of the Section:

> Notwithstanding the foregoing, you may bring a legal claim against us under the Maryland Franchise Registration and Disclosure Law within three years after the grant of the franchise.

4. Choice of Law; Jurisdiction and Venue. Article 18 of the Franchise Agreement is amended by adding the following as Section 18.9:

> 18.9 Notwithstanding anything to the contrary in this Article 18, you may bring a claim against us under the Maryland Franchise Registration and Disclosure Law in any Court of competent jurisdiction in the State of Maryland.

5. Acknowledgements of Franchisee. Article 19 of the Franchise Agreement is amended by adding the following Section 19.7 at the end of the Article:

> 19.7 The representations in this Article 19 are not intended to and will not act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. You acknowledge that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

6. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF MINNESOTA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat., § 80C.01, et seq., and the Rules and Regulations promulgated under the Act by the Commissioner of Commerce, Minnesota Rule § 2860.4400, et seq., the parties agree as follows:

1. Release on Renewal. Section 3.2(h) of the Franchise Agreement is amended to read as follows:

> You have signed a general release, in a form specified by us, of any and all claims against us and our affiliates, and their respective officers, directors, agents, members and employees, excluding only such claims as you may have under the Minnesota Franchises Law and the Rules and Regulations promulgated by the Commissioner of Commerce.

2. Release on Transfer. Section 14.3(d) of the Franchise Agreement is amended to read as follows:

> You and the Seller must sign at the time of Transfer an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (f) below) and must sign an agreement, in the form specified by us, that releases us and our affiliates, owners, officers, directors, employees, and agents from any and all claims and causes of action, excluding only such claims as the transferor may have under the Minnesota Franchises Law and the Rules and Regulations promulgated by the Commissioner of Commerce.

3. Renewal, Transfer and Termination. Article 15 of the Franchise Agreement is amended by adding the following paragraph:

> Minnesota law provides franchisees with certain termination, non-renewal, and transfer rights. Minn. Stat. § 80.C.14, Subd. 3, 4, and 5 require, except in specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably withheld.

4. Applicable Law; Jurisdiction and Venue. Article 18 of the Franchise Agreement is amended by adding the following paragraph:

> Minn. Stat. § 80.C.21, and Minn. Rule Part 2860.4400J prohibit franchisors from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in this Agreement can abrogate or reduce: (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Minn. Rule Part 2860.4400J prohibits you from waiving your rights to a jury trial or waiving

rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. To the extent this Agreement requires you to waive these rights, this Agreement will be considered amended to the extent necessary to comply with the Minnesota Rule.

5. Injunctive Relief. Section 18.5 of the Franchise Agreement is modified to read as follows:

We will have the right to request specific enforcement of the terms of this Agreement from a court of competent jurisdiction, by temporary or permanent injunctions or other equitable relief. We will have the right to request injunctive relief to prevent you from engaging in the following acts, which you acknowledge would cause irreparable harm to us: (a) using any of the rights granted by this Agreement in any manner not authorized in this Agreement; (b) engaging in operations in violation of the in-term or post-term restrictions on competition in Article 13; (c) disclosing to any person or using our trade secrets or confidential information in violation of the terms of this Agreement; (d) transferring or assigning this Agreement or the assets of the Franchise Business without complying with this Agreement; (e) engaging in acts or practices in violation of applicable laws and regulations or that are fraudulent, dishonest or create health or other hazards to the public; or (f) significantly impairing our goodwill. Our rights to obtain injunctive relief are in addition to all other remedies available to us under applicable law.

6. Limitation of Claims. Section 18.8 of the Franchise Agreement is deleted.

7. Effectiveness of Amendment. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat., §§ 80C.01 through 80C.22, and the Rules and Regulations promulgated under the Act by the Minnesota Commissioner of Commerce, Minn. Rule §§ 2860.0100 through 2860.9930, are met independently without reference to this Addendum. To the extent this Addendum shall be deemed to be inconsistent with nay terms or conditions of the Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF NEW YORK

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

In recognition of the requirements of the New York Franchise Law, Article 33 of the General Business Law of the State of New York, the parties agree as follows:

1. Release on Renewal and Transfer. Sections 3.2(h) and 14.3(d) of the Franchise Agreement are amended by adding the following proviso at the end of each Section:

> Provided, however, that all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued under that law will remain in force; it being the intent of this proviso that the non-waiver provisions of GBL 687.4 and 687.5 be satisfied.

