

FRANCHISE DISCLOSURE DOCUMENT



Pieology Franchise, LLC
A Delaware limited liability company
18101 Von Karman
Suite #1100
Irvine, CA 92612
(949) 674-3844
Franchiseinfo@Pieology.com
www.Pieology.com

The franchise offered is to operate a fast casual Pieology® Restaurant selling pizza and other food products and services.

The total investment necessary to begin operation of a Pieology Restaurant is \$304,000 to \$807,500. This includes \$40,000 that must be paid to the franchisor or an affiliate.

We also offer a Development Rights Agreement for the development of multiple Pieology Restaurants. If you qualify for the Development Rights Agreement, you will pay a development fee between \$50,000 (for five Restaurants) and \$100,000 (for ten Restaurants). You must commit to develop a minimum of five Restaurants under the Development Rights Agreement. If you commit to open five Restaurants, the initial investment, including the cost to develop your first Restaurant, is \$354,000 to \$857,500, which includes a development fee of \$50,000 and initial fees of \$40,000 for your first Restaurant that must be paid to the franchisor or an affiliate.

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 disclosures in different formats, contact Shawn Thompson at Pieology Franchise, LLC, 18101 Von Karman, Suite #1100, Irvine, CA 92612, (949) 674-3844.

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: March 29, 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 I.
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 G 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 Pieology Restaurant 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 Pieology Restaurant franchisee?	Item 20 or Exhibit I 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 the 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 and development agreements require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. 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 California than in your own state.
2. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate the business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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.

**THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY
MICHIGAN FRANCHISE INVESTMENT LAW ONLY**

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.

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) 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 30 days, to cure such failure.
- (d) 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: (i) the term of the franchise is less than five (5) years and (ii) 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.
- (e) 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.
- (f) 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.
- (g) 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:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

- (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) 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.

(h) 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 a right of first refusal to purchase the assets of a franchise 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 subdivision (c).

(i) 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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48933
Telephone Number: (517) 373-7117

TABLE OF CONTENTS

	<u>PAGE</u>
Item 1 THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES	1
Item 2 BUSINESS EXPERIENCE	2
Item 3 LITIGATION	3
Item 4 BANKRUPTCY	3
Item 5 INITIAL FEES	3
Item 6 OTHER FEES.....	4
Item 7 ESTIMATED INITIAL INVESTMENT	10
Item 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	13
Item 9 FRANCHISEE’S OBLIGATIONS	18
Item 10 FINANCING	19
Item 11 FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING.....	20
Item 12 TERRITORY	32
Item 13 TRADEMARKS.....	36
Item 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION.....	38
Item 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	40
Item 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	42
Item 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION	43
Item 18 PUBLIC FIGURES	48
Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS	49
Item 20 OUTLETS AND FRANCHISEE INFORMATION	49
Item 21 FINANCIAL STATEMENTS.....	54

Item 22 CONTRACTS54
Item 23 RECEIPTS.....55

EXHIBITS

Exhibit A State Administrators/Agents for Service of Process
Exhibit B Franchise Agreement
Exhibit C Electronic Funds Transfer Agreement
Exhibit D Lease Rider
Exhibit E Development Rights Agreement
Exhibit F Operations Manual Table of Contents
Exhibit G Financial Statements
Exhibit H Form of General Release
Exhibit I List of Franchisees
Exhibit J State Addenda and Franchise Agreement Riders
Exhibit K Representations and Acknowledgment Statement
Exhibit L Receipts

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, “we,” “us” or “our” means the franchisor, Pieology Franchise, LLC. “You” means the person or entity to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, all of your owners must sign our “Guaranty and Assumption of Obligations,” which means that all provisions of our Franchise Agreement (Exhibit B) also will apply to your owners.

We are a limited liability company organized in Delaware on August 10, 2012. We do not have a predecessor. Our principal business address is 18101 Von Karman, Suite # 1100, Irvine, CA 92612. Our parent company is The Little Brown Box Pizza, LLC d/b/a Pieology (“Little Brown Box”). Little Brown Box’s principal business address is the same as our address. We have no affiliates that provide products or services to franchisees or offer franchises in any line of business. If we have an agent in your state for service of process, we disclose that agent in Exhibit A. We do business under our company name and the names “Pie-ology,” “Pieology,” “Pieology Pizzeria” and no other name.

We grant franchises for fast casual restaurants that sell custom made pizzas and other food and drink products prepared according to our specified recipes and procedures while using high quality ingredients, including our specially formulated and produced proprietary ingredients, and which use the Marks (defined below) and our franchise system. We call these restaurants “Pieology Restaurants” and we call the Pieology Restaurant that you operate under the Franchise Agreement your “Restaurant.” Pieology Restaurants feature made to order, individual pizzas, as well as other food products such as salads and drinks, and operate under the mandatory and suggested specifications, standards, operating procedures and rules that we periodically specify for developing and/or operating a Pieology Restaurant (“System Standards”). Pieology Restaurants use certain trademarks, service marks and other commercial symbols that we periodically specify, as we periodically modify them (collectively, the “Marks”).

We have offered franchises for Pieology Restaurants since September 2012. We currently do not operate and have never operated any Pieology Restaurants, although our affiliates do and have done so since 2011. We do not have other business activities and have not offered franchises in any other line of business.

To enter the Pieology System as a franchisee of our Pieology Restaurants, you can either qualify and agree to develop a single Pieology Restaurant and enter into a Franchise Agreement for that Restaurant (Exhibit B), or you can qualify to develop a mutually agreed number of Pieology Restaurants within a mutually agreed development territory (the “Development Territory”), in which case you must enter into a Development Rights Agreement (Exhibit E). Neither the obligation to enter into a Development Rights Agreement or the Schedule requirement (as defined below) applies to purchase of an operating Restaurant from us or from a Pieology franchisee.

Before you sign the Development Rights Agreement, we and you will agree to the Development Territory, the number of Pieology Restaurants you will develop in the Development

Territory, and the timeframe within which you must develop them (the “Schedule”). We will grant Pieology Restaurant franchises under the Development Rights Agreement only to you or your Affiliated Entities. “Affiliated Entity” means a corporation, limited liability company, or other business entity of which you or one or more of your owners own more than fifty percent (50%) of the total authorized ownership interests, but only if you or your owner(s) have the right to control the entity’s management and policies. Franchises that we grant to your Affiliated Entities will count toward your Schedule. You (or your Affiliated Entity) will sign our then current form of franchise agreement, which currently is the Franchise Agreement included in this disclosure document, but in the future could differ from that Franchise Agreement, for each Pieology Restaurant developed according to the Schedule, although some of the provisions of the Franchise Agreement included in this disclosure document concerning the initial franchise fee, royalty and training fee will apply to all franchise agreements signed under the Development Rights Agreement.

You will compete with other fast casual restaurants, fast food restaurants, full-service restaurants, grocery and specialty stores, and similar businesses that sell pizza and competing food products. You will offer your products and services to the general public throughout the year. The market for pizza and restaurant services generally is well-developed and competitive in most parts of the country, although we believe that our product quality distinguishes Pieology Restaurants from other restaurants.

You must comply with all laws that apply generally to all business. You should also consider that certain aspects of the restaurant business are heavily regulated by federal, state and local laws, rules and ordinances. The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and various state and local departments of health and other agencies have laws and regulations concerning the preparation of food, display of calorie counts and nutritional facts, and sanitary conditions of restaurant facilities. State and local agencies routinely conduct inspections for compliance with these requirements. Certain provisions of these laws impose limits on emissions resulting from commercial food preparation. If you want to sell beer and wine, you must also obtain a liquor license in accordance with state and local laws, regulations, and ordinances. State and local laws, regulations, and ordinances regarding the sale of alcoholic beverages vary significantly. You may experience difficulty in obtaining a license to sell liquor, restrictions may be placed on the manner in which liquor may be sold, and you may have liability imposed on you by Dram Shop Laws for injuries directly and indirectly related to the sale of liquor and its consumption. You will need to understand and comply with these laws in operating the Pieology Restaurant.

Item 2

BUSINESS EXPERIENCE

Chief Executive Officer: Shawn Thompson

Mr. Thompson was appointed as our Chief Executive Officer in January 2022. Prior to joining Pieology, he served as the President for Supercuts, Inc. in Minneapolis, Minnesota from December 2020 to November 2021. From September 2019 to November 2020, Mr. Thompson was based in Miami, Florida and pursued business ownership opportunities. From March 2018 to

August 2019, Mr. Thompson was the Regional President for Tim Hortons USA, Inc. in Miami, Florida, and from October 2016 to March 2018, he was the Head of Operations Excellence for Restaurant Brands International also based in Miami, Florida.

Chief Financial Officer and Chief Operating Officer: Stephen Ostaszewicz

Mr. Ostaszewicz was named as our Chief Financial Officer in March 2022 and added the duties of Chief Operating Officer in November 2023. Prior to joining Pieology, Mr. Ostaszewicz was Head of Franchising for Tim Hortons USA in Miami, Florida from January 2020 to March 2022. He served as the Head of Finance for Tim Hortons USA from June 2018 to January 2020 and as Head of Operations, US from December 2017 to June 2018. Mr. Ostaszewicz also served as Tim Hortons Canada's Director, Business Development from June 2016 to December 2017 in Oakville, Ontario.

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

Franchise Agreement

You must pay us a \$25,000 initial franchise fee when you sign the Franchise Agreement. If you (or your affiliate) previously signed a development rights agreement or similar agreement that covers the Franchise Agreement, then we will apply a portion of the development fee paid under that agreement towards the initial franchise fee. If you sign the Development Rights Agreement, the initial franchise fee of \$25,000 will be the same amount for each of the franchise agreements that the Development Rights Agreement covers.

You also must pay us an initial training fee when you sign the Franchise Agreement in an amount equal to \$15,000 for the first Pieology Restaurant that you (or your affiliates) develop in the Restaurant's market area, \$7,500 is for the second Pieology Restaurant that you (or your affiliates) develop in the Restaurant's market area, and \$5,000 for the third and all future Pieology Restaurants that you (or your affiliates) develop in the Restaurant's market area. Part of our initial training program involves us sending a training team to the Restaurant for its opening. You must reimburse us for any additional expenses we incur if changes to the opening schedule cause us to reschedule travel arrangements or if you want our training team to remain at the Restaurant for an extra day. In addition, if our training team's per/person expenses exceed \$200/night for lodging or

\$500 for roundtrip airfare, then you must also reimburse us for the amounts in excess of those figures; provided, however, the aggregate maximum reimbursement for all these excess amounts shall be limited to \$3,500. Also, if we determine that you or any of your personnel cannot complete the initial training programs to our satisfaction, then we may require you or your personnel to attend additional training programs at your expense. We expect your cost for these additional expenses will range from \$0 to \$5,000. However, we will not charge an initial training fee, and we will not provide a training team for the Restaurant, if you or your affiliate is designated by us as a Certified Training Franchisee (defined in Item 11) in your Restaurant’s market area. If you sign the Development Rights Agreement, these training fees apply for all franchise agreements that the Development Rights Agreement covers.

You must develop and open the Restaurant to the public on or before the Opening Deadline. If you want to request an extension of the Opening Deadline, you must send us written notice at least fifteen (15) days before the Opening Deadline. We will inform you of the length of the extension if and when we grant it.

The initial franchise fee and other fees and expenses we describe in this Item 5 are not refundable.

Development Rights Agreement

If you sign a Development Rights Agreement, you must pay us a development fee in a lump sum when you sign that Agreement. The development fee is \$10,000 multiplied by the number of Picology Restaurants that you agree to develop under the Schedule. We will insert the amount of this fee in the Development Rights Agreement before signing it. The development fee is non-refundable, but we will apply \$10,000 of the development fee toward the initial franchise fee owed under each franchise agreement that the Development Rights Agreement covers. During 2023, no development fees were paid to us.

Item 6

OTHER FEES

Column 1	Column 2	Column 3	Column 4
Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Royalty	5% of Restaurant’s weekly Gross Sales ⁽²⁾	Friday of each week	If you sign the Development Rights Agreement, the Royalty applies for all franchise agreements that the Development Rights Agreement covers.

Marketing Fund Contribution	Currently 2% of Restaurant's weekly Gross Sales ⁽²⁾	Friday of each week	See Note (4)
Advertising Cooperative Contributions	None currently required	As Cooperative determines	See Note (5). Currently there are no Cooperatives
Additional Training or Assistance	Will vary under circumstances	As incurred	Due only if we require, or you ask us to provide, additional or special training, guidance or assistance, including our personnel's salaries and per diem charges (currently \$50) plus travel and lodging expenses
Supplier Approval Costs	Reasonable costs of inspection and actual costs of test	As incurred	Due only if you ask us to evaluate a new supplier for approval
Costs to Correct Deficiencies	Our costs plus an administrative fee of 15% of our costs	As incurred	Due only if you fail to correct deficiencies concerning site, Restaurant or Operating Assets after notice from us
Inspection and Corrective Re-Assessment Fees	Our costs and expenses	As incurred	Due for any inspection you request or we conduct to confirm you have corrected deficiencies
Relocation Expenses	Our out-of-pocket expenses	As incurred	Due if you relocate the Restaurant during the Franchise Agreement's term

Transfer Fee	\$1,000 for non-control transfer, or 50% of the then current initial franchise fee (currently \$12,500) for control transfer	Upon our approval of transfer	
Successor Franchise Fee	The then current initial franchise fee	Upon signing successor franchise agreement	
Audit Expenses	Cost of audit, which we currently estimate at \$500 to \$5,000	15 days after billing	Due if you understate the Restaurant's Gross Sales by more than 2% or do not furnish reports, supporting records, or other required information
Late Payment Interest and Administrative Fee	Lower of 1.5% per month or the highest allowable commercial contract interest rate plus \$500 administrative fee	15 days after billing	Due for each late payment
Management Fee	3% of Gross Sales plus our out-of-pocket expenses	As incurred	Due only if we manage your Restaurant after your (or your owner's) death, disability or default or while we are considering whether to exercise purchase option
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Due if you do not comply with Franchise Agreement or Development Rights Agreement

Indemnification	Will vary under circumstances	As incurred	You must reimburse us and our affiliates if we or they are held liable for claims arising from your Restaurant's development or operation or your breach of the Franchise Agreement or Development Rights Agreement
Insurance Reimbursement	Our premiums, costs and expenses	When billed	Due only if you fail to maintain insurance and we (at our option) obtain it for you
SBA Addendum Fee	Currently \$1,000 plus reimbursement of our out-of-pocket expenses to review and process	As incurred	Due only if you intend to refinance your business and you request us to accept the terms of the Addendum to Franchise Agreement required by the Small Business Administration as a condition to your participation in its lending program to franchisees.

Explanatory Notes:

1. All fees listed in this table are uniform in this state, although we might charge different fees to franchisees who already have signed agreements with us. All fees are imposed and collected by and payable to us, and are non-refundable, but we will refund any overpayments made in error.

You must sign and deliver to us the documents we periodically require (currently the Electronic Funds Transfer Agreement (Exhibit C)) to authorize us to debit your bank account automatically for the Royalty, Marketing Fund (defined in Item 11) contribution and other amounts due under the Franchise Agreement or any related agreement between us (or our affiliates) and you. Under our current automatic debit program for the Restaurant, we will debit your account on or after the day of the week that we periodically specify (the "Payment Day"), currently Friday, for the Royalty, Marketing Fund contribution and other amounts due. You must make the funds available for withdrawal by electronic transfer before each due date. If you fail to report the Restaurant's

Gross Sales (defined below), we may debit your account for 120% of the last Royalty and Marketing Fund contribution that we debited. If the amounts that we debit from your account are less than the amounts you actually owe us (once we have determined the Restaurant's actual Gross Sales (defined below), we will debit your account for the balance, plus the interest and administrative charges, on the day we specify. If the amounts that we debit from your account are greater than the amounts you actually owe us (once we have determined the Restaurant's actual Gross Sales (defined below), we will credit the excess (without interest) against the amounts we otherwise would debit from your account during the following month(s). We may periodically change the mechanism for your payments of Royalties, Marketing Fund contributions and other amounts you owe to us and our affiliates under the Franchise Agreement or any related agreement.

In addition to any sales, use, excise, privilege or other transaction taxes that applicable law requires or permits us to collect from you from selling, leasing or providing goods or services to you under the Franchise Agreement, you must pay us an amount equal to all federal, state, local or foreign (a) sales, use, excise, privilege, occupation or any other transactional taxes, and (b) other taxes or similar exactions, no matter how designated, that are imposed on us or that we are required to withhold concerning the receipt or accrual of Royalties or any other amounts you must pay us under the Franchise Agreement, excluding only taxes imposed on us for the privilege of conducting business and calculated on our net income, capital, net worth, gross receipts, or some other basis or combination of those items, but not excluding any gross receipts taxes imposed on us or our affiliates for your payments intended to reimburse us or our affiliates for expenditures incurred for your benefit and on your behalf. You must make any additional required payment in an amount necessary to provide us with after-tax receipts (taking into account those additional payments) equal to the same amounts that we would have received under the Franchise Agreement if that additional tax liability or withholding was not imposed or required.

2. "Gross Sales" means all revenue that you receive or otherwise derive from operating the Restaurant, whether from cash, check, credit and debit card, stored value card, barter, exchange, trade credit, or other credit or other electronic transactions, including sales from providing Catering Services and Delivery Services (each as defined in Section 6.C). If you receive any proceeds from any business interruption insurance applicable to loss of revenue at the Restaurant, there shall be added to Gross Sales an amount equal to the imputed Gross Sales that the insurer used to calculate those proceeds. However, "Gross Sales" shall exclude (1) sales taxes, use taxes, and other similar taxes added to the sales price, collected from the customer and paid to the appropriate taxing authority; and (2) sales for which cash has been refunded, if those sales were previously included in Gross Sales. Each charge or sale upon credit shall be treated as a sale for the full price on the day during which that charge or sale is made, regardless of when you receive payment (whether full, partial or at all) on that sale. Amounts paid by gift card, stored value card or similar program are included in Gross Sales when the instrument or credit is redeemed.

3. The "Marketing Spending Requirement" is the maximum amount that we can require you to spend on Marketing Fund contributions, Cooperative (defined below) contributions (if applicable), and approved Local Marketing (defined in Item 8) for the Restaurant during each calendar quarter, and is an amount equal to four percent (4%) of the Restaurant's Gross Sales during the calendar quarter. Unless written notice to the contrary is provided to you from one of our officers, the quarterly Marketing Spending Requirement is set at four percent (4%) of the Restaurant's Gross Sales during each calendar quarter effective throughout the Term of the

Franchise Agreement. Although we may not require you to spend more than the Marketing Spending Requirement on Marketing Fund contributions, Cooperative (defined below) contributions (if applicable) and approved Local Marketing for the Restaurant during any calendar quarter, you may choose to do so. We will not count towards your Marketing Spending Requirement the cost of free or discounted menu items, coupons, special offers or price reductions that you provide as a promotion, signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), service charges from third-party delivery companies, employee incentive programs, or other amounts that we, in our reasonable judgment, deem inappropriate for meeting the Marketing Spending Requirement. We may periodically modify the amounts we require you to spend on each of the Marketing Fund contributions, Cooperative (defined below) contributions (if applicable) and approved Local Marketing for the Restaurant, but the total required expenditure will not be more than four percent (4%) of the Restaurant's Gross Sales during any calendar quarter. If you fail to spend (or prove that you spent) the Marketing Spending Requirement in any quarter, then we may, without limiting our other rights, require you to pay us the shortfall as an additional Marketing Fund contribution or to pay us the shortfall for us to spend on Local Marketing for the Restaurant.