2. Applicable Law. Section 18.3 of the Franchise Agreement is amended by adding the following sentence:

> This choice of law provision will not be considered a waiver of your rights under the provisions of Article 33 of the General Business Law of the State of New York.

3. Effectiveness of Amendment. This Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York Franchise Law, Article 33 of the General Business Law of the State of New York, are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF NORTH DAKOTA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee").

In recognition of the requirements of the North Dakota Franchise Investment Law, Chapter 51-19 of the North Dakota Century Code, the parties agree as follows:

1. Covenants Not to Compete. Article 13 of the Franchise Agreement is amended by adding the following paragraph:

The covenants not to compete stated in this Article are subject to Section 9-08-06 of the North Dakota Century Code.

2. **THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N.D.C.C.):**

(a) Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute.

(b) Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

(c) Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

(d) Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

(e) Applicable Laws: Franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota.

(f) Waiver of Trial by Jury: Requiring North Dakota franchises to consent to a waiver of a trial by jury.

(g) Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

(h) General Release: Franchise agreements that require the franchisee to sign a general release on renewal of the franchise agreement.

(i) Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(j) Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The

prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

3. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-17, are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF RHODE ISLAND

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee").

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties agree as follows:

1. Applicable Law. Article 18 of the Franchise Agreement is amended by adding the following:

> § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

2. Effectiveness of Amendment. This Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC	_____
	FRANCHISEE
By:_____	By:_____
Its: _____	Its:_____

ADDENDUM TO THE VARA JUICE FRANCHSING, LLC
FRANCHISE AGREEMENT OR USE IN THE COMMONWEALTH OF VIRGINIA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee").

In recognition of the requirements of the Virginia Retail Franchising Act, the parties agree as follows:

1. A provision of the Franchise Agreement that terminates the Franchise Agreement upon the bankruptcy of Franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq*).

2. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF WASHINGTON

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee").

In recognition of the requirements of the Washington Franchise Investment Protection Act, the parties agree as follows:

1. Washington Law. The Franchise Agreement is amended by adding the following paragraphs:

The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in Franchisee's relationship with Franchisor, including the areas of termination and renewal of Franchisee's franchise. There may also be court decisions that may supersede the Franchise Agreement in Franchisee's relationship with Franchisor including the areas of termination and renewal of Franchisee's franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

A release or waiver of rights executed by Franchisee will not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect Franchisor's reasonable estimated or actual costs in effecting a transfer.

2. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
FRANCHISE AGREEMENT FOR USE IN THE STATE OF WISCONSIN

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies a Franchise Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee").

In recognition of the requirements of the Wisconsin Fair Dealership Law, Ch. 135, Stats., the parties agree as follows:

1. Applicable Law. Section 18.3 of the Franchise Agreement is amended by adding the following sentence:

Chapter 135, Stats., Wisconsin Fair Dealership Law, supersedes any provision of the Franchise Agreement or any other agreement inconsistent with that law.

2. Effectiveness of Amendment. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Wisconsin Fair Dealership Law are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

_____
FRANCHISEE

By:_____ By:_____

Its: _____ Its:_____

THE FOLLOWING PAGES IN THIS EXHIBIT ARE

STATE SPECIFIC ADDENDA TO THE AREA DEVELOPMENT AGREEMENT

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF CALIFORNIA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee"). In this Addendum, "we," "us," and "our" refers to Franchisor and "you" and "your" refers to Franchisee.

In recognition of the requirements of the California Franchise Investment Law, Cal Corp Code 31000-31516 and the California Franchise Relations Act, Cal Bus Prof Cod 20000-20043, the parties agree as follows:

1. The California Franchise Relations Act provides you rights concerning termination or non-renewal of the Area Development Agreement, which may supersede provisions in the Area Development Agreement, specifically Article 10.

2. Section 11.4(a), which terminates the Area Development Agreement upon your bankruptcy, may not be enforceable under federal bankruptcy law (11 USC Section 101, *et. seq*).

3. Section 9.2, which contains a covenant not to compete that extends beyond the expiration or termination of the Agreement; this covenant may not be enforceable under California Law.

4. The Area Development Agreement requires litigation to be conducted in a court located outside of the State of California. This provision might not be enforceable for any cause of Action arising under California Law.

5. The Area Development Agreement requires application of the laws of a state other than California. This provision might not be enforceable under California Law.

6. Article 13 requires binding arbitration. The arbitration will occur at the forum indicated in Article 13, with the costs being borne by you if Franchisor is the prevailing party. Prospective Developers are encouraged to consult with legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California.

7. To the extent this Amendment shall be deemed to be inconsistent with any terms or conditions of the Area Development Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

8. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law or the California Franchise Relations Act are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

_____
AREA DEVELOPER

By:_____ By:_____

Its: _____ Its:_____

ADDENDUM TO VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF HAWAII

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the Hawaii Franchise Investment Law, Haw. Rev. Stat. § 482E-1, et seq., the parties agree as follows:

1. Supplier Requirements. The Area Development Agreement is amended by adding the following:

> If, and to the extent, the requirement for Area Developer to purchase products from a designated supplier is unlawful under Hawaii Law, that requirement will be void (to the extent unlawful) and Area Developer must purchase those products in accordance with Franchisor's specifications and only from approved suppliers.

2. Release on Transfer. Section 10.4(f) of the Area Development Agreement, is amended to read as follows:

> (f) Area Developer must sign at the time of sale an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (b) above) and must sign an agreement, in the form specified by Franchisor, releasing Franchisor and its Affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action, excluding only such claims as the Area Developer may have under the Hawaii Franchise Investment law, and agreeing to abide by the post-termination restrictions contained in Articles 11 and 12 and all other obligations under this Agreement that survive termination of this Agreement.

3. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO VARA JUICE FRANCHISING, LLC, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF ILLINOIS

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the Illinois Franchise Disclosure Act, Ill. Comp. State. §§ 705/1 to 705/44 (the "Act"), the parties agree as follows:

1. Termination. Article 11 of the Area Development Agreement is amended by the addition of the following Section 11.8:

11.9 Section 19 of the Act will control over any inconsistent provisions in this Agreement relating to termination of the Agreement.

2. Applicable Law. Section 13.4 of the Area Development Agreement is amended by adding the following:

Illinois law governs the area development agreements.

3. Jurisdiction and Venue. Section 13.5 of the Area Development Agreement is amended by adding the following:

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

4. Illinois Franchise Disclosure Act. The Area Development Agreement is amended by the addition of the following paragraph as Section 16.14:

16.14 In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Law or any other law of Illinois is void.

5. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by an area developer in connection with the commencement of the franchise relationship shall have the effect of; (i) waiving any claims under applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Deferral of Initial Franchise Fee. Area Developer's payment of initial franchise fees will be deferred until Franchisor has met all of its initial obligations to Franchisee, and Franchisee has commenced doing business. This financial assurance requirement was imposed by the Illinois Attorney General's Office due to Franchisor's financial condition.

7. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF INDIANA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the Indiana Deceptive Franchise Practices Act, Indiana Code 23-2-2.7, the parties agree as follows:

1. Supplier Requirements. The Area Development Agreement is amended by adding the following:

If, and to the extent, the requirement for Area Developer to purchase products from a designated supplier is unlawful under Indiana Law, that requirement will be void (to the extent unlawful) and Area Developer must purchase those products in accordance with Franchisor's specifications and only from approved suppliers.

2. Restrictions on Competition. Section 9.4(b) of the Area Development Agreement is amended to read as follows:

(b) "Geographic Areas" means the Development Territory.

3. Release on Transfer. Section 10.4(f) of the Area Development Agreement, is amended to read as follows:

(d) Area Developer must sign at the time of sale an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (b) above) and must sign an agreement, in the form specified by Franchisor, releasing Franchisor and its Affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action, except those claims arising under the Indiana Deceptive Franchise Practices Law, Indiana Code 23-2-2.7, and agreeing to abide by the post-termination restrictions contained in Articles 8 and 9 and all other obligations under this Agreement that survive termination of this Agreement.