4. We may designate a geographic area in which two (2) or more Pieology Restaurants are located as an area for an advertising or marketing cooperative (a "Cooperative"). The Cooperative's members in any area are the owners of all Pieology Restaurants operating in that area, including us and our affiliates, if applicable. All material decisions of the Cooperative, including contribution levels (which also require our approval), will require the affirmative vote of more than fifty percent (50%) of all Pieology Restaurants participating in the Cooperative (including, if applicable, those we or our affiliates operate), with each Pieology Restaurant receiving one (1) vote. In order for your Restaurant to qualify as a participating Restaurant and have a vote on any given decision of the Cooperative, you must be a franchisee in good standing, which requires you to be current in all payment obligations to us and our affiliates, not otherwise in default of any of your obligations under the Franchise Agreement, and to have achieved at least satisfactory scores on each of your Restaurant's operations review over the previous six months prior to the voting. In some areas, we or our affiliates could have controlling voting power over the Cooperative, but your required Cooperative contribution is subject to the Marketing Spending Requirement.

Item 7

ESTIMATED INITIAL INVESTMENT

Single Restaurant

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of expenditure	Column 2 Amount		Column 3 Method of Payment	Column 4 When Due	Column 5 To whom payment is to be made
	Low	High			
Initial Franchise Fee ⁽¹⁾	\$25,000	\$25,000	Lump Sum	On signing Franchise Agreement and before opening	Us
Initial Training Fee ⁽¹⁾	\$15,000	\$15,000	Lump Sum	On signing Franchise Agreement	Us
Construction, Remodeling, Leasehold Improvements and Decorating Costs ⁽²⁾	\$100,000	\$337,000	As Agreed	As Incurred	Outside Suppliers
Fixed Assets, Furniture, Fixtures, and Equipment ⁽³⁾	\$75,000	\$200,000	As Agreed	As Incurred	Outside Suppliers
Signage ⁽⁴⁾	\$10,000	\$35,000	As Agreed	As Incurred	Outside Suppliers
Computer System ⁽⁵⁾	\$15,000	\$20,000	As Agreed	As Incurred	Outside Suppliers
Three Months' Rent ⁽⁶⁾	\$20,000	\$45,000	Lump Sum	As specified in lease or sublease	Landlord
Security Deposit ⁽⁶⁾	\$0	\$30,000	Lump Sum	On signing lease or sublease	Landlord
Opening Inventory and Supplies ⁽⁷⁾	\$8,000	\$15,000	As Agreed	As Incurred	Outside Suppliers

Pre-Opening Advertising ⁽⁸⁾	\$10,000	\$20,000	Lump Sum	As Incurred	Outside Suppliers
Training Expenses (for all trainees) ⁽⁹⁾	\$6,000	\$15,500	As Incurred	As Incurred	Third Parties and Us
Additional Funds – 3 months ⁽¹⁰⁾	\$20,000	\$50,000	As Incurred	Held On Reserve	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT ⁽¹¹⁾ (does not include real estate purchase costs)	\$304,000	\$807,500			

The security deposit under the lease may be refundable, depending on the lease and the landlord. Other than this deposit, none of the expenses listed in the table above are refundable.

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Pieology franchise.

Explanatory Notes:

1. We describe the initial franchise fee and initial training fees, and their methods of payment, in Item 5. If you are signing a franchise agreement for your second Pieology Restaurant, the training fee is \$7,500. If you are signing a franchise agreement for your third or additional Pieology Restaurant, the training fee is \$5,000. We will not charge an initial training fee, and we will not provide a training team for your Restaurant, if you or your affiliate is designated by us as a Certified Training Franchisee (defined in Item 11) in your Restaurant’s market area.

2. The Restaurant’s premises typically are located in a food court, endcap or inline location in a shopping center. A typical Pieology Restaurant is approximately 1,800 to 3,000 square feet. Costs of leasehold improvements, which include floor covering, wall treatment, counters, ceilings, painting, window coverings, electrical work, carpentry, other similar work, and contractor’s fees, depend on the condition, location, and size of the site; whether the site previously was used as a restaurant; the buildout required to make the site suitable for your Restaurant; and any construction or other allowances the landlord grants. The figures in the chart do not include the cost of purchasing real estate, although we do disclose information in the table and note 6 below for rent and security deposits as part of the estimated initial investment.

3. This item includes sinks, refrigerators, ovens, dough mixers, dough press/sheeter, freezers, vacuum sealer, ventilation systems, display cases, tables, chairs, booths, utensils, digital menu boards, streaming television platform, payment device, a phone system and facsimile machine, and office supplies. The range depends on whether any equipment already is in place at the site you choose. The low estimate assumes the purchase of used or a lease of equipment.

4. The cost of signage depends primarily upon the amount of exterior signage available to a particular site. Exterior signs typically cost approximately \$10,000 each.

5. You must obtain and use the computer hardware and software (including point of sale equipment) that we periodically specify, including applications, hardware components, dedicated communication, Ethernet cabling, data and power lines with sufficient bandwidth to sufficiently operate all of our communication systems, printers, and other computer-related accessories and peripheral equipment (collectively, the “Computer System”), in operating the Restaurant. We describe the Computer System in Item 11. You may purchase the Computer System’s components from the supplier or arrange leasing through an equipment leasing company.

6. The rent and security deposit depend on the size, condition, and location of the site and the demand for the site among prospective lessees.

7. This amount is for the food products, paper products, materials, smallwares, and supplies necessary to open the Restaurant under our System Standards.

8. We describe the pre-opening advertising requirements in Item 11.

9. This is an estimated average cost of travel and living expenses for four (4) trainees to attend our initial training program. The higher end of this range also includes an amount for additional training programs if you or any of your personnel cannot complete the initial training programs to our satisfaction, if you change the opening schedule and cause us to reschedule our travel arrangements at an additional expense, or if you want our training team to remain at the Restaurant for an extra day. The higher end of this range also includes the maximum \$3,500 additional reimbursement that would pertain to any of our training expenses exceeding \$200/night per person for lodging or \$500 per person for roundtrip airfare.

10. This item estimates your initial start-up expenses (other than the items identified separately in the table). This item also covers miscellaneous opening costs and prepaid expenses, including installing telephones; deposits for gas, electricity, and other utilities; business licenses (including beer and wine); architectural plans; city and county impact fees; legal and accounting expenses; and insurance premiums. The cost of licenses for the sale of alcoholic beverages can vary significantly by location. For example, in the State of New Jersey, the cost of obtaining a beer and wine license will likely exceed this range by a substantial amount; you should investigate the cost of a beer and wine license in the state, county and city where your Restaurant will be located and factor in those additional costs to open the Restaurant. These expenses include payroll costs but not any draw or salary for you. These figures are estimates. We relied on our principals’ experience in establishing and operating Pieology Restaurants to compile the additional funds estimate. This estimate of costs is to develop one Pieology restaurant. If you are signing a Development Rights Agreement, your costs to develop all required Pieology Restaurants will be more.

11. You should review these figures carefully with a business advisor before deciding to acquire the franchise. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing will depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of

the financial institutions from which you request a loan. The estimated investments included in this table pertain to development of Pieology® Restaurants within most all areas within the United States of America; however, certain parts of the nation have exceptionally high costs of real estate acquisition and development.

Development Rights Agreement

**YOUR ESTIMATED INITIAL INVESTMENT
DEVELOPMENT OF FIVE RESTAURANTS**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Development Fee ⁽¹⁾	\$50,000	Lump sum	On signing Development Rights Agreement	Us
Other Expenditures for First Restaurant ⁽²⁾	\$304,000- \$807,500	See First Table	See First Table	See First Table
Total	\$354,000-\$857,500			

None of the expenses listed in the above charts are refundable. We do not finance any portion of your initial investment.

Explanatory Notes:

1. ***Development Fee.*** The development fee is discussed in Item 5. Our estimate assumes you will develop the minimum of five Restaurants. If you choose to develop more than five Restaurants, the development fee will increase as set forth in Item 5.

2. ***Other Expenditures for First Restaurant.*** These are the estimates to build-out your first Restaurant, which includes the \$25,000 initial franchise fee and \$15,000 training fee. You should be aware that your initial investment for your second and subsequent Restaurants likely will be higher than the above estimates for your first Restaurant due to inflation, increased labor costs, increased materials costs and other economic factors that may vary over time.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Franchise Agreement

System Standards

You must operate the Restaurant according to our System Standards. System Standards may regulate any aspect of the Restaurant’s development, operation and maintenance, including the types, models, and brands of Operating Assets (defined below) and other products and services

that the Restaurant uses or sells; required or authorized products and services and product and service categories; and designated or approved suppliers of these products and services, which may include or be limited to or include us or our affiliates, in which case you must acquire certain products and services for your Restaurant only from us and/or our affiliates at the prices we or they decide to charge. "Operating Assets" means all required kitchen equipment, fixtures, dining room furniture, Computer System components, lighting components, vehicles, smallwares, and other equipment, furnishings and signs that we periodically require for the Restaurant. To maintain the quality of the goods and services that Pieology Restaurants offer and the reputation of the Pieology Restaurant franchise network, you must purchase or lease all Operating Assets and other products and services for the Restaurant only according to our System Standards and, if we require, only from suppliers or distributors that we designate or approve.

We issue and modify System Standards based on our, our affiliates', and our franchisees' experience in franchising and/or operating Pieology Restaurants. Our System Standards may impose minimum requirements on goods, services and suppliers for delivery, performance, design, and appearance. We will notify you in the Operations Manual (defined in Item 11) or other materials of our System Standards, including the names of approved or designated suppliers. Currently, the purchases and leases that you must make from us or our affiliates, from approved suppliers, or according to our System Standards represent approximately 80-90% of your total purchases and leases in establishing your Restaurant and approximately 60-70% of your total purchases operating your Restaurant.

Suppliers

Neither we nor our affiliates currently are approved suppliers or the only approved suppliers of any product or service that Pieology Restaurant franchisees sell or use. In the future, we may designate us and/or our affiliates as approved suppliers or the only approved supplier for these products or services. Neither we nor our affiliates derived any revenue or other material consideration during 2023 from selling or leasing products or services to franchisees.

Currently, you must purchase or lease fixtures, furnishings, equipment, a point-of-sale system, signage, proprietary food products and other food products (including produce and soft drinks), paper products, smallwares, chemicals, carbon dioxide, various services (including pest, fire suppression and water filtration) and uniforms exclusively from our designated suppliers. At our option, you must engage our designated or approved supplier of real estate services to assist you in the site selection and/or lease negotiation process and engage our vendors for the Restaurant's Local Marketing. Except for these items and services, there currently are no goods, services, supplies, fixtures, equipment, inventory, computer hardware or software, real estate, or comparable items related to establishing or operating the Restaurant that you currently must purchase or lease only from a designated or approved supplier. None of our officers currently owns an interest in any supplier of goods or services to Pieology Restaurant franchisees, other than potentially a nominal interest in a supplier which is a publicly traded company or as part of mutual/investment fund.

If you want to use any proprietary food products, Operating Assets or other products or services for or at the Restaurant that we have not yet evaluated, or purchase or lease any proprietary food products, Operating Assets or other products or services from a supplier or distributor that we have not yet approved (for proprietary food products, Operating Assets or other products and

services that we require you to purchase only from designated or approved suppliers or distributors), you first must submit sufficient information, specifications and samples for us to determine whether the product or service complies with our standards and specifications and/or the supplier or distributor meets our criteria. We will provide general criteria (but not trade secrets) upon request. We may condition our approval of a supplier or distributor on requirements relating to product quality, prices, consistency, warranty, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), any adverse economic impact on us or any franchisees, and/or other criteria. We have the right to inspect the proposed supplier's or distributor's facilities and to require the proposed supplier or distributor to deliver product samples or items, at our option, either directly to us or to any independent laboratory which we designate for testing. Either you or the proposed supplier or distributor must pay us a fee (not to exceed the reasonable cost of the inspection and the actual cost of the test) to make the evaluation. We will use commercially reasonable efforts to notify you of our approval or disapproval within sixty (60) days after receiving all information we request. We may periodically re-inspect the facilities, products and services of any approved supplier or distributor and, upon notice to the supplier and our franchisees, revoke our approval of any supplier, distributor, product, or service that does not continue to meet our criteria. We will notify you in writing if we revoke our approval of any supplier, distributor, product, or service that does not meet our criteria. Despite the foregoing, you agree that we may limit the number of approved suppliers with whom you may deal, designate sources that you must use, and/or refuse any of your requests for any reason, including if we have already designated an exclusive source (which might be our affiliate) for the applicable product or service, if we want to limit the number of suppliers with access to our confidential information, or if we otherwise believe that doing so is in the best interests of the Pieology Restaurant franchise network.

We and/or our affiliates may derive revenue based on your purchases and leases, including from license fees and other amounts that we charge to manufacturers of proprietary food products and other items, and from promotional allowances, volume discounts and other payments made to us by suppliers and/or distributors that we designate or approve for some or all of our franchisees. We and our affiliates may use all amounts received from suppliers and/or distributors, whether or not based on your or other franchisees' actual or prospective dealings with them, without restriction for any purposes we or our affiliates deem appropriate. During our fiscal year 2023, our total revenue was \$5,447,413 and our revenue (including that of our affiliates) from all required purchases and leases of products and services by our franchisees was \$114,596 of supplier rebates in addition to \$220,500 of vendor and supplier sponsorship of franchisee conferences and other brand development endeavors, representing six percent (6%) of our total revenue for our fiscal year 2023.

We currently negotiate purchase arrangements with suppliers (including price terms) for pizza ingredients, soft drinks and Computer System components and other items and services. In doing so, we seek to promote the franchise system's overall interests and our interests as the franchisor. We do not provide material benefits (like renewal or granting additional franchises) to individual franchisees for purchasing particular products or services or for using particular suppliers. There are no formal purchasing or distribution cooperatives in the Pieology Restaurant franchise network.

Insurance

During the Franchise Agreement's term, you must maintain in force at your sole expense the insurance coverage for the Restaurant in the amounts, covering the risks, and containing only the exceptions and exclusions that we periodically specify. Our Operations Manual identifies our current insurance requirements, including coverage minimums. The current minimum insurance requirements are: (i) comprehensive general liability insurance with minimum coverage of \$1,000,000 per occurrence, \$2,000,000 annual aggregate, and \$2,000,000 products/completed operations, or any higher amount required by the lease for your Restaurant premises, insuring against claims for personal injury or property damage from your business operations; (ii) workers' compensation and employer's liability insurance, with a statutory limit as required by the state in which work is performed, together with any other insurance required by law; and (iii) business auto liability with minimum coverage of \$1,000,000 combined single limit. All of your insurance carriers must be rated A or higher by A.M. Best and Company, Inc. (or any similar criteria that we periodically specify). These insurance policies must be in effect on or before the deadlines we specify. All coverage must be on an "occurrence" basis, except for the employment practices liability insurance coverage, which is on a "claims made" basis. All policies apply on a primary and non-contributory basis to any other insurance or self-insurance that we or our affiliates maintain. All general liability and workers compensation coverage must provide for waiver of subrogation in favor of us and our affiliates. We may periodically increase the amounts of coverage required and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies must name us and any affiliates we designate as an additional insured and provide for thirty (30) days' prior written notice to us of a policy's material modification or cancellation. You must periodically send us a valid certificate of insurance or duplicate insurance policy evidencing that you have maintained the required coverage and paid the applicable premiums. If you fail to obtain or maintain (or to prove that you have obtained or maintained) the insurance we specify, in addition to our other remedies, we may (but need not) obtain insurance for you and the Restaurant on your behalf. You then must cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance.

Local Marketing

You must at your expense participate in the manner we periodically specify in all advertising, marketing, promotional, customer relationship management, social responsibility, public relations and other brand-related programs that we periodically designate for the Restaurant, subject to the Marketing Spending Requirement. You must ensure that all of your advertising, marketing, promotional, customer relationship management, social responsibility, public relations and other brand-related programs and materials that you or your agents or representatives develop or implement relating to the Restaurant (collectively, "Local Marketing") is completely clear, factual and not misleading, complies with all applicable laws and regulations, and conforms to the highest ethical standards and the advertising and marketing policies that we periodically specify.

Site Selection and Restaurant Development

You must obtain our prior written acceptance of the Restaurant's proposed site and lease. The lease must contain the terms and provisions that are reasonably acceptable to us, including provisions to protect our rights as your franchisor, which can be in a rider that forms part of the lease. Exhibit D is our current form of lease rider that contains our current required lease provisions. At our option, you must engage our designated or approved supplier of real estate services to assist you in the site selection and/or lease negotiation process. The Restaurant must contain and utilize all of the Operating Assets, and only the Operating Assets, that we periodically specify. At our option, you must use only the architect and other contractors that we designate or approve to develop the Restaurant.

Restaurant Upgrades

In addition to your obligation to maintain the Restaurant according to System Standards, once during the period beginning on the fourth (4th) anniversary of the Franchise Agreement's effective date and ending on the seventh (7th) anniversary of that date, we may require you to alter the Restaurant's and the site's appearance, branding, layout and/or design, and/or replace a portion of your Operating Assets, in order to meet our then current requirements for new similarly situated Pieology Restaurants. This obligation could result in your making structural changes to, and remodeling and renovating, the Restaurant, and/or in your spending amounts for new Operating Assets, and you must incur any capital expenditures required in order to comply with this obligation and our requirements (even if you cannot amortize those expenditures over the Franchise Agreement's remaining term). Within sixty (60) days after receiving written notice from us, you must have plans prepared according to the standards and specifications we specify and, if we require, using architects and contractors we designate or approve, and you must submit those plans to us for our approval. You must complete all work according to the plans we approve within the time period that we reasonably specify.

Development Rights Agreement

The Development Rights Agreement does not require you to buy or lease from us (or our affiliates), our designees, or approved suppliers, or according to our specifications, any goods, services, supplies, fixtures, equipment, inventory, computer hardware or software, real estate, or comparable items related to establishing or operating your business under the Development Rights Agreement. However, you must follow our requirements under the franchise agreement for each Pieology Restaurant you develop. For each site at which you propose to operate a Pieology Restaurant, you must send us a complete site report and other materials demonstrating your (or your Affiliated Entity's) financial and operational ability to develop and operate a Pieology Restaurant at the proposed site.

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 disclosure document.