4. Applicable Law. Section 13.4 of the Area Development Agreement is amended by adding the following at the end of that Section:

Notwithstanding the foregoing, the Indiana Franchise Law (Indiana Code 23-2-2.5 and 23-2-2.7) will control where applicable.

5. Effectiveness of Addendum. Each provision of this Addendum is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Law are met independently without reference to this Addendum.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____

AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF MARYLAND

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Annotated Code of Maryland, Article-Business Regulation, Title 14, §§ 14-201 to 14-233, the parties agree as follows:

1. Release on Transfer. Section 10.4(f) of the Area Development Agreement is amended to read as follows:

(d) Area Developer must sign at the time of sale an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (b) above) and must sign an agreement, in the form specified by Franchisor, releasing Franchisor and its affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action, except claims arising under the Maryland Franchise Registration and Disclosure Law, and agreeing to abide by the post-termination restrictions contained in Articles 8 and 9 and all other obligations under this Agreement that survive termination of this Agreement.

2. Limitations of Claims. Section 13.8 of the Area Development Agreement is amended by adding the following sentence at the end of the Section:

Notwithstanding the foregoing, Area Developer may bring a legal claim against Franchisor under the Maryland Franchise Registration and Disclosure Law within three years after the grant of the franchise.

3. Choice of Law; Jurisdiction and Venue. Article 13 of the Area Development Agreement is amended by adding the following as Section 13.9:

17.10 Notwithstanding anything to the contrary in this Article 13, Area Developer may bring a claim against Franchisor under the Maryland Franchise Registration and Disclosure Law in any Court of competent jurisdiction in the State of Maryland.

4. Acknowledgements of Area Developer. Article 14 of the Area Development Agreement is amended by adding the following Section 14.6 at the end of the Article:

14.6 The representations in this Article 14 are not intended to and will not act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. Area Developer acknowledges that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

5. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF MINNESOTA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat., § 80C.01, et seq., and the Rules and Regulations promulgated under the Act by the Commissioner of Commerce, Minnesota Rule § 2860.4400, et seq., the parties agree as follows:

2. Release on Transfer. Section 10.4(f) of the Area Development Agreement is amended to read as follows:

> Area Developer must sign at the time of sale an agreement terminating this Agreement (unless this Agreement will be assigned to the transferee--see subsection (b) above) and must sign an agreement, in the form specified by Franchisor, releasing Franchisor and its affiliates, owners, officers, directors, employees and agents from any and all claims and causes of action, excluding only such claims as the transferor may have under the Minnesota Franchises Law and the Rules and Regulations promulgated by the Commissioner of Commerce, and agreeing to abide by the post-termination restrictions contained in Articles 8 and 9 and all other obligations under this Agreement that survive termination of this Agreement.

3. Renewal, Transfer and Termination. Article 11 of the Area Development Agreement is amended by adding the following paragraph:

> Minnesota law provides franchisees with certain termination, non-renewal, and transfer rights. Minn. Stat. § 80.C.14, Subd. 3, 4, and 5 require, except in specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Area Development Agreement, and that consent to the transfer of the franchise not be unreasonably withheld.

4. Applicable Law; Jurisdiction and Venue. Article 13 of the Area Development Agreement is amended by adding the following paragraph:

> Minn. Stat. § 80.C.21, and Minn. Rule Part 2860.4400J prohibit franchisors from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in this Agreement can abrogate or reduce: (1) any of Area Developer's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Area Developer's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

5. Injunctive Relief. Section 13.5 of the Area Development Agreement is modified to read as follows:

> Franchisor will have the right to request specific enforcement of the terms of this Agreement from a court of competent jurisdiction, by temporary or permanent injunctions or other equitable relief. Franchisor will have the right to request injunctive relief to prevent Area Developer from engaging in the following acts, which Area Developer acknowledges

would cause irreparable harm to Franchisor: (a) using any of the rights franchised by this Agreement in any manner not authorized in this Agreement; (b) engaging in operations in violation of the in-term and post-term restrictions on competition set forth in Article 12; (c) disclosing to any Person or using the Confidential Information of Franchisor in violation of the terms of this Agreement; (d) engaging in a Transfer or attempted Transfer without complying with this Agreement; (e) engaging in acts or practices in violation of applicable laws and regulations or that are fraudulent, dishonest or create health or other hazards to the public; or (f) significantly impairing the goodwill associated with Franchisor. Franchisor's rights to obtain injunctive relief are in addition to all other remedies available to Franchisor under applicable law.

6. Limitation of Claims. The second paragraph of Section 13.8 of the Area Development Agreement is deleted.

7. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat., §§ 80C.01 through 80C.22, and the Rules and Regulations promulgated under the Act by the Minnesota Commissioner of Commerce, Minn. Rule §§ 2860.0100 through 2860.9930, are met independently without reference to this Addendum.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF NEW YORK

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the New York Franchise Law, Article 33 of the General Business Law of the State of New York, the parties agree as follows:

1. Release on Renewal and Transfer. Section 10.4(f) of the Area Development Agreement are amended by adding the following proviso at the end of that subsection:

> Provided, however, that all rights enjoyed by Area Developer and any causes of action arising in Area Developer's favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued under that law will remain in force; it being the intent of this proviso that the non-waiver provisions of GBL 687.4 and 687.5 be satisfied.

2. Applicable Law. Section 13.4 of the Area Development Agreement is amended by adding the following sentence:

> This choice of law provision will not be considered a waiver of a right of Area Developer under the provisions of Article 33 of the General Business Law of the State of New York.

3. Effectiveness of Amendment. This Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York Franchise Law, Article 33 of the General Business Law of the State of New York, are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF NORTH DAKOTA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the North Dakota Franchise Investment Law, Chapter 51-19 of the North Dakota Century Code, the parties agree as follows:

1. Covenants Not to Compete. Article 9 of the Area Development Agreement is amended by adding the following paragraph:

The covenants not to compete stated in this Article are subject to Section 9-08-06 of the North Dakota Century Code.

2. **THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA AREA DEVELOPERS (SECTION 51-19-09, N.D.C.C.):**

(a) Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to the statute.

(b) Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

(c) Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

(d) Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

(e) Applicable Laws: Franchise agreements, which specify that they are to be governed by the laws of a state other than North Dakota.

(f) Waiver of Trial by Jury: Requiring North Dakota franchises to consent to a waiver of a trial by jury.

(g) Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

(h) General Release: Franchise agreements that require the franchisee to sign a general release on renewal of the franchise agreement.

(i) Limitation of Claims: Franchise agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(j) Enforcement of Agreement: Franchise agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The

prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

3. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-17, are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF RHODE ISLAND

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company (“Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, the parties agree as follows:

1. Applicable Law. Article 13 of the Area Development Agreement is amended by adding the following:

> § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

2. Effectiveness of Amendment. This Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act, §§ 19-28.1-1 through 19-28.1-34, are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO THE VARA JUICE FRANCHSING, LLC
AREA DEVELOPMENT AGREEMENT OR USE IN THE COMMONWEALTHE OF VIRGINIA

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA JUICE FRANCHISING, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Franchisee").

In recognition of the requirements of the Virginia Retail Franchising Act, the parties agree as follows:

1. A provision of the Area Development Agreement that terminates the Area Development Agreement upon the bankruptcy of Franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq*).

2. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT AND RELATED AGREEMENTS
FOR USE IN THE STATE OF WASHINGTON

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement and related agreements of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company ("Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the Washington Franchise Investment Protection Act, the parties agree as follows:

1. Washington Law. The Area Development Agreement is amended by adding the following paragraphs:

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the area development agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the area development agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any litigation, arbitration, or mediation involving a franchise purchased in Washington, the site thereof will be either in the state of Washington, or in a place mutually agreed upon at that time, or as determined by the judge, arbitrator or mediator, as applicable. In addition, if litigation is not precluded by the area development agreement, an area developer may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by an area developer may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of an area developer, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of an area developer under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions

contained in the area development agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting an area developer from (i) soliciting or hiring any employee of an area developer of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the area development agreement or elsewhere are void and unenforceable in Washington. The undersigned does hereby acknowledge receipt of this addendum.