Obligation	Section in agreement	Disclosure document item
(a) Site selection and acquisition/lease	2.A of Franchise Agreement and 7 of Development Rights Agreement	7, 8, 11 and 12
(b) Preopening purchases/leases	2.A, B, C, and D and 8 of Franchise Agreement	5, 7, 8, and 11
(c) Site development and other preopening requirements	2.B, C, D, and E of Franchise Agreement	7, 8, and 11
(d) Initial and ongoing training	4.A, B, C, D and E of Franchise Agreement	6, 7, 11, 15 and 17
(e) Opening	2.B and D of Franchise Agreement	11
(f) Fees	5 of Franchise Agreement and 6 of Development Rights Agreement	5, 6, 7, 11 and 12
(g) Compliance with standards and policies/operating manual	4.F and 6 of Franchise Agreement	8, 11, and 14
(h) Trademarks and proprietary information	10 and 11 of Franchise Agreement and 5 and 13 of Development Rights Agreement	13 and 14
(i) Restrictions on products/services offered	6.A, B, C and D of Franchise Agreement	8, 11, and 16
(j) Warranty and customer service requirements	20(d) of Franchise Agreement	Not Applicable
(k) Territorial development and sales quotas	Not Applicable under Franchise Agreement; Exhibit A to Development Rights Agreement	Not Applicable
(l) Ongoing product/service purchases	4.C, 6.B, D and H of Franchise Agreement	6 and 8

(m) Maintenance, appearance, and remodeling requirements	2.B and 6.A of Franchise Agreement	6, 8, 11 and 17
(n) Insurance	6.G of Franchise Agreement	6, 7, and 8
(o) Advertising	7 of Franchise Agreement	5, 6, 7, 8, and 11
(p) Indemnification	17.D of Franchise Agreement and 15 of Development Rights Agreement	6
(q) Owner's participation/management/staffing	1.C, 4.F and 6.E of Franchise Agreement and 9 of Development Rights Agreement	11 and 15
(r) Records and reports	8 of Franchise Agreement	11
(s) Inspections and audits	9.A and B of Franchise Agreement	6
(t) Transfer	13 of Franchise Agreement and 12 of Development Rights Agreement	17
(u) Renewal	14 of Franchise Agreement	17
(v) Post-termination obligations	16 of Franchise Agreement	17
(w) Noncompetition covenants	12 and 16.D of Franchise Agreement and 13.A and 14 of Development Rights Agreement	17
(x) Dispute resolution	18.F, G, H, I and K of Franchise Agreement and 15 of Development Rights Agreement	17

Item 10

FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

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 you open the Restaurant, we will do the following:

(1) Accept a site that meets our requirements. Your proposed site, which must meet our then current site selection criteria for Pieology Restaurants, must be available for lease or purchase in time for you to develop and open the Restaurant at that site on or before the Opening Deadline. We will not unreasonably withhold our acceptance of a site that meets our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; other commercial characteristics; and the proposed site's size, appearance, and other physical characteristics. In determining whether to accept or reject a proposed site, we also may consider the site's proximity to other existing or potential sites for Pieology Restaurants. In the event that we do not accept your proposed site or we cannot agree on a proposed site, you will receive written notice from us. (2) Accept a lease and a lease rider that meet our requirements and define the Protected Zone. You must obtain our prior written acceptance of the terms of any lease or sublease for the site before you sign it. The lease must contain the terms and provisions that are reasonably acceptable to us, including provisions to protect our rights as your franchisor, which can be in a rider that forms part of the lease. You must give us a copy of the fully signed lease and lease rider within seven (7) days after you and the landlord have signed them. You may not sign any renewal or amendment of the lease that we have not accepted. We generally do not own the premises for Pieology Restaurants and lease them to franchisees.

(3) Provide you our mandatory and suggested specifications and layouts for a Pieology Restaurant, which might include recommendations and/or requirements for dimensions, design, image, interior layout, decor, Operating Assets, and color scheme. The Restaurant must contain and use all of the Operating Assets, and only the Operating Assets, that we periodically specify. We do not provide, deliver, or install any Operating Assets (which includes equipment, fixtures, dining room furniture, Computer System components, lighting components, vehicles, smallwares, and other equipment, furnishings, and signs) or other items for the Restaurant's development directly or deliver or install items. However, we will provide the names of designated, approved or recommended suppliers for many items and, where appropriate, provide written specifications.

It is your responsibility to prepare all required construction plans and specifications to suit the site and to make sure that they comply with the Americans with Disabilities Act (the "ADA") and similar rules governing public accommodations for persons with disabilities, together with all other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions. Prior to ordering any construction plans for the Restaurant, you must submit to us for our review and comment a preliminary layout of the intended design of the interior and exterior of your Restaurant. After you and we agree on a preliminary design, you may order construction plans based on that agreed design. You must send us two (2) sets of construction plans and specifications for review and acceptance before you begin constructing the Restaurant, and all

revised or “as built” plans and specifications during construction. Our review is limited to ensuring your compliance with our design requirements. Our review is not designed to assess compliance with federal, state, or local laws and regulations, including the ADA, as compliance with those laws and regulations is your responsibility. You must remedy, at your expense, any noncompliance or alleged noncompliance with those laws and regulations. At our option, you must use only the architect and other contractors that we designate or approve to develop the Restaurant. We may periodically inspect the site while you are developing the Restaurant. (Franchise Agreement – Section 2.A, B).

(4) Train your personnel to operate a Pieology Restaurant. We describe this training later in this Item. (Franchise Agreement – Section 4).

(5) Provide you access to, for use in operating the Restaurant during the Franchise Agreement’s term, one (1) copy of our operating manual and/or other manuals (the “Operations Manual”), which might be or include written or intangible materials which may be made available to you by various means. The Operations Manual contains System Standards and information on your other obligations under the Franchise Agreement. We may modify the Operations Manual and System Standards periodically to reflect changes in System Standards. You must keep your copy of the Operations Manual current and communicate all updates to your employees in a timely manner. In addition, you must keep your Operations Manual in a secure location. If there is a dispute over its contents, our master copy of the Operations Manual controls. The contents of the Operations Manual are confidential and you must not disclose the Operations Manual to any person other than Restaurant employees who need to know its contents. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual, except as we periodically authorize for training and operating purposes. The current table of contents for the Operations Manual, which sets forth the number of pages devoted to each subject, is included in this Disclosure Document at **Exhibit F**. As of the date of this Disclosure Document, the Operations Manual consists of 127 pages.

Any materials or guidance that we provide concerning employment-related policies or procedures, whether in the Operations Manual or otherwise, are solely for your optional use. These materials and guidance do not form part of the System Standards. You will determine to what extent, if any, these materials or guidance should apply to your employees and Restaurant operations. We neither dictate nor control labor or employment matters for franchisees and their employees and we are not responsible for the safety and security of Restaurant employees or customers. You are responsible for determining the terms and conditions of employment for your employees and for all decisions concerning the hiring, firing and discipline of your employees, and for all other aspects of the Restaurant’s labor relations and employment practice.

At our option, we may post the Operations Manual on the System Website or another restricted website to which you will have access. If we do so, you must periodically monitor the website for any updates to the Operations Manual or System Standards. Any passwords or other digital identifications necessary to access the Operations Manual on such a website are part of confidential information. (Franchise Agreement – Section 4.F).

(6) Approve your pre-opening marketing program, which you will develop and implement according to the Operations Manual and System Standards. We describe the pre-opening marketing program later in this Item. (Franchise Agreement – Section 7.A).

(7) Determine your Schedule and Development Territory if you sign the Development Rights Agreement. We also will review any site you propose and will use reasonable efforts to notify you of our acceptance or rejection within thirty (30) business days after receiving the requested information and materials. We describe our current site acceptance procedure earlier in this Item. Your proposed site must meet our then-current criteria. However, we may periodically modify the criteria we use to evaluate and either accept or reject proposed sites. Your proposed site must be available for lease or purchase in time for you or your Affiliated Entity to develop and open a Pieology Restaurant at that site in order to meet the deadlines in the Schedule. (Development Rights Agreement – Sections 4 and 7). The Protected Zone for your Restaurant will be determined in accordance with the Franchise Agreement. (Franchise Agreement – Section 2.A).

During your operation of the Restaurant, we will do the following:

(1) At our option, advise you periodically regarding the Restaurant's operation based on your reports or our inspections. In our discretion, we will guide you on standards, specifications, trade dress, operating procedures, and methods that Pieology Restaurants use; purchasing required or recommended Operating Assets, proprietary food products and other products; advertising, marketing and promotional materials and programs; employee training methods and procedures (although you are responsible for the terms and conditions of employment of your employees); and administrative, bookkeeping and accounting procedures. In our discretion, we will guide you in our Operations Manual, memoranda, newsletters, or other written materials, by electronic media, by telephone consultation, and/or at our office or the Restaurant. If you request and we agree to provide additional or special guidance or training, you must pay our then applicable charges, including our personnel's per diem charges and any travel and living expenses. Any specific ongoing training, conventions, guidance, or advice that we provide does not create an obligation to continue providing that specific training, convention, guidance, or advice, all of which we may discontinue and modify at any time. (Franchise Agreement – Section 4.E).

(2) At our option, hold various brand standards training courses and programs. We also may require you to conduct periodic brand standards training for Restaurant personnel using the formats and procedures that we periodically specify. We may charge reasonable fees for these brand standards training courses and programs. We also may, at our option, hold an annual meeting or convention for some or all Pieology Restaurant franchisees at a location we periodically designate. We may require the Managing Director (defined in Item 15) and/or other Restaurant personnel to attend these meetings or conventions and may charge you reasonable registration fees. (Franchise Agreement – Section 4.C).

(3) Provide updates to the Operations Manual and System Standards as we implement them. Our periodic modification of our System Standards (including to accommodate changes to the Marks), which may accommodate regional and/or local variations, may obligate you to invest additional capital in the Restaurant and incur higher operating costs, and you must comply with those obligations within the time period we specify. Although we retain the right to establish and periodically modify the franchise system and System Standards that you have agreed to follow,

you retain the responsibility for the day-to-day management and operation of the Restaurant and implementing and maintaining System Standards at the Restaurant. (Franchise Agreement – Sections 4.F and 6.H).

(4) Maintain and administer the Marketing Fund and System Website. (Franchise Agreement – Section 7). We describe the Marketing Fund and System Website below in this Item.

Advertising, Marketing, and Promotion

Pre-Opening Marketing

You must at your expense implement a Restaurant opening marketing program in compliance with the requirements in the Operations Manual and other System Standards. At least 120 days before the Restaurant's planned opening, you must prepare and submit to us for our approval a proposed opening marketing program that covers a period from three (3) months before to three (3) months after the Restaurant's opening and contemplates spending at least the minimum amount that we reasonably specify, up to \$20,000. You must make the changes to the program that we specify and execute the program as we have approved it. (Franchise Agreement – Section 7.A).

Local Marketing

You must participate at your expense and in the manner we periodically specify in all Local Marketing that we periodically designate for the Restaurant, subject to the Marketing Spending Requirement. You must ensure that all of your Local Marketing is completely clear, factual and not misleading, complies with all applicable laws and regulations, and conforms to the highest ethical standards and the advertising and marketing policies that we periodically specify. Before using them, you must send to us, for our approval, descriptions, and samples of all proposed Local Marketing that we have not prepared or previously approved within the previous six (6) months. If you do not receive written notice of approval from us within fifteen (15) days after we receive the materials, they are deemed disapproved. You may not conduct or use any Local Marketing that we have not approved or have disapproved. At our option, you must contract with one or more suppliers that we designate or approve to develop and/or implement Local Marketing. We assume no liability to you or any other party due to our specifying any programs or our approval or disapproval of any Local Marketing. (Franchise Agreement – Section 7.D).

Marketing Fund

You must contribute to the Marketing Fund (as defined below) each week, via electronic funds transfer or another payment method we specify and together with each Royalty payment, the amount we periodically specify, subject to the Marketing Spending Requirement. These contributions are paid to our current Pieology fund, the Pieology National Advertising Fund, LLC. The Pieology National Advertising Fund, LLC is a Delaware limited liability company, established on December 27, 2022. We have established, and (subject to our Franchise Agreement rights) will administer and control, the Marketing Fund for the advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs and materials for all or a group of Pieology Restaurants that we deem appropriate. (Franchise Agreement – Sections 7.B and 15.C). Pieology Restaurants that we or our affiliates own will contribute to the Marketing Fund on the same basis as franchisees. Franchisees who operate under different forms of franchise

agreement might contribute to the Marketing Fund at a different rate than you. Certain suppliers also may contribute to the Marketing Fund.

We will designate and direct all programs that the Marketing Fund finances, with sole control over the creative and business concepts, materials and endorsements used and their geographic, market and media placement and allocation. The Marketing Fund may pay for any advertising, promotion, marketing and brand-related activities, including preparing, producing and placing video, audio and written materials and electronic media; developing, maintaining and administering one or more System Websites, other online presence, and social media; creating and administering national, regional, multi-regional and local marketing, advertising, promotional, social responsibility and customer relationship management programs, including purchasing trade journal, direct mail, Internet and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public and customer relations, market research, and other advertising, promotion, marketing and brand-related activities. We may place advertising in any media, including print, radio, and television, on a regional or national basis. Our in-house staff and/or national or regional advertising agencies may produce advertising, marketing, and promotional materials. The Marketing Fund also may reimburse Pieology Restaurant operators (including us and/or our affiliates) for expenditures consistent with the Marketing Fund's purposes that we periodically specify.

We will account for the Marketing Fund, whether held by us or an affiliate, separately from our other funds and not use the Marketing Fund to pay any of our general operating expenses, except to compensate us and our affiliates for the reasonable salaries, administrative costs, travel expenses, overhead and other costs we and they incur in connection with activities performed for the Marketing Fund and its programs, including conducting market research, preparing advertising, promotion and marketing materials, implementing social responsibility initiatives, maintaining and administering the System Website and other forms of online presence, collecting and accounting for Marketing Fund contributions, and paying taxes on contributions. We will not use any Marketing Fund contributions principally to solicit new franchise sales, although part of the System Website is devoted to franchise sales. The Marketing Fund is not a trust, and we do not owe you fiduciary obligations because of our maintaining, directing, or administering the Marketing Fund or any other reason. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on Marketing Fund contributions to pay costs before using the Marketing Fund's other assets. We may incorporate the Marketing Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified here.

We will prepare an annual, unaudited statement of Marketing Fund collections and expenses and give you the statement upon written request. Independent accountants currently do not audit the Marketing Fund, but we may have an independent accountant we select audit the Marketing Fund periodically at the Marketing Fund's expense. During the 2023 fiscal year, the Marketing Fund spent 27% on brand development and creative services, 13% on social and digital media, 45% on loyalty programs, 5% on local store marketing, and 10% on miscellaneous.

We intend the Marketing Fund to maximize recognition of the Marks and patronage of Pieology Restaurants. Although we will try to use the Marketing Fund to develop and/or

implement advertising and marketing materials and programs and for other uses (consistent with this section) that will benefit all contributing Pieology Restaurants, we need not ensure that Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to the Marketing Fund contributions from Pieology Restaurants operating in that geographic area, or that any Pieology Restaurants benefits directly or in proportion to the Marketing Fund contributions that it makes. We have no obligation to spend any amount to in your Protected Zone or to benefit your Restaurant. We have the right, but no obligation, to use collection agents and institute legal proceedings at the Marketing Fund's expense to collect Marketing Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the Marketing Fund. Except as expressly provided here, we assume no direct or indirect liability or obligation to you for maintaining, directing or administering the Marketing Fund.

We may at any time defer or reduce a Pieology Restaurant operator's contributions to the Marketing Fund and, upon at least thirty (30) days' written notice to you, reduce or suspend Marketing Fund contributions and/or operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund.

There currently are no franchisee advertising councils that advise us on advertising policies.

Advertising Cooperatives

We may designate a geographic area in which two (2) or more Pieology Restaurants are located as an area for a Cooperative. The Cooperative's members in any area are the owners of all Pieology Restaurants operating in that area, including us and our affiliates, if applicable. Each Cooperative is organized and governed in a form and manner, and begin operating on a date, that we determine. We may change, dissolve and merge Cooperatives. Each Cooperative's purpose is, with our approval, to develop, administer or implement advertising, marketing and promotional materials and programs for the area that the Cooperative covers. If we establish a Cooperative for the geographic area in which the Restaurant is located, you must sign the documents that we require to become a member of the Cooperative and participate in the Cooperative as those documents require. The Cooperative's members typically administer the Cooperative and will decide whether the Cooperative operates from written governing documents and prepares any financial statements for members' review. At your request, we will show you a sample of governing documents that other Cooperatives or similar organizations use. In addition to the Marketing Fund contribution, you must contribute to the Cooperative the amounts that the Cooperative determines, subject to our approval and the Marketing Spending Requirement.

All material decisions of the Cooperative, including contribution levels (which also require our approval), will require the affirmative vote of more than fifty percent (50%) of all Pieology Restaurants participating in the Cooperative (including, if applicable, those we or our affiliates operate), with each Pieology Restaurant receiving one (1) vote. In order for your Restaurant to qualify as a participating Restaurant and have a vote on any given decision of the Cooperative, you must be a franchisee in good standing, which requires you to be current in all payment obligations to us and our affiliates, not otherwise in default of any of your obligations under the Franchise Agreement, and to have achieved at least satisfactory scores on each of your Restaurant's operations review over previous six months prior to the voting. You must send us and

the Cooperative any reports that we or the Cooperative periodically requires. The Cooperative will operate solely to collect and spend Cooperative contributions for the purposes described above. The Cooperative and its members may not use any advertising, marketing or promotional programs or materials that we have not approved. (Franchise Agreement – Section 7.C).

Marketing Spending Requirement

The Marketing Spending Requirement is the maximum amount that we can require you to spend on Marketing Fund contributions, Cooperative contributions (if applicable), and approved Local Marketing for the Restaurant during each calendar quarter, and is an amount equal to four percent (4%) of the Restaurant's Gross Sales during the calendar quarter. Unless we provide written notice to you to the contrary, the quarterly Marketing Spending Requirement is set at four percent (4%) of the Restaurant's Gross Sales throughout the term of the Franchise Agreement. Although we may not require you to spend more than the Marketing Spending Requirement on Marketing Fund contributions, Cooperative contributions (if applicable) and approved Local Marketing for the Restaurant during any calendar quarter, you may choose to do so. We will not count towards your Marketing Spending Requirement the cost of free or discounted menu items, coupons, special offers or price reductions that you provide as a promotion, signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), service charges from third-party delivery companies, employee incentive programs, or other amounts that we, in our reasonable judgment, deem inappropriate for meeting the Marketing Spending Requirement. We may periodically review your books and records and require you to submit reports periodically to determine your Local Marketing expenses. If you fail to spend (or prove that you spent) the Marketing Spending Requirement in any quarter, then we may, in addition to our other rights, require you to pay us the shortfall as an additional Marketing Fund contribution or to pay us the shortfall for us to spend on Local Marketing for the Restaurant. (Franchise Agreement – Section 7.E).

System Website

We or one or more of our designees may establish a website or series of websites for the Pieology Restaurant franchise network to advertise, market and promote Pieology Restaurants, the products and services they offer, and the Pieology Restaurant franchise opportunity, to facilitate the operations of Pieology Restaurants, and/or for any other purposes that we determine are appropriate for Pieology Restaurants (collectively, the "System Website"). If we include information about the Restaurant on the System Website, then you must give us the information and materials that we periodically request concerning the Restaurant and otherwise participate in the System Website in the manner that we periodically specify. We have the final decision concerning all information that appears on the System Website and will update or modify the System Website according to a schedule that we determine. By posting or submitting to us information or materials for the System Website, you are representing to us that the information and materials are accurate and not misleading and do not infringe any third party's rights. You must notify us whenever any information about you or your Restaurant on the System Website changes or is not accurate.

We own all intellectual property and other rights in the System Website and all information it contains, including the domain name or URL for the System Website and all subsidiary websites,

the log of “hits” by visitors, and any personal or business data that visitors (including you and your personnel) supply. We may use the Marketing Fund’s assets to develop, maintain, support, and update the System Website. We may implement and periodically modify System Standards relating to the System Website and, at our option, may discontinue the System Website, or any services offered through the System Website, at any time. All Local Marketing that you develop for the Restaurant must contain notices of the URL of the System Website in the manner that we periodically designate.

Except for the System Website, you may not develop, maintain, or authorize any social media, other website, other online presence, or other electronic medium (such as mobile applications, kiosks and other interactive properties or technology-based programs) that mentions or describes you or the Restaurant or displays any of the Marks, without our prior, written approval. You may not conduct commerce or offer or sell any products or services using any website, another electronic means or medium, or otherwise over the Internet without our approval.

If anything happens that would allow us to terminate the Franchise Agreement, we may instead temporarily remove information concerning the Restaurant from the System Website and/or stop your or the Restaurant’s participation in any other programs or benefits offered on or through the System Website. Nothing in the Franchise Agreement limits our right to maintain websites other than the System Website or to offer and sell products or services under the Marks from the System Website, another website or otherwise over the Internet without payment or obligation of any kind to you. (Franchise Agreement – Sections 7.F and 15.C).

Computer System

You must obtain, maintain, and use in operating the Restaurant the Computer System that we periodically specify. (Franchise Agreement – Sections 2.C and 6.H). The Computer System will function as the Restaurant’s point-of-sale system cash register system and incorporates various back-office functions like inventory and reporting. The Computer System will generate and store sales, payment, cost, customer information and other operational data. We will have independent, unlimited access to all information and data that your Computer System generates and stores. It will cost about \$15,000 to \$20,000 to buy the Computer System’s components.

Our primary software vendor has the contractual right and obligation to provide ongoing maintenance, repairs, upgrades, and updates for the Computer System’s primary software. No party has the contractual right or obligation to provide ongoing maintenance, repairs, upgrades, or updates for the Computer System’s hardware. The current annual cost of maintenance, support, upgrades, and updates for the Computer System is about \$1,200 to \$3,600, excluding non-recurring upgrades to new software or systems.

Our modification of specifications for and components of the Computer System, and/or other technological developments or events, may require you to purchase, lease and/or license new or modified computer hardware, software, and other components and to obtain service and support for the Computer System. You will need to provide proper Ethernet cabling as specified by the hardware vendor. Although we cannot estimate the future costs of the Computer System or required service or support, you must incur the costs of obtaining the computer hardware, software and other components comprising the Computer System (and additions and modifications) and

required service or support. No contract limits the frequency or cost of this obligation. Within sixty (60) days after we deliver notice to you, you agree to obtain the Computer System components that we designate and ensure that your Computer System, as modified, is functioning properly.

We and our affiliates may condition any license of required or recommended proprietary software to you, and/or your use of technology developed or maintained by or for us (including the System Website), on your signing a software license agreement or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a clickthrough license agreement), that we and our affiliates periodically specify to regulate your use of, and our (or our affiliate's) and your respective rights and responsibilities concerning, the software or technology. We and our affiliates may charge you upfront and ongoing fees for any required or recommended proprietary software or technology that we or our affiliates license to you and for other Computer System maintenance and support services provided during the Franchise Agreement's term.

Despite your obligation to buy, use, and maintain the Computer System according to our standards and specifications, you have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; (3) complying with all applicable laws, regulations, industry standards (including Payment Card Industry Data Security Standards) and other procedures to safeguard the confidentiality and security of information concerning the Restaurant's customers and employees; and (4) all consequences if the Computer System is not properly operated, maintained, and upgraded. The Computer System shall permit 24 hours per day, 7 days per week electronic communications between you and us.

You need not buy or use any computer system to operate under the Development Rights Agreement.

Opening

We estimate that the time between your signing the Franchise Agreement (which is when you will first pay us consideration for the franchise) and opening the Restaurant to the public is about ten (10) to fourteen (14) days if you have located an accepted site and signed an accepted lease and lease rider for that site when you sign the Franchise Agreement. The precise timing depends on the time it takes you to locate an accepted site and sign an accepted lease and lease rider; the site's location and condition; the work needed to develop the Restaurant according to our System Standards; completing training; obtaining financing; obtaining insurance; and complying with local laws and regulations.

You must open the Restaurant to the public in compliance with the Franchise Agreement on or before the "Opening Deadline" or we may terminate the Franchise Agreement. The Opening Deadline is set out on the Key Contract Data Page, which accompanies the Franchise Agreement. If you want to request an extension of the Opening Deadline, you must send us a written request at least fifteen (15) days before the Opening Deadline. You may not open the Restaurant to the public until: (1) you have signed the Franchise Agreement, delivered it to us, and received it back signed by us; (2) you have properly developed and equipped the Restaurant according to our standards and specifications (including any pre-opening checklist that we provide) and in

compliance with all applicable laws and regulations; (3) Restaurant personnel have completed all pre-opening training to our satisfaction; (4) you have paid all amounts then due to us and our affiliates; (5) you have satisfied all food safety, other licensing and other legal requirements for the Restaurant's operation; (6) you have given us copies of all required insurance policies or any other evidence of insurance coverage and payment of premiums as we request; (7) you give us a copy of your fully-signed lease and lease rider; (8) if we (at our sole option) require, we have conducted a pre-opening inspection and certified the Restaurant for opening. Our determination that you have met all of our pre-opening requirements will not constitute a waiver of your non-compliance or of our right to demand full compliance with those requirements. All of the pre-opening requirements must be met by the Opening Deadline. (Franchise Agreement – Section 2.D).

Training

Before opening the Restaurant to the public, your personnel whom we describe below must attend and complete to our satisfaction our initial training program on the operation of a Pieology Restaurant. The initial brand standards training program may include classroom training, instruction at designated facilities, hands-on training at an operating Pieology Restaurant, remote training (including via Internet access) and/or self-study programs. You must pay your and your personnel's travel, living and other expenses (including local transportation expenses) and compensation incurred in attending any training courses and programs, conventions or work at any Pieology Restaurant that is part of their training. If we determine that you or any of your personnel cannot complete the initial brand standards training programs to our satisfaction, then we may, at our option and without limiting our other rights, require you or your personnel to attend additional brand standards training programs at your expense (for which we may charge reasonable fees). If you and your personnel satisfactorily complete our initial training program and you do not expressly inform us at the end of the initial training program that you feel that you or they have not been adequately trained, then you and they are deemed to be trained sufficiently to operate a Pieology Restaurant.

Training is mandatory for all franchisees. You (or, if you are a business entity, your Managing Director (defined below)) and two (2) other individuals associated with the Restaurant whom you designate must complete the initial brand standards training program to our satisfaction. We currently schedule our initial training program as often as necessary to accommodate new Pieology Restaurant openings. The training will be conducted at our Restaurant Support Center in Irvine, California or another certified training restaurant that our affiliates operate in California or another state as we specify, with some of the classroom training being done virtually or online. The following chart describes our training program as of the date of this disclosure document:

TRAINING PROGRAM

Column 1	Column 2	Column 3	Column 4
Subject	Hours of Classroom* Training	Hours of On The Job Training	Location

Introduction to Pieology brand	2	8-10	Affiliate's certified training restaurant
General Restaurant Management	10	28-31	Affiliate's certified training restaurant
Position Training	8	30-33	Affiliate's certified training restaurant
Point of Sale Instruction	6	23-26	Affiliate's certified training restaurant
Administration Operations	10	20-23	Affiliate's certified training restaurant
Product Knowledge (including beverages)	10	37-43	Affiliate's certified training restaurant
TOTAL HOURS	46	146-166	

* To increase schedule flexibility for our trainees, classroom training is comprised of instructor-led modules as well as computer-based training with review of training videos, reading and studying. In addition, we reserve the right to vary the length and content of the initial training based upon the business experience and skill level of the individual attending the initial training.

Our Brand training manuals, operations manual, and certain handouts vendors prepare serve as our instructional materials. Our primary instructors are Juan Rivera, our Director of Operations with more than fifteen (15) years of training experience, Shauna Hay-Viets, our Training Manager, with more than five (5) years of training experience, and Vungelia Damianos, our Operations Manager, with more than five (5) years of training experience.

As part of our initial brand standards training program, we will send a training team consisting of one (1) or more individuals whom we specify (the "Training Team") to provide brand standards training to your Restaurant's staff during the Restaurant's pre-opening and immediate post-opening period, unless the Restaurant is located in a market area that a Certified Training Restaurant covers. We will determine the individual(s) that form the Training Team and the duration of the Training Team's stay at the Restaurant at our sole option considering those factors that we deem relevant, including the number of other Pieology Restaurants that you and your affiliates operate and the experience of the Restaurant's staff. There is no set outline for this on-the-job training, but the Training Team generally trains the Restaurant's personnel on all aspects of operating the Restaurant according to our brand standards.

If as of the date upon which the Restaurant is prepared to first open to the public, you have fulfilled all of the following conditions: (a) you or one of your affiliates has then completed to our satisfaction the necessary brand standards training and attained the minimum benchmarks that we then specify in order for us to designate one of your or your affiliates' operating Pieology Restaurants as a "Certified Training Restaurant"; (b) the Managing Director (defined below) or another of your or your affiliates' employees of the Certified Training Restaurant that you designate has then completed the brand standards training, performed other tasks, and satisfied other conditions that we then specify to designate that individual as your "Certified Training

Manager” and, (c) individual(s) from you or your affiliated entities have then completed to our satisfaction the necessary training, and attain the minimum benchmarks that we then specify for us to designate such individual(s) as a “Certified Opening Leader”, then we will designate you as a “Certified Training Franchisee” and (i) we will not charge you the training fees described in Item 5, (ii) we will not provide the Training Team, and (iii) you (or your affiliate) must provide opening training from the Certified Training Restaurant to the Restaurant’s personnel according to our System Standards.

During the Franchise Agreement’s term, we may require you and/or your personnel, including the Managing Director (defined below), to attend and satisfactorily complete various brand standards training courses and programs that we choose to provide periodically at the times and locations we designate, although currently none are planned. We also may require you to conduct periodic brand standards training for Restaurant personnel using the formats and procedures that we periodically specify including computer-based training. We may charge reasonable fees for these brand standards training courses and programs. We also may, at our option, hold an annual meeting or convention for some or all Pieology Restaurant franchisees at a location we periodically designate. We may require the Managing Director and/or other Restaurant personnel to attend these meetings or conventions and may charge you reasonable registration fees. (Franchise Agreement – Sections 4.A to 4.D).

Item 12

TERRITORY

Franchise Agreement

You will operate the Restaurant at a specific site that we first must accept.

After you sign a lease and lease rider for the site that we have accepted, we will define your protected territory (which we label as the “Protected Zone”) using our then current Protected Zone designation criteria. The Protected Zone is typically a circle with a radius of a specified distance that we determine from the Restaurant’s main front entrance. We will determine the Protected Zone based on the factors that we deem relevant, which might include demographics, the character of the site and nearby businesses and residences. The Protected Zone may be as small as a one-quarter mile radius in a densely populated area, or in some rural areas, up to a 3-mile radius. Once we define the Protected Zone, you will have no further territorial or other rights outside the Protected Zone.

If you are complying with the Franchise Agreement, then except for Pieology Restaurants at Non Traditional Locations (defined below), neither we nor our affiliates will operate, or authorize any other party to operate, a Pieology Restaurant the physical premises of which are located within the Protected Zone “Non Traditional Locations” means (i) any location within another primary business, corporate campus complexes, institutional venues, and any location to which the general public does not have unlimited access; (ii) mobile outlets, temporary or seasonal food service facilities; and/or (iii) commercial kitchen facilities that provide order and delivery-only services, which may include the associated online or mobile ordering and delivery services to and from locations in or outside of the Protected Zone. Examples of Non Traditional Locations include mobile outlets (such as food trucks), “ghost” kitchens, grocery stores, concert venues, casinos, convention centers, airports, resorts, amusement parks, sports stadiums, fairs, expositions, college and university buildings, military bases, hospitals and medical centers, shopping malls, and other venues operated by a master concessionaire or contract food service provider. Continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency. If anything happens that would allow us to terminate the Franchise Agreement, we may instead temporarily or permanently reduce the size of the Protected Zone, in which case the restrictions on us and our affiliates described above will not apply in the geographic area that was removed from the Protected Zone. Otherwise, we may not alter your Protected Zone or modify your territorial rights before your Franchise Agreement expires or is terminated.

We (and any affiliates that we might have periodically) have the right to engage in any activities we or they deem appropriate that the Franchise Agreement does not expressly prohibit, whenever and wherever we or they desire, including:

- (1) establishing, operating, and granting rights to other persons to establish and operate, on any terms and conditions we deem appropriate, Pieology Restaurants at any locations or outside the Protected Zone;

(2) establishing, operating, and granting rights to other persons to establish and operate, on any terms and conditions we deem appropriate, Pieology Restaurants at Non Traditional Locations, wherever located or operating, including inside the Protected Zone;

(3) establishing, operating, and granting rights to other persons to establish and operate, on any terms and conditions we deem appropriate, restaurants or any similar or dissimilar businesses that are not primarily identified by the Marks at any locations, whether within or outside the Protected Zone;

(4) all rights relating to the Marks, and all products and services associated with any of the Marks, concerning any methods of distribution that the Franchise Agreement does not prohibit. This includes providing, and granting rights to other persons to provide (except as specifically described above), products and services that are similar or dissimilar to, or competitive with, any products and services provided at Pieology Restaurants, whether identified by the Marks or other trademarks or service marks, regardless of the method of distribution (including via the System Website or otherwise over the Internet), and at any locations; and

(5) acquiring the assets or ownership interests of, or being acquired (regardless of the form of transaction) by, one or more businesses providing products and services similar or dissimilar to those that Pieology Restaurants provide, and franchising, licensing or creating other arrangements for these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, whether within or outside the Protected Zone.

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. There are no restrictions on our soliciting or accepting orders from consumers in your Protected Zone. We and our affiliates may use other channels of distribution, such as the Internet, catalog sales, telemarketing and other direct marketing, to make sales within your Protected Zone under the Marks or other trademarks without compensating you. Although we have no plans to operate or franchise on a permanent basis any business under a different trademark that sells or will sell goods or services similar to those that you will offer, we and our affiliates have the right to do so; and, there may be opportunities to grow the Pieology System through the acquisition, and temporary operation and franchising of businesses that are similar to the franchise you will operate.

There are no restrictions on your soliciting customers from outside your Protected Zone or otherwise competing with other Pieology Restaurants. You currently may not use other channels of distribution, such as the Internet, catalog sales, telemarketing, and other direct marketing, to make sales (as opposed to advertising and marketing) for the Restaurant, although you may (subject to our prior, written approval) offer Catering Service or Delivery Service.

If we require, or otherwise permit, Catering Service or Delivery Service for the Restaurant, you may propose the geographic area (subject to our prior, written approval) within which you will offer that service, but you must ensure that customers receive at all times high quality food and beverage products prepared and maintained according to our specifications. You must offer

Catering Service or Delivery Service only from the Restaurant and may not provide Catering Service or Delivery Service to customers at Non Traditional Locations without our prior written consent. If you fail to comply with any provision of the Franchise Agreement pertaining to Catering Service or Delivery Service, then we may temporarily suspend or permanently terminate your right to provide Catering Service and/or Delivery Service or temporarily or permanently restrict the geographic area within which you may provide Catering Service and/or Delivery Service.

Under the Franchise Agreement, you have no options, rights of first refusal, or similar rights to acquire additional franchises within your Protected Zone or contiguous areas or any other areas. If you lease the Restaurant's site from a lessor who is not your affiliate and you choose not to, or do not have the right to, renew the lease or otherwise remain in possession of the site after the lease term expires (a "Lease Expiration"), or if the site or Restaurant is destroyed, condemned or otherwise rendered unusable through no fault of yours, you may relocate the Restaurant to a new location that we accept in advance. You must comply with our then applicable relocation policies and reimburse us for all out-of-pocket expenses that we may incur in reviewing and processing your relocation.

Development Rights Agreement

We and you will identify the Development Territory within which you and your Affiliated Entities may develop Pieology Restaurants in an exhibit to the Development Rights Agreement before signing it. We typically identify Development Territories either using city, county, or state boundaries; a detailed map, or as a circle with a radius of a specified distance that we determine from a specified intersection. We base the Development Territory's size on the number of Pieology Restaurants you agree to develop, the market, other characteristics of the Development Territory, and demographic factors. There is no minimum size for the Development Territory.

We will approve the location of each Pieology Restaurant you develop under the Development Rights Agreement. The Protected Zone for your Restaurant will be determined in accordance with the Franchise Agreement. Your proposed sites must meet our then-current criteria. We may periodically modify the criteria we use to evaluate and either accept or reject proposed sites.

We and you will negotiate a Schedule of the number of Pieology Restaurants that you or your Affiliated Entities must develop with the dates by which you and they must develop them, to keep your territorial rights and insert this information in the Development Rights Agreement before signing it. If you are fully complying with the Development Rights Agreement including with the Schedule, we will grant you and your Affiliated Entities franchises to operate the agreed upon number of Pieology Restaurants in the Development Territory. Franchises that we grant to your Affiliated Entities will count toward your Schedule. You and your Affiliated Entities may not develop Pieology Restaurants outside the Development Territory.

For each Pieology Restaurant that you (or your Affiliated Entity) develop according to the Schedule in the Development Rights Agreement, you or your Affiliated Entity will sign the form of franchise agreement and any ancillary agreements we then customarily use in granting franchises for Pieology Restaurants, the terms of which may differ substantially from the terms

contained in the Franchise Agreement attached to this disclosure document. However, each franchise agreement that the Development Rights Agreement covers will (a) require a \$25,000 initial franchise fee, to which we will apply \$10,000 of the development fee; (b) require a royalty of 5% of gross sales; and (c) have the same training fee provisions that we describe in Item 11. We will determine the Protected Zone and related rights for each Pieology Restaurant that you develop under the Development Rights Agreement using the standards in place at the time when you sign the franchise agreement for that Pieology Restaurant.