2. Effectiveness of Amendment. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

ADDENDUM TO THE VARA JUICE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT FOR USE IN THE STATE OF WISCONSIN

THIS ADDENDUM is made this _____ day of _____, 20___, and modifies an Area Development Agreement of the same date entered into by VARA Juice Franchising, LLC, a Michigan limited liability company (“Franchisor") and _____ _____ ("Area Developer").

In recognition of the requirements of the Wisconsin Fair Dealership Law, Ch. 135, Stats., the parties agree as follows:

1. Applicable Law. Section 13.3 of the Area Development Agreement is amended by adding the following sentence:

Chapter 135, Stats., Wisconsin Fair Dealership Law, supersedes any provision of the Area Development Agreement or any other agreement inconsistent with that law.

2. Effectiveness of Amendment. Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the Wisconsin Fair Dealership Law are met independently without reference to this Amendment.

VARA JUICE FRANCHISING, LLC

By:_____

Its: _____

_____
AREA DEVELOPER

By:_____

Its:_____

EXHIBIT L

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date or Status
California	
Hawaii	
Illinois	February 27, 2024
Indiana	
Maryland	
Michigan	June 26, 2023
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or other seller-assisted marketing plans.

EXHIBIT M

RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If VARA JUICE FRANCHISING, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, VARA JUICE FRANCHISING, LLC or an affiliate in connection with the proposed franchise sale. **Iowa, New York, and Rhode Island** require that VARA JUICE FRANCHISING, LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days you sign a binding agreement or pay any consideration that relates to the franchise relationship. **Michigan and Oregon** require that VARA JUICE FRANCHISING, LLC gives you this disclosure document at least 10 business days before you sign a binding agreement or pay any consideration, whichever occurs first.

If VARA JUICE FRANCHISING, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C, 20580 and the applicable state agency.

The name, principal business address and telephone number of each franchise seller offering the franchise:

Ali Albadani 3231 S. Gulley Road, Suite D Dearborn, Michigan 48124 313-908-0002		

I received a Franchise Disclosure Document dated April 30, 2024, which included the following Exhibits:

	State Cover Page Notice under Michigan Franchise Inv. Law	F	Confidentiality/Non-Competition Agreement
A	List of State Administrators and List of Agents for Service of Process	G	Area Developer Agreement
B	Franchise Agreement	H	List of VARA Juice™ Franchised Restaurants
C	Renewal Addendum	I	List of Franchisees that Left the System
D1	Transfer Addendum	J	Financial Statements
D2	Franchise Termination and Release Agreement	K	State Specific Disclosures and Addenda
E	Table of Contents of Operations Manual	L	State Effective Dates
		M	Receipts

This Receipt may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Receipt.

Please complete any applicable franchise seller information above and then sign and date this Receipt and mail it or email it to Ali Albadani at 3231 S. Gulley Road, Suite C, Dearborn, Michigan 48124; email address: franchise@varajuice.com.

Dated: _____

_____
[sign]

_____
[print name]

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If VARA JUICE FRANCHISING, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, VARA JUICE FRANCHISING, LLC or an affiliate in connection with the proposed franchise sale. **Iowa, New York, and Rhode Island** require that VARA JUICE FRANCHISING, LLC gives you this disclosure document at the earlier of the first personal meeting or 10 business days you sign a binding agreement or pay any consideration that relates to the franchise relationship. **Michigan and Oregon** require that VARA JUICE FRANCHISING, LLC gives you this disclosure document at least 10 business days before you sign a binding agreement or pay any consideration, whichever occurs first.

If VARA JUICE FRANCHISING, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C, 20580 and the applicable state agency.

The name, principal business address and telephone number of each franchise seller offering the franchise:

Ali Albadani 3231 S. Gulley Road, Suite D Dearborn, Michigan 48124 313-908-0002		

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E	Table of Contents of Operations Manual	L	State Effective Dates
		M	Receipts (2 Copies)

This Receipt may be executed on signature pages exchanged by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Copies of executed counterparts transmitted by such electronic transmission service shall be considered original executed counterparts for purposes of this Receipt.

Please complete any applicable franchise seller information above and then sign and date this Receipt and mail it or email it to Ali Albadani at 3231 S. Gulley Road, Suite C, Dearborn, Michigan 48124; email address: franchise@varajuice.com.

Dated: _____

_____
[sign]

_____
[print name]