To retain your rights under the Development Rights Agreement, each Pieology Restaurant it covers must open according to the Schedule and operate continuously during the term of their franchise agreements. Otherwise, we may terminate the Development Rights Agreement.

If you are complying with the Development Rights Agreement, and you and your Affiliated Entities are fully complying with all of your and their obligations under all franchise agreements, neither we nor our affiliates will operate, or authorize any other party to operate, a Pieology Restaurant the physical premises of which are located within the Development Territory during the term of the Development Rights Agreement, except for (a) Pieology Restaurants that already exist, are under construction, or are under contract for future construction in the Development Territory and (b) Pieology Restaurants at Non Traditional Locations.

Because we reserve the right to operate and franchise Pieology Restaurants at Non Traditional Locations in the Development 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.

We also may engage, and allow others to engage, in any other activities of any nature within or outside the Development Territory, including those which we now reserve in our Franchise Agreement. When the Development Rights Agreement expires or terminates, we (and our affiliates) may establish, and allow others to establish, Pieology Restaurants the physical premises of which are located within the Development Territory and engage, and allow others to engage, in any other activities we desire within and outside the Development Territory without any restrictions, subject only to your (or your Affiliate Entity's) rights under existing franchise agreements with us.

If we have the right to terminate the Development Rights Agreement or any Franchise Agreement that the Development Rights Agreement covers, then we may (1) temporarily suspend your rights to develop additional Pieology Restaurants in any part of the Development Territory; (2) temporarily or permanently reduce the size of the Development Territory, in which case the restrictions on us and our affiliates described above will not apply in the geography that is no longer part of the Development Territory, and we and our affiliates may engage, and authorize third parties to engage, in any business activities they deem appropriate, whether under the Marks or other trademarks, within that geography, including establishing and operating (and granting rights to others to establish and operate) Pieology Restaurants the physical premises of which are located in that geography; or (3) extend the Restaurant-opening deadlines of the Schedule for any period of time that we determine. Our exercise of these rights is not a defense for you to our enforcement of any other provision of the Development Rights Agreement or any Franchise Agreement and does not waive or release you from your obligations. We also may delay your

development of additional Pieology Restaurants in the Development Territory for the time period we deem best if we believe that you or your Affiliated Entities are not yet operationally or otherwise prepared, due to the particular amount of time that has elapsed since you developed and opened your most recent Pieology Restaurant, to develop, open and/or operate the additional Pieology Restaurants in full compliance with the Franchise Agreement. Otherwise, we may not alter your Development Territory or modify your territorial rights in the Development Territory during the Development Rights Agreement’s term.

Item 13

TRADEMARKS

We grant you the non-exclusive right to use and display the Marks in operating, marketing, and advertising your Restaurant. We have a 10-year renewable trademark license agreement with Little Brown Box granting us the non-exclusive right to use the Marks and to license the Marks to franchisees under franchise agreements. Either we or Little Brown Box may terminate the trademark license agreement upon thirty (30) days’ written notice. In the case of termination, the trademark license agreement, any active franchise agreement will automatically be assigned to Little Brown Box and Little Brown Box shall assume our rights and obligations under those franchise agreements.

You must follow our rules when you use the Marks. You may not use any Mark in your corporate or legal business name; with modifying words, terms, designs, or symbols (except for those we license to you); in selling any unauthorized services or products; as part of any domain name, electronic address, or search engine you maintain on any electronic media or otherwise relating to a website or other electronic medium without our consent; or in any other way we have not expressly authorized in writing.

Little Brown Box registered the following Marks on the Principal Register of the United States Patent and Trademark Office (the “USPTO”):

<u>Mark</u>	<u>Registration No./Application No.</u>	<u>Registration Date/Filing Date</u>	<u>Renewal Date</u>
Pieology	4,282,798	January 29, 2013	January 29, 2023
Pieologist	4,283,130	January 29, 2013	January 29, 2023
Pieology Circular Logo 	4,309,005	March 26, 2013	March 26, 2023
P Circular Logo	4,297,743	March 5, 2013	March 5, 2023

			
Pieology Rectangular Logo (PIEOLOGY The Study of Custom Pizza) 	4,979,615	June 14, 2016	
	6691159	April 5, 2022	
	6691158	April 5, 2022	
CALZONES BY PIEOLOGY 	App No. 97/657299	Filed November 1, 2022	
Pies & Perks 	App No. 98214911	Filed October 9, 2023	

We have filed or intend to file all required affidavits and renewal filings for the Marks. For any Mark where we do not yet have a federal registration, the following applies—we do not have a federal registration for the Mark. Therefore, that Mark does not have many legal benefits and rights as a federally registered trademark. If our right to use the Mark is challenged, you may have to change to an alternative Mark, which may increase your expenses.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending

infringement, opposition, or cancellation proceedings or material litigation, involving the principal Marks. No currently effective agreement significantly limits our right to use or license the Marks in a manner material to the franchise. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks.

You must notify us immediately of any actual or apparent infringement of or challenge to your use of any Mark, or of any person's claim of any rights in any Mark. You may not communicate with any person other than us, our licensor, and our and our licensor's attorneys, and your attorneys, regarding any infringement, challenge, or claim. We or our licensor may take the action that we or it deems appropriate (including no action) and control exclusively any litigation, USPTO proceeding or other proceeding arising from any infringement, challenge or claim or otherwise concerning any Mark. You must sign any documents and take any reasonable actions that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our and our licensor's interests in any litigation or USPTO or other proceeding or otherwise to protect and maintain our and our licensor's interests in the Marks. At our option, we or our licensor may defend and control the defense of any litigation or proceeding relating to any Mark.

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your expenses in complying with these directions (such as costs you incur in changing the Restaurant's signs or replacing supplies), for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

We will reimburse you for all damages and expenses you incur or for which you are liable in any proceeding challenging your right to use any Mark under the Franchise Agreement if you have complied with the Franchise Agreement, the Operations Manual and System Standards, and you have timely notified us of, and comply with our directions in responding to, the proceeding.

The Development Rights Agreement does not grant you any rights to use the Marks. You derive the right to use the Marks only under a franchise agreement.

Item 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or patent applications are material to the franchise. We claim copyrights in the Operations Manual, advertising and marketing materials, menus, and similar items used in operating the franchise. We have not registered these copyrights with the United States Copyright Office but need not do so to protect them. You may use these items only as we specify while operating your franchise (and must stop using them if we tell you to).

There currently are no effective determinations of the USPTO, the United States Copyright Office, or any court regarding any copyrighted materials. No agreements limit our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses that could materially affect your use of the copyrighted materials in any state. We need not protect or

defend copyrights, although we intend to do so if in the best interests of the Pieology system. We may control any action we choose to bring, even if you voluntarily bring the matter to our attention. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright.

We and our affiliates possess (and will continue to develop and acquire) Confidential Information, some of which constitutes trade secrets under applicable law, relating to developing and operating Pieology Restaurants. “Confidential Information” includes: (1) site selection criteria and methodologies; (2) information concerning the design, layout and construction of Pieology Restaurants, including any sample plans that we or our contractor provides; (3) recipes and related information for menu items and proprietary food products; (4) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating Pieology Restaurants, including information in the Operations Manual and System Standards; (5) marketing research and promotional, marketing, advertising, public relations, customer relationship management and other brand-related materials and programs for Pieology Restaurants; (6) knowledge of specifications for and suppliers of, and methods of ordering, certain proprietary food products, Operating Assets and other products that Pieology Restaurants use and/or sell; (7) knowledge of the operating results and financial performance of Pieology Restaurants other than the Restaurant; (8) any computer software or similar technology which is proprietary to us or the franchise system, including digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, such software or similar technology; (9) customer communication and retention programs, along with data used or generated in connection with those programs; (10) graphic designs and related intellectual property; and (11) any other information we reasonably designate as confidential or proprietary.

You will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information that we periodically designate in operating the Restaurant during the Franchise Agreement’s term and according to the System Standards and the Franchise Agreement’s other terms and conditions. Your use of any Confidential Information in any other business is an unfair method of competition with us and our franchisees. We and our affiliates own all right, title and interest in and to the Confidential Information. The Confidential Information is proprietary and includes our trade secrets. You, your owners, and the Managing Director (defined below) (a) must not use any Confidential Information in any other business or capacity, whether during or after the Franchise Agreement’s term; (b) must keep the Confidential Information absolutely confidential, both during Franchise Agreement’s term and as long as the information is not generally known in the foodservice industry; (c) must not make unauthorized copies of any form of Confidential Information; (d) must adopt and implement all reasonable procedures that we periodically designate to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to Restaurant personnel and others needing to know the Confidential Information to operate the Restaurant, and using confidentiality and non-competition agreements with those having access to Confidential Information; and (e) not sell, trade or otherwise profit in any way from the Confidential Information, except during the Franchise Agreement’s term using methods we approve.

“Confidential Information” does not include information, knowledge or know-how that is or becomes generally known in the foodservice industry or that you knew from previous business experience before we provided it to you or before you began training or operating the Restaurant.

However, if we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of these exclusions is satisfied.

You must promptly disclose to us all inventions, innovations and discoveries relating to a Pieology Restaurant that you or your owners, employees or contractors create (“Innovations”), whether or not protectable intellectual property. Innovations are our sole and exclusive property, part of the Pieology Restaurant franchise system, and works made-for-hire for us. You may not use any Innovation in operating the Restaurant or otherwise without our prior approval. If any Innovation does not qualify as a “work made-for-hire” for us, you assign ownership of that Innovation, and all related rights to that Innovation, to us and must sign (and cause your owners, employees and contractors to sign) whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property rights in the Innovation.

The Development Rights Agreement does not grant you any right to use our copyrighted materials or Confidential Information. You derive the right to use these items only under a franchise agreement with us.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Franchise Agreement

We require, that you (if you are an individual) or your Managing Director (if you are an entity) participate personally in the direct operation of the Restaurant. You must at all times faithfully, honestly and diligently perform your obligations and fully exploit the rights granted under the Franchise Agreement.

If you are a business entity, you must appoint one individual to be your entity’s “Managing Owner.” The Managing Owner must be granted the authority by you to bind you in any dealings with us or our affiliates and to direct any action necessary to ensure compliance with the Franchise Agreement and any other agreements relating to the Restaurant. The Managing Director must have the authority to bind you in any dealings with us or our affiliates and to direct any action necessary to ensure compliance with the Franchise Agreement and any other agreements relating to the Restaurant. You must agree that you have not taken and will not take, whether directly or indirectly, any action to avoid the authority requirement for the Managing Owner through the entry of limiting board resolutions, management agreements, amendment of governing documents, or any other similar device or arrangement. You must also agree to furnish us with such evidence as we may request from time to time for the purpose of assuring us that that Managing Owner’s authority remains as represented in this Agreement. No change in Managing Owner may be made without our prior written consent. If the Managing Owner dies or becomes incapacitated, then within sixty (60) days thereafter, you shall name a new Managing Owner approved by us pursuant to our then current criteria for approving Managing Owners.

You also must appoint one individual to be your entity’s “Managing Director.” The Managing Director must be approved by us, trained in the franchise system and periodically

retrained. The Managing Director must be identified by you to us and be granted the authority by you to direct any action necessary to ensure the day-to-day operation of the Restaurant is in compliance with the System Standards, with the Franchise Agreement, and with the terms of any lease and any other agreements relating to the Restaurant. The Managing Director must devote full time and best efforts to the overall supervision of the Restaurant and any other Pieology restaurants owned by you as to which he/she is the Managing Director. The Managing Director must live in the “vicinity” of the Restaurant. The term “vicinity” is defined for Managing Directors by us from time to time, in our reasonable discretion. The current Managing Director must be designated on the Key Contracts Data and in Exhibit B attached to the Franchise Agreement. The Managing Director must have the authority to direct any action necessary to ensure that the day-to-day operation of the Restaurant is in compliance with the System Standards, with the Franchise Agreement, and with the terms of any lease and any other agreements relating to the Restaurant. You must agree that you will not take, whether directly or indirectly, any action to avoid the authority requirement for the Managing Director through the entry of limiting board resolutions, management agreements, amendment of governing documents or any other similar arrangement. You also must agree to furnish us with such evidence as we may request from time to time for the purpose of assuring us that the Managing Director’s authority remains as represented and to require that the Managing Director attend such additional and periodic training as we may reasonably require of Managing Directors. If the position of Managing Director becomes vacant for any reason, the vacancy must be filled within sixty (60) days by a new Managing Director trained in the franchise system and approved by us.

At our option, you must ensure that all of your Restaurant’s managers and other employees, including the Managing Director, having access to Confidential Information sign agreements in a form we reasonably specify under which they agree to comply with the confidentiality and innovations restrictions in the Franchise Agreement.

If you are a corporation, limited liability company or other business entity, each of your owners and each other individual or entity that we specify before signing the Franchise Agreement must sign an agreement in the form we designate undertaking personally to be bound, jointly and severally, by all of the Franchise Agreement’s and any ancillary agreement’s provisions, the current version of which is the Guaranty and Assumption of Obligations attached to the Franchise Agreement.

Development Rights Agreement

You must develop your Development Territory according to the Schedule. An individual whom we approve as the Developer Principal must oversee and control the site selection and acquisition and development of all your Pieology Restaurants in the Development Territory. The “Developer Principal” is an individual whom we approve and who must at all times during the Development Rights Agreement’s term be your (and your Affiliated Entities’) principal development officer and otherwise direct and control your and your Affiliated Entities’ development program. If Developer Principal fails to meet any of these conditions at any time during the Development Rights Agreement’s term, then you must within thirty (30) days engage a Developer Principal whom we approve and who satisfies these conditions. The Developer Principal need not have an equity interest in any Pieology Restaurant (or in you) and need not attend our training program. If you are a corporation, limited liability company, partnership, or

other business entity, your owners need not sign any personal guarantees of your obligations under the Development Rights Agreement.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer at the Restaurant all menu items and other products and services that we periodically specify as being mandatory. You may not offer, sell, provide, or otherwise distribute at the Restaurant, the site or any other location any menu items, products or services we have not authorized. You must use only the recipes and methods of food preparation that we then specify or approve, and offer the menu items, products, and services only in the manner we periodically specify. You may not offer, sell, or otherwise provide any menu items or other products either at wholesale or from locations or through channels other than the Restaurant, unless we authorize you in writing to do so. You must discontinue selling and offering any menu items and other products or services that we at any time disapprove in writing. Nothing limits our right to change the types of authorized menu items and other products and services your Restaurant offers.

At our option, you must provide Catering Service and/or Delivery Service from the Restaurant. You may not establish another outlet or property (other than the Restaurant) for use in providing Catering Service or Delivery Service and may not provide Catering Service or Delivery Service to customers at Non Traditional Locations without our consent. If we permit Catering Service or Delivery Service for the Restaurant, you must ensure that your customers receive at all times high quality food and beverage products prepared and maintained according to our specifications. If you fail to comply with any provision of the Franchise Agreement, including any System Standard, pertaining to Catering Service or Delivery Service, then in addition to our other rights, we may temporarily suspend or permanently terminate your right to provide Catering Service and/or Delivery Service or temporarily or permanently restrict the geographic area within which you may provide Catering Service and/or Delivery Service.

Our System Standards may regulate, among other things, (1) the purchase, storage, preparation, handling and packaging procedures and techniques for menu items and proprietary food products, and inventory requirements for proprietary food products and other products and supplies so that the Restaurant may operate at full capacity; (2) use of proprietary food products and other ingredients and methods of preparing and serving menu items; and (3) maximum, minimum or other pricing requirements for products and services that the Restaurant offers, including requirements for promotions, special offers and discounts in which some or all Picology Restaurants participate, in each case to the maximum extent the law allows.

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 disclosure document.

See also Exhibit J, which includes additional disclosures and terms that may affect your rights and obligations, depending on your state or the state of the Restaurant’s location.

Provision	Section in franchise or other agreement	Summary
(a) Length of the franchise term	1.B of Franchise Agreement and 10 of the Development Rights Agreement	The term of the Franchise Agreement is 10 years. The term of the Development Rights Agreement begins on the effective date and ends when either the last franchise agreement is signed or when the agreement is terminated.
(b) Renewal or extension of the term	14 of Franchise Agreement	Under the Franchise Agreement, if you are in good standing, you may acquire a successor franchise for 10 years on our then current terms. There is no renewal right under the Development Rights Agreement.
(c) Requirements for franchisee to renew or extend	14 of Franchise Agreement	Under the Franchise Agreement, you (and your Owners) must give us timely notice of your intent to renew, comply with the Franchise Agreement during the term, maintain possession of the site or secure an acceptable substitute site, remodel the Restaurant under our then current standards, sign new franchise agreement and other documents, and pay fee. Terms of our new franchise agreement that you sign for the successor franchise may differ materially from any and all of those contained in the Franchise Agreement. There is no right to extend under the Development Rights Agreement.
(d) Termination by franchisee	15.A. of Franchise Agreement	You may terminate the Franchise Agreement if we breach the Franchise Agreement and do not cure the default after notice from you. Except as applicable law allows, you may not terminate the Development Rights Agreement.

(e) Termination by franchisor without cause	Not Applicable	We may not terminate either the Franchise Agreement or the Development Rights Agreement without cause.
(f) Termination by franchisor with cause	15.B. of Franchise Agreement and 10 of Development Rights Agreement	We may terminate the Franchise Agreement and the Development Rights only if you or your owners commit any one of several violations. Termination of a Development Rights Agreement is not itself cause to terminate a Franchise Agreement. Termination of a Franchise Agreement is cause to terminate the Development Rights Agreement.
(g) “Cause” defined – curable defaults	15.B. of Franchise Agreement and 10 of Development Rights Agreement	Under the Franchise Agreement, you have 3 days to cure health, safety, or sanitation law violations; 10 days to cure payment defaults; 30 days to vacate any order seizing the Restaurant or equipment; 30 days to vacate an order issued in a bankruptcy-related proceeding; and 30 days to cure failure to comply with any other provision of the Franchise Agreement. Under the Development Rights Agreement, you have 30 days to cure a failure to meet development schedule obligations; upon your default, we may (i) temporarily suspend your rights to develop additional Picology Restaurants in any part of the Development Territory; (ii) reduce the size of the Development Territory; or (iii) extend the Schedule. Termination of a Development Rights Agreement is not itself cause to terminate a Franchise Agreement. Termination of a Franchise Agreement is cause to terminate the Development Rights Agreement.
(h) “Cause” defined – non-curable defaults	15.B. of Franchise Agreement and 10 of	Under the Franchise Agreement: a material misrepresentation or omission before or after signing the

	<p>Development Rights Agreement</p>	<p>Franchise Agreement; failure to complete training; failure to timely obtain an accepted site; failure to timely sign a Lease; failure to timely open the Restaurant; unapproved closure of the Restaurant; unauthorized transfer of control of you or the Restaurant; felony conviction; dishonest, unethical, or illegal conduct; failure to maintain insurance; interference with our inspection of the Restaurant; termination of another agreement between you and us; unauthorized use of Confidential Information; violation of health, safety, or anti-terrorism laws; failure to pay taxes; insolvency; and repeated violations of the Franchise Agreement.</p> <p>Under the Development Rights Agreement: failure to meet your development obligations; termination of the Franchise Agreement or any other franchise agreement between us and you (or your affiliated entity); or written notice of default to you (or your affiliated entity) under the Franchise Agreement or any other franchise agreement between us and you (or your affiliated entity) (whether or not the default is cured).</p> <p>Termination of a Development Rights Agreement is not itself cause to terminate a Franchise Agreement. Termination of a Franchise Agreement is cause to terminate the Development Rights Agreement.</p>
<p>(i) Franchisee’s obligations on termination / nonrenewal</p>	<p>16 of Franchise Agreement</p>	<p>Under the Franchise Agreement, you must pay us our damages (including liquidated damages) and any other amounts you owe us within 15 days; assign or cancel registrations and electronic uses of the Marks; stop</p>

		using the Marks; de-identify the Restaurant; return to us any signs or materials that contain the Marks within 3 days; cease using Confidential Information; return the Operations Manual; and comply with your post-term non-competition covenant.
(j) Assignment of contract by franchisor	13.A. of Franchise Agreement and 12 of Development Rights Agreement	We may assign and change our ownership or form without restriction.
(k) “Transfer” by franchisee – defined	13.B. of Franchise Agreement and 12 of Development Rights Agreement	Includes transfer of any interest in the Franchise Agreement or Development Rights Agreement, the Restaurant or its assets, or any direct or indirect ownership interest in you if you are an entity.
(l) Franchisor approval of transfer by franchisee	13.D and E of Franchise Agreement and 12 of Development Rights Agreement	We have the right to approve all transfers under the Development Rights Agreement and Franchise Agreement (other than security interests and transfers of ownership interests for estate planning purposes).
(m) Conditions for franchisor approval of transfer	13.D and E of Franchise Agreement and 12 of Development Rights Agreement	Conditions for non-control transfer are full compliance with Franchise Agreement and other agreements, you provide notice and information, transferee and its owners meet standards, you and your owners sign transfer agreements and release (if state law allows), and you pay transfer fee. Conditions for control transfer are full compliance with Franchise Agreement and other agreements, you provide notice and information, transferee and its owners meet standards, transferee completes training, you (and your owners) and transferee hand its owners) sign transfer agreements and release (if state law allows), you pay transferee price and payment terms do not adversely affect operation,

		transferee subordinates obligations, and transferee agrees not to use Marks.
(n) Franchisor's right of first refusal to acquire franchisee's business	13.I. of Franchise Agreement	We may match any offer for your Restaurant or an ownership interest in you.
(o) Franchisor's option to purchase franchisee's business	Not applicable	
(p) Death or disability of franchisee	13.G. of Franchise Agreement	You must assign the franchise or an ownership interest in you to an approved party within 6 months; we may assume Restaurant's management if there is no qualified manager managing the Restaurant.
(q) Noncompetition covenants during the term of the franchise	12 of Franchise Agreement and 13 of Development Rights Agreement	No owning interest in, performing services for, loaning or leasing to, or diverting Restaurant business of customers to a competitive business.
(r) Noncompetition covenants after the franchise is terminated or expires	16.D of Franchise Agreement	No owning interest in, or performing services for, a competing business for 2 years at the site, within 10 miles of the site, or within 10 miles of a Pieology Restaurant.
(s) Modification of the agreement	18.A of Franchise Agreement and 13 of Development Rights Agreement	Modifications only by written agreement signed by us; we may change Operations Manual and System Standards.
(t) Integration/merger clause	18.L of Franchise Agreement and 13 of Development Rights Agreement	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement might not be enforceable.

(u) Dispute resolution by arbitration or mediation	18.F of Franchise Agreement and 13 of Development Rights Agreement	Subject to state law, except for certain claims, Picology and you must arbitrate all disputes within 25 miles of our then current principal business address, currently Irvine, California.
(v) Choice of forum	18.H of Franchise Agreement and 13 of Development Rights Agreement	Subject to arbitration obligations and applicable state law, litigation under the Franchise Agreement and Development Rights Agreement is in the state and city of our then current principal business address, currently Irvine, California.
(w) Choice of law	18.G of Franchise Agreement and 13 of Development Rights Agreement	Except for Federal Arbitration Act and other federal law, and subject to state law, the law of Delaware applies, but as to notice and cure periods, state law of the Restaurant's location applies.

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.

We do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. 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 Shawn Thompson, our Chief Executive Officer, at 18101 Von Karman, Suite #1100, Irvine, CA 92612, (949) 674-3844, 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

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2021	116	111	-5
	2022	111	110	-1
	2023	110	101	-9
Company- Owned	2021	3	5	+2
	2022	5	9	+4
	2023	9	8	-1

Total Outlets	2021	119	116	-3
	2022	116	119	+3
	2023	119	109	-10

Table No. 2

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
for years 2021 to 2023**

Column 1	Column 2	Column 3
State	Year	Number of Transfers
California	2021	1
	2022	10
	2023	0
Florida	2021	0
	2022	3
	2023	1
Total for All States	2021	1
	2022	13
	2023	1

Table No. 3

Status of Franchised Outlets for Years 2021 to 2023

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Alabama	2021	3	0	0	0	0	1	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Arizona	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4

	2023	4	1	0	0	0	0	5
Arkansas	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	2	0
California	2021	69	0	0	0	2	2	65
	2022	65	2	0	0	3	0	64
	2023	64	0	0	0	0	2	62
Colorado	2021	1	0	0	0	0	1	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Connecticut	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	1	2
Florida	2021	8	0	0	0	0	0	8
	2022	8	1	0	0	0	1	8
	2023	8	0	0	0	0	1	7
Guam	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Hawaii	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
Idaho	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Kentucky	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
Maryland	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	1	0

Nevada	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
North Carolina	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Ohio	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	2	0
Oregon	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	1	2
Tennessee	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	1	0
Texas	2021	5	1	0	0	0	0	6
	2022	6	1	0	0	0	0	7
	2023	7	0	0	0	0	0	7
Utah	2021	2	0	0	0	0	1	1
	2022	2	0	0	0	1	0	0
	2023	0	0	0	0	0	0	0
Totals	2021	116	2	0	0	2	5	111
	2022	111	5	0	0	4	2	110
	2023	110	2	0	0	0	11	101

Table No. 4

**Status of Company-Owned Outlets
For years 2021 to 2023**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
California	2021	3	0	2	0	0	5
	2022	5	0	3	0	0	8
	2023	8	0	0	1	0	7
Utah	2021	0	0	0	0	0	0
	2022	0	0	1	0	0	1
	2023	1	0	0	0	0	1
Totals	2021	3	0	2	0	0	5
	2022	5	0	4	0	0	9
	2023	9	0	0	1	0	8

Table No. 5

Projected Openings As Of December 25, 2023

Column 1 State	Column 2 Franchise Agreements Signed as of 12/31/23 But Restaurants Not Opened as of 12/31/23	Column 3 Projected New Franchised Restaurants in the Next Fiscal Year as of 12/31/23	Column 4 New Company-Owned Restaurants in the Next Fiscal Year as of 12/31/23
California	0	1	0
Totals	0	1	0

All year-end numbers appearing in the tables above are as of December 27, 2021, December 26, 2022, and December 25, 2023. Exhibit I is a list of the names of all of our franchisees and developers as of December 25, 2023, and the addresses and telephone numbers of their Pieology Restaurants. The franchisees who had an outlet terminated, canceled, or not renewed, or who otherwise voluntarily or involuntarily ceased to do business under a franchise agreement with us, during our 2023 fiscal year or who have not communicated with us within 10 weeks of this disclosure document's issuance date are also listed on Exhibit I. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No franchisees signed confidentiality clauses during the last 3 fiscal years restricting them from discussing with you their experiences as a franchisee in our system. There are no trademark-specific franchisee organizations associated with the Pieology franchise system.

Item 21

FINANCIAL STATEMENTS

Exhibit G is our audited financial statements as of and for our fiscal years ending December 25, 2023, December 26, 2022, and December 27, 2021, respectively. The fiscal year ends the last Monday of December.

Item 22

CONTRACTS

The following agreements/documents are exhibits:

- (1) Franchise Agreement – Exhibit B
- (2) Electronic Funds Transfer Agreement – Exhibit C
- (3) Lease Rider – Exhibit D
- (4) Development Rights Agreement – Exhibit E

- (5) Form of General Release – Exhibit H
- (6) State Riders Agreement – Exhibit J
- (7) Representations and Acknowledgment Statement – Exhibit K

Item 23

RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are located at the last two pages of this disclosure document.

Exhibit A

State Administrators/Agents for Service of Process

**AGENCIES/AGENTS
FOR SERVICE OF PROCESS**

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	California Department of Financial Protection & Innovation 320 West 4 th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll-free (866-275-2677)	Commissioner of Department of Financial Protection & Innovation
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities King Kalakaua Building 335 Merchant Street, Room 205 Honolulu, HI 96813 (808) 586-2722	Hawaii Commissioner of Securities
ILLINOIS	Franchise Division Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-1090	Illinois Attorney General

INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Bldg. 1 st Floor Lansing, MI 48933 (517) 373-7117	Michigan Department of Commerce Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651)-539-1600	Minnesota Commissioner of Commerce

NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, NY 10005-1495 (212) 416-8222	Attention: New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 5 th Floor State Capitol, Fifth Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
RHODE ISLAND	Rhode Island Department of Business Regulation Division of Securities 1511 Pontiac Avenue John O. Pastore Complex – Bldg. 69-1 Cranston, RI 02920 (401) 462-9500 x5	Director of Rhode Island Department of Business Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051
WISCONSIN	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705 (608) 266-0448	Wisconsin Commissioner of Securities

Exhibit B
Franchise Agreement

PIEOLOGY FRANCHISE, LLC FRANCHISE AGREEMENT

KEY CONTRACT DATA

RESTAURANT # _____

Effective Date of Franchise Agreement: _____, 20__

Franchisee: _____, a *[corporation]* *[limited liability company]*

Franchised Restaurant Number and Location (Section 1.B, Exhibit A):

Other Key Terms:

<u>Development Agreement:</u>	Applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, such agreement is that certain Development Agreement dated _____, between Franchisor and _____, as amended, restated, modified, or supplemented from time to time (the "Development Agreement")
<u>Type of Franchised Restaurant:</u> (select one)	<input type="checkbox"/> Traditional Shop <input type="checkbox"/> Non-Traditional Shop
<u>Form Type:</u> (select one)	<input type="checkbox"/> New Pieology shop <input type="checkbox"/> Transfer <input type="checkbox"/> Renovation <input type="checkbox"/> Renewal/Extension
<u>Opening Date (Section 2.D), if applicable:</u>	
<u>Successor Franchise Start Date (Section 14), if applicable:</u>	

<u>Transfer Date (Section 13.B):</u>	
<u>Term duration (Section 1.B):</u>	_____ years
<u>Initial Franchise Fee (Section 5.A):</u>	<input type="checkbox"/> \$25,000 dollars (US)
<u>Training Fee (Section 4.D)</u>	
<u>Royalty (Section 5.B):</u> (select one)	<input type="checkbox"/> Five percent (5%) of weekly Gross Sales <input type="checkbox"/> Other
<u>Advertising Contribution (Section 7.B):</u>	Two percent (2%) of weekly Gross Sales
<u>Managing Owner (Section 1.C):</u>	
<u>Managing Director (Section 6.E):</u>	
<u>Address for Notice (Section 19):</u>	
<u>Renovation Date (Section 6.A):</u>	
<u>Renewal Renovation Date (Section 14.A(3)):</u>	



PIEOLGY FRANCHISE, LLC
FRANCHISE AGREEMENT

Franchisee Name

Address of Restaurant

TABLE OF CONTENTS

1. Preambles and Grant Of Franchise Rights.....	1
1.A Preambles.....	1
1.B Grant of Franchise and Term.....	1
1.C Best Efforts/Business Entity Franchisee/Managing Owner.....	2
2. Development and Opening of Restaurant.....	3
2.A Lease and Designation of Protected Zone.....	3
2.B Developing and Equipping the Restaurant.....	3
2.C Computer System.....	4
2.D Restaurant Opening.....	5
2.E Relocation.....	5
3. Your Rights in Protected Zone and Rights We Maintain.....	5
3.A No Picology Restaurants in Protected Zone.....	5
3.B Rights We Maintain.....	6
4. Brand Standards Training and Guidance.....	6
4.A Initial Training Program.....	6
4.B On-Site Training Team and Certified Training Franchisee.....	7
4.C Ongoing Training and Conventions.....	7
4.D Training Fees and Expenses.....	8
4.E General Guidance.....	8
4.F Operations Manual and System Standards.....	9
4.G Delegation of Performance.....	9
5. Fees.....	9
5.A Initial Franchise Fee.....	9
5.B Royalty.....	10
5.C Automatic Debit.....	10
5.D Administrative Fee and Interest on Late Payments.....	10
5.E Taxes on Your Payments.....	11
6. Restaurant Operation and System Standards.....	11
6.A Condition and Appearance of the Restaurant.....	11
6.B Products and Services Your Restaurant Offers.....	12
6.C Catering Service and Delivery Service.....	12
6.D Approved Products, Distributors and Suppliers.....	13
6.E Management of the Restaurant.....	14
6.F Compliance with Laws and Good Business Practices.....	14
6.G Insurance.....	15
6.H Compliance with System Standards.....	15
6.I Modification of Franchise System.....	17
7. Advertising and Marketing.....	17

7.A	Pre-Opening Marketing Program.....	17
7.B	Marketing Fund.....	17
7.C	Advertising Cooperatives.....	18
7.D	Local Marketing.....	19
7.E	Marketing Spending Requirement.....	20
7.F	System Websites and Electronic Advertising.....	20
8.	Records, Reports and Financial Statements.....	21
9.	Quality Assurance, Inspections and Audits.....	22
9.A	Quality Assurance and Inspections.....	22
9.B	Audits.....	22
10.	Marks.....	23
10.A	Ownership and Goodwill of Marks.....	23
10.B	Limitations on Your Use of Marks.....	23
10.C	Notification of Infringements and Claims.....	23
10.D	Discontinuance of Use of Marks.....	24
10.E	Indemnification for Use of Marks.....	24
11.	Confidential Information, Customer Information and Innovations.....	24
11.A	Confidential Information.....	24
11.B	Innovations.....	26
12.	Exclusive Relationship.....	26
13.	Transfer.....	27
13.A	Transfer by Us.....	27
13.B	Transfer by You – Defined.....	27
13.C	Permitted Transfers.....	28
13.D	Conditions for Approval of Non-Control Transfer.....	28
13.E	Conditions for Approval of Control Transfer.....	29
13.F	Transfer to a Wholly-Owned Entity.....	31
13.G	Death or Disability.....	31
13.H	Effect of Consent to Transfer.....	31
13.I	Our Right of First Refusal.....	31
14.	Successor Franchise Rights.....	33
14.A	Right to a Successor Franchise Agreement.....	33
14.B	Grant of a Successor Franchise.....	33
14.C	Agreements/Releases.....	34
15.	Termination of Agreement.....	35
15.A	Termination by You.....	35
15.B	Termination by Us.....	35
15.C	Our Remedies Upon Default.....	37
16.	Rights and Obligations Upon Termination or Expiration.....	38

16.A	Payment of Amounts Owed; Liquidated Damages.....	38
16.B	De-Identification.....	39
16.C	Confidential Information	39
16.D	Covenant Not to Compete.....	40
17.	Relationship of the Parties/Indemnification.....	40
17.A	Independent Contractors	40
17.B	No Liability for Acts of Other Party	41
17.C	Taxes.....	41
17.D	Indemnification and Defense of Claims.	41
18.	Enforcement.	42
18.A	Severability and Substitution of Valid Provisions	42
18.B	Waiver of Obligations and Force Majeure.....	43
18.C	Costs and Attorneys’ Fees	43
18.D	Applying and Withholding Payments.....	43
18.E	Rights of Parties are Cumulative	44
18.F	Arbitration.....	44
18.G	Governing Law	45
18.H	Consent to Jurisdiction.....	45
18.I	Waiver of Punitive Damages and Jury Trial.....	46
18.J	Binding Effect.....	46
18.K	Limitations of Claims	46
18.L	Construction.....	46
18.M	The Exercise of Our Judgment	47
19.	Notices and Payments.....	47
20.	Representations, Warranties and Acknowledgments.....	48

EXHIBITS

EXHIBIT A – BASIC TERMS

EXHIBIT B – OWNERS

EXHIBIT C – GUARANTY AND ASSUMPTION OF OBLIGATIONS

PIEOLOGY FRANCHISE, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “**Agreement**”) is made and entered into as of this _____ day of _____, 20____ (the “**Agreement Date**”), regardless of the date of the parties’ signatures, between **PIEOLOGY FRANCHISE, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, whose principal business address is _____ (“**you**” or “**your**”).

1. Preambles and Grant Of Franchise Rights.

1.A Preambles.

(1) We and our affiliates have developed a method of developing and operating fast casual restaurants that sell custom made pizzas and other food products (collectively, “**Menu Items**”) which are prepared according to our specified recipes and procedures while using high quality ingredients, including our specially formulated and produced proprietary ingredients (collectively, “**Proprietary Food Products**”), and which are primarily identified by the Marks (defined below) and use the Franchise System (defined below) (collectively, “**Pieology Restaurants**”).

(2) We and our affiliates have developed and we use, promote and sublicense certain trademarks, service marks and other commercial symbols in operating Pieology Restaurants, including “Pieology®,” and we may periodically create, use and license or sublicense other trademarks, service marks and commercial symbols for use in operating Pieology Restaurants, all of which we may modify from time to time (collectively, the “**Marks**”).

(3) We offer franchises to own and operate a Pieology Restaurant offering the Menu Items and other products and services we authorize (and only the Menu Items and other products and services we authorize) and using our business system, business formats, Proprietary Food Products, methods, procedures, signs, designs, layouts, trade dress, standards, specifications and Marks, all of which we may improve, further develop and otherwise modify from time to time (collectively, the “**Franchise System**”).

(4) You have applied for a franchise to own and operate a Pieology Restaurant, and we have approved your application relying on all of your representations, warranties and acknowledgments contained in your franchise application and this Agreement.

1.B Grant of Franchise and Term. You have applied for a franchise to own and operate a Pieology Restaurant at the location specified on Exhibit A (the “**Site**”), which is located within the geographic zone also described on Exhibit A (the “**Protected Zone**”). Subject to the terms of this Agreement, we grant you a franchise to develop and operate a Pieology Restaurant at the Site (the “**Restaurant**”), and to use the Franchise System in its operation, for a term beginning on the Agreement Date and ending on the date which is ten (10) years after the earlier of the date you open the Restaurant to the public or the Agreement Date, unless sooner terminated (the “**Term**”).

1.C Best Efforts/Business Entity Franchisee/Managing Owner. Only you are authorized to operate the Restaurant. You must at all times faithfully, honestly and diligently perform your obligations and fully exploit the rights granted under this Agreement. If you are at any time a corporation, a limited liability company, a general, limited, or limited liability partnership, or another form of business entity (collectively, an “**Entity**”), you agree and represent that:

(1) your organizational documents, operating agreement, and/or partnership agreement (as applicable) will recite that this Agreement restricts the issuance and transfer of any Ownership Interests (defined below) in you, and all certificates and other documents representing Ownership Interests in you will bear a legend referring to this Agreement’s restrictions. In this Agreement, “**Ownership Interests**” means (a) in relation to a corporation, shares of capital stock (whether common stock, preferred stock or any other designation) or other equity interests; (b) in relation to a limited liability company, membership interests or other equity interests; (c) in relation to a partnership, a general or limited partnership interest; (d) in relation to a trust, a beneficial interest in the trust; and (e) in relation to any Entity (including those described in (a) through (d) above), any other interest in that Entity or its business that allows the holder of that interest (whether directly or indirectly) to direct or control the direction of the management of the Entity or its business (including a managing partner interest in a partnership or a manager or managing member interest in a limited liability company), or to share in the revenue, profits or losses of, or any capital appreciation relating to, that Entity or its business.

(2) Exhibit B to this Agreement completely and accurately describes all of your Owners (defined below) and their Ownership Interests in you. In this Agreement, “**Owner**” means any individual or Entity holding an Ownership Interest (whether of record, beneficially, or otherwise) in you, whether directly or indirectly through one (1) or more intervening Entities. You acknowledge and understand that we require that an individual “**Managing Owner**” be named and granted the authority by you to bind you in any dealings with us or our affiliates and to direct any action necessary to ensure compliance with this Agreement and any other agreements relating to the Restaurant. You represent and warrant that the Managing Owner designated on the Key Contract Data Page and in Exhibit B presently has and will have, throughout the Term, the authority to bind you in any dealings with us or our affiliates and to direct any action necessary to ensure compliance with this Agreement and any other agreements relating to the Restaurant. You have not taken and agree that you will not hereafter take, whether directly or indirectly, any action to avoid the authority requirement for the Managing Owner through the entry of limiting board resolutions, management agreements, amendment of governing documents, or any other similar device or arrangement. You agree to furnish us with such evidence as we may request from time to time for the purpose of assuring us that that Managing Owner’s authority remains as represented in this Agreement. No change in Managing Owner may be made without our prior written consent. If the Managing Owner dies or becomes incapacitated, then within sixty (60) days thereafter, you shall name a new Managing Owner approved by us pursuant to our then current criteria for approving Managing Owners.

(3) Each of your Owners and each other individual or Entity that we specify before the Agreement Date (each a “**Guarantor**”) must sign an agreement in the form we designate undertaking personally to be bound, jointly and severally, by all provisions of

this Agreement and any ancillary agreements between you and us (a “**Guaranty**”), the current version of which is Exhibit C to this Agreement.

(4) the Restaurant and other Pieology Restaurants, if applicable, will be the only businesses you own or operate (although your Owners and affiliates may have other business interests, subject to Section 12).

2. Development and Opening of Restaurant.

2.A Lease and Designation of Protected Zone. You must obtain our prior written acceptance of the terms of any lease or sublease for the Site (the “**Lease**”) before you sign it. The Lease must contain the terms and provisions that are reasonably acceptable to us, including provisions to protect our rights as your franchisor, which may be contained in a separate rider to the Lease that forms part of the Lease (the “**Lease Rider**”). You acknowledge that our acceptance of the Lease is not a guarantee or warranty, express or implied, of the success or profitability of a Pieology Restaurant operated at the Site. Our acceptance of the Lease indicates only that we believe that the Lease’s terms meet our then acceptable criteria, or that we have waived such criteria. You must give us a copy of the fully signed Lease, including the Lease Rider, within seven (7) days after you and the landlord have signed it. You may not sign any renewal or amendment of the Lease or Lease Rider that we have not accepted.

After you sign a Lease, we will define the Protected Zone using our then current zone designation criteria. We will determine the Protected Zone based on the factors that we deem relevant, which might include demographics, the character of the Site, and nearby businesses and residences. We will insert the Site’s address and the Protected Zone’s description on Exhibit A. You hereby authorize us to deliver to you replacements for Exhibit A identifying the Site and/or Protected Zone once they are determined in accordance with Section 2.A, and upon our delivery to you of a revised Exhibit A, that Exhibit A shall be binding upon us and you as if we and you had signed that Exhibit A.

2.B Developing and Equipping the Restaurant. You are responsible for developing the Restaurant at your expense, including preparing a site survey and all required construction plans and specifications to suit the Site. We may provide you mandatory and suggested specifications and layouts for a Pieology Restaurant, which might include recommendations and/or requirements for dimensions, design, image, interior layout, decor, Operating Assets, and color scheme. “**Operating Assets**” means all required kitchen equipment, fixtures, dining room furniture, Computer System (defined below) components, lighting components, vehicles, smallwares, and other equipment, furnishings and signs that we periodically require for the Restaurant. The Restaurant must contain and utilize all of the Operating Assets, and only the Operating Assets, that we periodically specify.

It is your responsibility to prepare all required construction plans and specifications to suit the Site and to make sure that they comply with the Americans with Disabilities Act (the “**ADA**”) and similar rules governing public accommodations for persons with disabilities, together with all other applicable ordinances, building codes, permit requirements, and Lease requirements and restrictions. You must send us an initial, preliminary layout of the intended design or the interior and exterior of your Restaurant for our review and comment or approval. Only after you and we agree on the preliminary design, you shall order and then provide to us two (2) sets of construction

plans and specifications for review and acceptance before you begin constructing the Restaurant, as well as all revised or “as built” plans and specifications during construction. Our review is limited to ensuring your compliance with our design requirements. Our review is not designed to assess compliance with federal, state, or local laws and regulations, including the ADA, as compliance with those laws and regulations is your responsibility. You must remedy, at your expense, any noncompliance or alleged noncompliance with those laws and regulations. At our option, you must use only the architect and other contractors that we designate or approve to develop the Restaurant. We may periodically inspect the Site while you are developing the Restaurant.

At your expense, you must obtain all financing required to develop and operate the Restaurant; obtain all required building, utility, sign, health, sanitation, business and other permits and licenses; construct, install trade dress and furnish all Operating Assets in, and otherwise develop the Restaurant at the Site according to our standards, specifications and directions; and purchase an opening inventory of authorized and approved Proprietary Food Products and other products, materials and supplies to operate the Restaurant. If we require, you must purchase or lease only approved brands, types and/or models of Operating Assets and/or purchase or lease them only from suppliers we designate or approve (which may include or be limited to us or our affiliates).

2.C Computer System. You agree to obtain and use the computer hardware and software that we periodically specify, including applications, hardware components, dedicated communication and power lines, printers, and other computer-related accessories and peripheral equipment (collectively, the “**Computer System**”), in connection with the operation of the Restaurant. We may periodically modify specifications for and components of the Computer System. Our modification of specifications for and components of the Computer System, and/or other technological developments or events, may require you to purchase, lease and/or license new or modified computer hardware, software and other components and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, you agree to incur the costs of obtaining the computer hardware, software and other components comprising the Computer System (and additions and modifications) and required service or support. Within sixty (60) days after we deliver notice to you, you agree to obtain the Computer System components that we designate and ensure that your Computer System, as modified, is functioning properly.

We and our affiliates may condition any license of required or recommended proprietary software to you, and/or your use of technology developed or maintained by or for us (including the System Website, as defined in Section 7.F), on your signing a software license agreement or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a click through license agreement), that we and our affiliates periodically specify to regulate your use of, and our (or our affiliate’s) and your respective rights and responsibilities with respect to, the software or technology. We and our affiliates may charge you up front and ongoing fees for any required or recommended proprietary software or technology that we or our affiliates license to you and for other Computer System maintenance and support services provided during the Term.

Notwithstanding your obligation to buy, use, and maintain the Computer System according to our standards and specifications, you have sole and complete responsibility for: (1) the

acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; (3) complying with all applicable laws, regulations, industry standards (including Payment Card Industry Data Security Standards) and other procedures to safeguard the confidentiality and security of information concerning the Restaurant's customers and employees; and (4) any and all consequences if the Computer System is not properly operated, maintained, and upgraded. The Computer System shall permit twenty-four (24) hours per day, seven (7) days per week electronic communications between you and us.

2.D Restaurant Opening. You must open the Restaurant to the public in compliance with this Agreement on the opening date set out on the accompanying Key Contract Data Page (the "**Opening Deadline**"). If you want to request an extension of the Opening Deadline, you must send us a written request at least fifteen (15) days before the Opening Deadline. If we approve the extension, we will set a new Opening Deadline.

You agree not to open the Restaurant to the public until: (1) you have properly developed and equipped the Restaurant according to our standards and specifications (including any pre-opening checklist that we provide) and in compliance with all applicable laws and regulations; (2) all pre-opening training for the Restaurant's personnel has been completed to our satisfaction; (3) all amounts then due to us and our affiliates have been paid; (4) you have satisfied all food safety, other licensing and other legal requirements for the Restaurant's operation; (5) you have given us copies of all insurance policies required under this Agreement, or any other evidence of insurance coverage and payment of premiums as we request; (6) you give us a copy of your fully-signed Lease and Lease Rider; and (7) if we (at our sole option) require, we have conducted a pre-opening inspection and certified the Restaurant for opening. Our determination that you have met all of our pre-opening requirements will not constitute a waiver of your non-compliance or of our right to demand full compliance with those requirements. All of the requirements set forth herein must be met by the Opening Deadline.

2.E Relocation. If you lease the Site from a lessor who is not your affiliate and you choose not to, or do not have the right to, renew the Lease or otherwise remain in possession of the Site after the Lease term expires (a "**Lease Expiration**"), or if the Site or Restaurant is destroyed, condemned or otherwise rendered unusable through no fault of yours, you may relocate the Restaurant to a new location within the general vicinity of the Restaurant and that we accept in advance. You must comply with our then applicable relocation policies and reimburse us for all out-of-pocket expenses that we incur in connection with the relocation.

3. Your Rights in Protected Zone and Rights We Maintain.

3.A No Pieology Restaurants in Protected Zone. If you are complying with this Agreement, and except for Pieology Restaurants at Non Traditional Locations (defined below), neither we nor our affiliates will operate, or authorize any other party to operate, a Pieology Restaurant the physical premises of which are located within the Protected Zone. "**Non Traditional Locations**" means (i) any location within another primary business, corporate campus complexes, institutional venues, and any location to which the general public does not have unlimited access; (ii) mobile outlets, temporary or seasonal food service facilities; and/or (iii) commercial kitchen facilities that provide order and delivery-only services, which may include the associated online or mobile ordering and delivery services to and from locations in or outside of

the Protected Zone. Examples of Non Traditional Locations include mobile outlets (such as food trucks), “ghost” kitchens, grocery stores, concert venues, casinos, convention centers, airports, resorts, amusement parks, sports stadiums, fairs, expositions, college and university buildings, military bases, hospitals and medical centers, shopping malls, and other venues operated by a master concessionaire or contract food service provider.

3.B Rights We Maintain. We (and any affiliates that we might have from time to time) shall at all times have the right to engage in any activities we or they deem appropriate that are not expressly prohibited by this Agreement, whenever and wherever we or they desire, including:

(1) establishing, operating, and granting rights to other persons to establish and operate, on any terms and conditions we deem appropriate, Pieology Restaurants at any locations outside the Protected Zone;

(2) establishing, operating, and granting rights to other persons to establish and operate, on any terms and conditions and during any period of time we deem appropriate, Pieology Restaurants at Non Traditional Locations, wherever located or operating including inside the Protected Zone;

(3) establishing, operating, and granting rights to other persons to establish and operate, on any terms and conditions we deem appropriate, restaurants or any similar or dissimilar businesses that are not primarily identified by the Marks at any locations, whether within or outside the Protected Zone;

(4) all rights relating directly or indirectly to the Marks, and all products and services associated with any of the Marks, in connection with any methods of distribution, except as specifically set forth in Section 3.A. This includes providing, and granting rights to other persons to provide (except as specifically set forth in Section 3.A), products and services that are similar or dissimilar to, or competitive with, any products and services provided at Pieology Restaurants, whether identified by the Marks or other trademarks or service marks, regardless of the method of distribution (including via the System Website or otherwise over the Internet), and at any locations; and

(5) acquiring the assets or Ownership Interests of, or being acquired by (regardless in either case of the form of transaction), one or more businesses providing products and services similar or dissimilar to those provided at Pieology Restaurants, and franchising, licensing or creating other arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, whether within or outside the Protected Zone.

4. Brand Standards Training and Guidance.

4.A Initial Training Program. Before opening to the public, your personnel whom we describe below must attend and complete to our satisfaction our initial brand standards training program on the operation of a Pieology Restaurant. The initial brand standards training program may, at our option, include any or all of the following: classroom training, instruction at designated facilities, hands-on training at an operating Pieology Restaurant, remote training (including via the Internet) and/or self-study programs. You (or, if you are an Entity, your Managing Director (as defined below)) and two other individuals associated with the Restaurant whom you designate

must complete the initial brand standards training program to our satisfaction. If we determine that you or any of your personnel cannot complete the initial brand standards training programs to our satisfaction, then we may, at our option and without limiting our other rights or remedies, require you or your personnel to attend additional brand standards training programs at your expense (for which we may charge reasonable fees). If you and your personnel satisfactorily complete our initial training program and you do not expressly inform us at the end of the initial training program that you feel that you or they have not been adequately trained, then you and they will be deemed to have been trained sufficiently to operate a Pieology Restaurant.

4.B On-Site Training Team and Certified Training Franchisee. As part of our initial brand standards training program, we agree to send a training team consisting of one (1) or more individuals whom we specify (the “**Training Team**”) to provide brand standards training to your Restaurant’s staff during the Restaurant’s pre-opening and immediate post opening period unless the Restaurant is located in a market area covered by a Certified Training Restaurant (defined below). We will determine the individual(s) that form the Training Team and the duration of the Training Team’s stay at the Restaurant at our sole option considering those factors that we deem relevant, including the number of other Pieology Restaurants that you and your affiliates operate and the experience of the Restaurant’s staff.

Notwithstanding the foregoing, if as of thirty (30) days prior to the date upon which the Restaurant is scheduled to first open to the public, you or one of your affiliates has then been designated by us as a “**Certified Training Franchisee**” as described below, then (i) we will not charge you the training fees described in Section 4.D; (ii) we are not required to provide the Training Team described in this Section 4.B; and (iii) you (or your affiliate) will be responsible for providing opening training from the Certified Training Restaurant to personnel according to our System Standards. To qualify for designation by us as a Certified Training Franchisee:

(i) you must have over the immediately preceding six (6) months consistently satisfied the minimum benchmarks that we then specify in order for us to designate one of your or your affiliates’ operating Pieology Restaurants in the market area of the Restaurant as a “**Certified Training Restaurant**”;

(ii) the Managing Director (as defined below) or another of you or your affiliates’ employees of the Certified Training Restaurant that you designate must have then completed such brand standards training, performed such other tasks, and satisfied such other conditions that we then specify to designate that individual as your “**Certified Training Manager**”; and

(iii) individual(s) from you or your affiliated entities must have completed to our satisfaction the necessary training, and attain the minimum benchmarks that we then specify for us to designate such individual(s) as a “**Certified Opening Leader**” for leading new restaurant openings in the Development Territory.

After you have established a designated Certified Training Restaurant and have a Certified Training Manager, and are maintaining the requisite number of Certified Opening Leaders, we will then designate you as a “**Certified Training Franchisee**.”

4.C Ongoing Training and Conventions. During the Term, we may require you and/or your personnel, including the Managing Director (as defined below), to attend and satisfactorily

complete various brand standards training courses and programs that we choose to provide periodically at the times and locations we designate. We also may require you to conduct periodic brand standards training for Restaurant personnel using the formats and procedures that we periodically specify including computer-based training. We may charge reasonable fees for these brand standards training courses and programs. We also may, at our option, hold an annual meeting or convention for some or all Pieology Restaurant franchisees at a location we periodically designate. We may require the Managing Director (as defined below) and/or other Restaurant personnel to attend these meetings or conventions and may charge you reasonable registration fees.

4.D Training Fees and Expenses. On the Agreement Date, you must pay us the fees for Training Team as set forth on Exhibit A (unless you are operating as a Certified Training Franchisee). Our expectation is for per-person airfare and lodging expenses of our Training Team to be less than \$500 for roundtrip airfares and less than \$200 per night for lodging. For any airfares or lodging expenses that exceed those expectations, you shall reimburse us immediately upon invoice for all those amounts exceeding our expectations; provided, however, your maximum reimbursement obligation for such amounts shall not be greater than \$3,500 in total.

You also must reimburse us for additional expenses we incur if you change travel schedules or ask us to provide additional training.

If we and you indicate on Exhibit A that you or one of your affiliates maintains designation as a Certified Training Franchisee with a Certified Training Manager in the Restaurant's market area as of the Agreement Date, and that restaurant or manager no longer holds that designation as of the date upon which the Restaurant is prepared to first open to the public and/or you do not maintain the requisite number of Certified Opening Leaders, then we will provide the Training Team described in Section 4.B and you must pay us, on or before the date the Training Team arrives at the Restaurant, the amounts required under this Section 4.D.

4.E General Guidance. We may advise you from time to time regarding the Restaurant's operation based on your reports or our inspections, including with respect to:

- (1) standards, specifications, trade dress, operating procedures and methods that Pieology Restaurants use;
- (2) purchasing required or recommended Operating Assets, Proprietary Food Products and other products;
- (3) advertising, marketing and promotional materials and programs;
- (4) employee training methods and procedures (although you are solely responsible for the terms and conditions of employment of your employees); and
- (5) administrative, bookkeeping and accounting procedures.

We will guide you, as we deem appropriate, in our operating manual and/or other manuals (the "**Operations Manual**"); in bulletins or other written materials; by electronic media; by telephone consultation; and/or at our office or the Restaurant. If you request and we agree to provide additional or special guidance or training, you must pay our then applicable charges, including our personnel's per diem charges and any travel and living expenses. Any specific ongoing training, conventions, guidance, or advice that we provide does not create an obligation

to continue providing that specific training, convention, guidance, or advice, all of which we may discontinue and modify at any time.

4.F Operations Manual and System Standards. We will provide you access to, for use in operating the Restaurant during the Term, one (1) copy of our Operations Manual, which might be or include compact discs and/or other written or intangible materials which may be made available to you by various means. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures and rules that we periodically specify for developing and/or operating a Pieology Restaurant. The Operations Manual together with other bulletins or written materials communicated to you from us shall constitute our System Standards (“**System Standards**”). We may modify the Operations Manual and System Standards periodically to reflect changes in System Standards. You agree to keep your copy of the Operations Manual current and communicate all updates to your employees in a timely manner. In addition, you agree to keep your Operations Manual in a secure location. If there is a dispute over its contents, our master copy of the Operations Manual controls. You agree that the contents of the Operations Manual are confidential and that you will not disclose the Operations Manual to any person other than Restaurant employees who need to know its contents. You may not at any time copy, duplicate, record or otherwise reproduce any part of the Operations Manual, except as we periodically authorize for training and operating purposes.

We and you agree that any materials or guidance that we provide with respect to employment-related policies or procedures, whether in the Operations Manual or otherwise, are solely for your optional use. Any such materials or guidance do not form part of the System Standards. You will determine to what extent, if any, these materials or guidance should apply to your employees and Restaurant operations. We and you recognize that we neither dictate nor control labor or employment matters for franchisees and their employees and we are not responsible for the safety and security of Restaurant employees or customers. You are solely responsible for determining the terms and conditions of employment for your employees and for all decisions concerning the hiring, firing and discipline of your employees, and for all other aspects of the Restaurant’s labor relations and employment practices.

At our option, we may post the Operations Manual on the System Website or another restricted website to which you will have access. If we do so, you must periodically monitor the website for any updates to the Operations Manual or System Standards. Any passwords or other digital identifications necessary to access the Operations Manual on such a website will be deemed to be part of Confidential Information (defined in Section 11.A).

4.G Delegation of Performance. You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to our affiliates or other third-party designees, whether these designees are our agents or independent contractors with whom we contract to perform these obligations.

5. Fees.

5.A Initial Franchise Fee. You agree to pay us an initial franchise fee in the amount equal to Twenty Five Thousand Dollars (\$25,000) when you sign this Agreement. This fee is fully earned by us when you sign this Agreement and is not refundable under any circumstances.

5.B Royalty. You agree to pay us, on or before the day of each week that we periodically specify (the “**Payment Day**”), a royalty (“**Royalty**”) in an amount equal to five percent (5%) of the Gross Sales (defined below) of the Restaurant during the previous week.

(1) In this Agreement, “**Gross Sales**” means all revenue that you receive or otherwise derive from operating the Restaurant whether from cash, check, credit and debit card, stored value card, barter, exchange, trade credit, or other credit or other electronic transactions, including sales from providing Catering Services and Delivery Services (each as defined in Section 6.C). If you receive any proceeds from any business interruption insurance applicable to loss of revenue at the Restaurant, there shall be added to Gross Sales an amount equal to the imputed Gross Sales that the insurer used to calculate those proceeds. However, “Gross Sales” shall exclude (1) sales taxes, use taxes, and other similar taxes added to the sales price, collected from the customer and paid to the appropriate taxing authority; and (2) sales for which cash has been refunded, if those sales were previously included in Gross Sales. Each charge or sale upon credit shall be treated as a sale for the full price on the day during which that charge or sale is made, regardless of when you receive payment (whether full, partial or at all) on that sale. Amounts paid by gift card, stored value card or similar program are included in Gross Sales when the instrument or credit is redeemed.

5.C Automatic Debit. You must sign and deliver to us the documents we periodically require to authorize us to debit your bank account automatically for the Royalty, Marketing Fund (defined in Section 7.B) contribution and other amounts due under this Agreement or any related agreement between us (or our affiliates) and you. Under our current automatic debit program for the Restaurant, we will debit your account on or after the Payment Day for the Royalty, Marketing Fund contribution and certain other amounts due. You agree to make the funds available for withdrawal by electronic transfer before each due date. If you fail to report the Restaurant’s Gross Sales, we may debit your account for one hundred twenty percent (120%) of the last Royalty and Marketing Fund contribution that we debited. If the amounts that we debit from your account are less than the amounts you actually owe us (once we have determined the Restaurant’s actual Gross Sales), we will debit your account for the balance, plus the amounts due under Section 5.D, on the day we specify. If the amounts that we debit from your account are greater than the amounts you actually owe us (once we have determined the Restaurant’s actual Gross Sales), we will credit the excess (without interest) against the amounts we otherwise would debit from your account during the following month(s). We may periodically change the mechanism for your payments of Royalties, Marketing Fund contributions and other amounts you owe to us and our affiliates under this Agreement or any related agreement.

5.D Administrative Fee and Interest on Late Payments. All amounts which you owe us, if not paid (or made available for withdrawal from your bank account if we are then collecting those amounts by automatic debit) on the due date, will bear interest beginning on their due date at one and one-half percent (1.5%) per month or the highest commercial contract interest rate the law allows, whichever is less. In addition, you shall pay us a Five Hundred Dollar (\$500) administrative fee for each payment which you do not make to us when due (or for each dishonored payment) to cover the increased costs and expenses we will incur as a result of your failure to pay the amounts when due. We may debit your account automatically for these amounts. You

acknowledge that this Section 5.D is not our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, the Restaurant.

5.E Taxes on Your Payments. In addition to any sales, use, excise, privilege or other transaction taxes that applicable law requires or permits us to collect from you for the sale, lease or other provision of goods or services under this Agreement, you shall pay us an amount equal to all federal, state, local or foreign (a) sales, use, excise, privilege, occupation or any other transactional taxes, and (b) other taxes or similar exactions, no matter how designated, that are imposed on us or that we are required to withhold in connection with the receipt or accrual of Royalties or any other amounts payable by you to us under this Agreement, excluding only taxes imposed on us for the privilege of conducting business and calculated with respect to our net income, capital, net worth, gross receipts, or some other basis or combination thereof, but not excluding any gross receipts taxes imposed on us or our affiliates for your payments intended to reimburse us or our affiliates for expenditures incurred for your benefit and on your behalf. You shall make any additional required payment pursuant to this Section in an amount necessary to provide us with after-tax receipts (taking into account any additional payments required hereunder) equal to the same amounts that we would have received under this Agreement if such additional tax liability or withholding had not been imposed or required.

6. Restaurant Operation and System Standards.

6.A Condition and Appearance of the Restaurant. You agree that you will not use the Restaurant or any part of the Site (including any parking area) for any purpose other than operating a Pieology Restaurant in compliance with this Agreement. You must place or display at the Site (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos and display and advertising materials that we periodically require or authorize during the Term. You further agree to maintain the condition and appearance of your Restaurant, its Operating Assets and the Site (including any parking area) in accordance with our System Standards and consistent with the image of a Pieology Restaurant as an efficiently operated business offering high quality products and services and observing the highest standards of cleanliness, sanitation, efficient, courteous service and pleasant ambience. To ensure these standards, you agree to take, without limitation, the following actions during the Term at your expense: (1) thorough cleaning, repainting and redecorating of the interior and exterior of the Site at intervals that we may periodically designate and at our direction; (2) interior and exterior repair of the Site as needed; and (3) repair or replacement, at our direction, of Operating Assets at intervals that we may periodically specify (or, if we do not specify an interval for replacing any Operating Asset, as that Operating Asset needs to be repaired or replaced).

If at any time in our reasonable judgment the general state of repair, appearance or cleanliness of the Site, the Restaurant, or the Operating Assets do not meet our standards, we have the right to notify you, specifying the action you must take to correct the deficiencies. If you do not initiate action to correct those deficiencies within thirty (30) days after you receive our notice, and then continue in good faith and with due diligence a bona fide program to promptly correct those deficiencies, then we have the right, in addition to all other remedies, to enter the Site or the Restaurant and perform any required maintenance or otherwise correct any deficiencies on your behalf, and you agree to reimburse us on demand for any expenses we incur in that regard, plus an administrative fee equal to fifteen percent (15%) of such expenses.

In addition to your obligations described above, once during the period beginning on the fourth (4th) anniversary of the Agreement Date and ending on the seventh (7th) anniversary of the Agreement Date, we may require you to alter the Restaurant's and the Site's appearance, branding, layout and/or design, and/or replace a portion of your Operating Assets, in order to meet our then current requirements for new similarly situated Pieology Restaurants. You acknowledge that this obligation could result in your making structural changes to, and remodeling and renovating, the Restaurant, and/or in your spending amounts for new Operating Assets, and you agree to incur, without limitation, any capital expenditures required in order to comply with this obligation and our requirements (even if those expenditures cannot be amortized over the remaining Term). Within sixty (60) days after receiving written notice from us, you must have plans prepared according to the standards and specifications we prescribe and, if we require, using architects and contractors we designate or approve, and you must submit those plans to us for our approval. You must complete all work according to the plans we approve within the time period that we reasonably specify. However, nothing in this paragraph in any way limits your obligation to comply with Section 6.H and all mandatory System Standards we periodically specify.

6.B Products and Services Your Restaurant Offers. You agree that: (1) you will offer at the Restaurant all Menu Items and other products and services that we periodically specify as being mandatory; (2) you will not offer, sell, provide or otherwise distribute at the Restaurant, the Site or any other location any Menu Items, products or services we have not authorized; (3) you will use only the recipes and methods of food preparation that we then specify or approve, and will offer the Menu Items, products and services only in the manner we periodically specify; (4) you will not offer, sell or otherwise provide any Menu Items or other products either at wholesale or from locations or through channels other than the Restaurant, unless we authorize you in writing to do so; and (5) you will discontinue selling and offering any Menu Items and other products or services that we at any time disapprove in writing.

6.C Catering Service and Delivery Service. At our option, you must provide Catering Service and/or Delivery Service from the Restaurant in accordance with all applicable terms and conditions of this Agreement (including all System Standards). "**Catering Service**" means the delivery of food and beverage products which are prepared or partially prepared at the Restaurant and delivered to customers at locations other than the Site, where, in addition to delivering those products, you provide ancillary services (such as setting up for, serving or otherwise distributing food and beverage products) at those locations. "**Delivery Service**" means the delivery of food and beverage products that are fully prepared at the Restaurant and ready for consumption to customers at locations other than the Site, where you (or someone on your behalf i.e. a third party, subject to our prior, written approval) deliver those food and beverage products but provide no ancillary services (such as setting up for, serving or otherwise distributing food and beverage products) at those locations. You may not establish another outlet or property (other than the Site) for use in connection with Catering Service or Delivery Service and may not provide Catering Service or Delivery Service to customers at Non Traditional Locations without our prior written consent.

If we require, or otherwise permit, Catering Service or Delivery Service for the Restaurant, you may propose the geographic area (which shall be subject to our prior, written approval) within which you will offer Catering Service or Delivery Service, provided that you must ensure that your customers receive at all times high quality food and beverage products prepared and maintained in accordance with our specifications. You shall maintain the condition and appearance of, and

perform maintenance with respect to, vehicles, serveware, and equipment used in connection with the provision of Catering Services and/or Delivery Services in accordance with System Standards and consistent with the image of Pieology Restaurants. You shall ensure that all catering and delivery drivers strictly comply with all applicable laws and maintain adequate motor vehicle liability insurance in the amounts that we periodically specify.

If you fail to comply with any provision of this Agreement, including any System Standard, pertaining to Catering Service or Delivery Service, then in addition to our other rights and remedies, we may temporarily suspend or permanently terminate your right to provide Catering Service and/or Delivery Service or temporarily or permanently restrict the geographic area within which you may provide Catering Service and/or Delivery Service, each without any cure period.

6.D Approved Products, Distributors and Suppliers. We reserve the right to periodically designate and approve standards, specifications, suppliers and/or distributors of Proprietary and non-Proprietary Food Products, Operating Assets, and other products and services that we periodically authorize for use at or sale by the Restaurant. During the Term you must purchase or lease all Proprietary Food Products, Operating Assets and other products and services for the Restaurant only according to our System Standards and, if we require, only from suppliers or distributors that we designate or approve (which may include or be limited to us or our affiliates). You acknowledge and agree that we and/or our affiliates may derive revenue based on your purchases and leases, including from charging you for products and services we or our affiliates provide to you, from license fees and other amounts that we charge to manufacturers of Proprietary Food Products and other items, and from promotional allowances, volume discounts and other payments made to us by suppliers and/or distributors that we designate or approve for some or all of our franchisees. We and our affiliates may use all amounts received from suppliers and/or distributors, whether or not based on your or other franchisees' actual or prospective dealings with them, without restriction for any purposes we or our affiliates deem appropriate.

If you want to use any Proprietary Food Products, Operating Assets or other products or services for or at the Restaurant that we have not yet evaluated, or purchase or lease any Proprietary and non-Proprietary Food Products, Operating Assets or other products or services from a supplier or distributor that we have not yet approved (for Proprietary Food Products, Operating Assets or other products and services that we require you to purchase only from designated or approved suppliers or distributors), you first must submit sufficient information, specifications and samples for us to determine whether the product or service complies with our standards and specifications and/or the supplier or distributor meets our criteria. We may condition our approval of a supplier or distributor on requirements relating to product quality, quality assurance documentation, prices, consistency, warranty, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints) any adverse economic impact on us, our affiliates, or the Pieology Restaurant franchise network, and/or other criteria. We have the right to inspect the proposed supplier's or distributor's facilities and to require the proposed supplier or distributor to deliver product samples or items, at our option, either directly to us or to any independent laboratory which we designate for testing. Either you or the proposed supplier or distributor must pay us a fee (not to exceed the reasonable cost of the inspection and the actual cost of the test) to make the evaluation. We reserve the right periodically to re-inspect the facilities, products and services of any approved supplier or distributor and to revoke our approval of any supplier, distributor, product or service that does not continue to meet our criteria. Notwithstanding the foregoing, you agree that we may limit the

number of approved suppliers with whom you may deal, designate sources that you must use, and/or refuse any of your requests for any reason, including if we have already designated an exclusive source (which might be our affiliate) for the applicable product or service, if we want to limit the number of suppliers with access to our Confidential Information (as defined below), or if we otherwise believe that doing so is in the best interests of the Pieology Restaurant network.

6.E Management of the Restaurant. You acknowledge your understanding our requirement that an individual “**Managing Director**” approved by us, trained in the Franchise System and periodically retrained in the Franchise System, be identified by you to us and be granted the authority by you to direct any action necessary to ensure the day-to-day operation of the Restaurant is in compliance with the System Standards, with this Agreement, and with the terms of any lease and any other agreements relating to the Restaurant. The Managing Director shall devote full time and best efforts to the overall supervision of the Restaurant and any other Pieology restaurants owned by you as to which he/she is the Managing Director. The Managing Director shall live in the “vicinity” of the Restaurant, as the term “vicinity” is defined for Managing Directors by us from time to time, in our reasonable discretion. The current Managing Director is designated on the Key Contracts Data Page and in Exhibit B. You represent and warrant that the Managing Director presently has and will have, throughout the Term, the authority to direct any action necessary to ensure that the day-to-day operation of the Restaurant is in compliance with the System Standards, with this Agreement, and with the terms of any lease and any other agreements relating to the Restaurant. You have not taken and agree that you will not hereafter take, whether directly or indirectly, any action to avoid the authority requirement for the Managing Director through the entry of limiting board resolutions, management agreements, amendment of governing documents or any other similar arrangement. You agree to furnish us with such evidence as we may request from time to time for the purpose of assuring us that the Managing Director’s authority remains as represented in this Agreement and to require that the Managing Director attend such additional and periodic training as we may reasonably require of Managing Directors. If the position of Managing Director becomes vacant for any reason, the vacancy shall be filled within sixty (60) days by a new Managing Director trained in the Franchise System and approved by us. At our option, you must ensure that all of your Restaurant’s managers and other employees, including the Managing Director, having access to Confidential Information (as defined below) sign agreements in a form we reasonably specify under which they agree to comply with the restrictions in Sections 11 and 12.

6.F Compliance with Laws and Good Business Practices. You must secure and maintain in force throughout the Term all required licenses, permits, and certificates relating to the Restaurant’s operation and otherwise operate the Restaurant in full compliance with all applicable laws, ordinances and regulations (including all present and future laws, regulations, policies, lists and other requirements of any governmental authority addressing or relating to terrorism, terrorist acts or acts of war). The Restaurant must in all dealings with its customers, suppliers, us, and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which might injure our business or the goodwill associated with the Marks or other Pieology Restaurants. You must notify us in writing within five (5) days of the commencement of any action, suit or proceeding relating to the Restaurant or the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which might adversely affect your operation or financial condition or that of the Restaurant. Within four (4) hours after your receipt of notice of any

violation or infraction of a licensing, health or sanitation code, law or regulation involving the Restaurant or its operation, or a guest complaint regarding a potential health or sanitation code violation, you must provide us a copy of the notice and a detailed plan to correct the alleged violation.

6.G Insurance. During the Term you must maintain in force at your sole expense the insurance coverage for the Restaurant in the amounts, covering the risks, and containing only the exceptions and exclusions that we periodically specify. All of your insurance carriers must be rated A or higher by A.M. Best and Company, Inc. (or such similar criteria as we periodically specify). These insurance policies must be in effect on or before the deadlines we specify. All coverage must be on an “occurrence” basis, except for the employment practices liability insurance coverage, which is on a “claims made” basis. All policies shall apply on a primary and non-contributory basis to any other insurance or self-insurance that we or our affiliates maintain. All general liability and workers compensation coverage must provide for waiver of subrogation in favor of us and our affiliates. We may periodically increase the amounts of coverage required and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies must name us and any affiliates we designate as an additional insured and provide for thirty (30) days prior written notice to us of a policy’s material modification or cancellation. You agree to send us a valid certificate of insurance or duplicate insurance policy evidencing that you have maintained the required coverage and paid the applicable premiums within thirty (30) days of obtaining each policy and each year when the policies are renewed. If you fail to obtain or maintain (or to prove that you have obtained or maintained) the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and the Restaurant on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance.

6.H Compliance with System Standards. You acknowledge and agree that operating and maintaining the Restaurant according to System Standards, as we may periodically modify and supplement them, are essential to preserve the goodwill of the Marks and all Pieology Restaurants. Therefore, you agree at all times to operate and maintain the Restaurant according to each and every System Standard, as we periodically modify and supplement them, even if you believe that a System Standard, as originally issued or subsequently modified, is not in the Restaurant’s best interest. System Standards may regulate any aspect of the Restaurant’s development, operation and maintenance, including, but not limited to, any one or more of the following:

- (1) purchase, storage, preparation, handling and packaging procedures and techniques for Menu Items and Proprietary and non-Proprietary Food Products, and inventory requirements for Proprietary Food Products and other products and supplies so that the Restaurant may operate at full capacity;
- (2) use of Proprietary and non-Proprietary Food Products and other ingredients and methods of preparing and serving Menu Items;
- (3) terms and conditions of the sale and delivery of, and terms and methods of payment for, Proprietary and non-Proprietary Food Products, Operating Assets and other products and services that you obtain from us and affiliated and unaffiliated suppliers;

(4) issuing and honoring gift certificates, gift cards, stored value cards, coupons and similar items and participating in other promotions, including any customer loyalty programs and procedures that we periodically specify;

(5) dress/appearance and uniforms for your employees, standards and requirements for training Restaurant employees, and standards for providing competent and courteous service to Restaurant guests (provided that you are solely responsible for all of your hiring decisions and your employees' terms and conditions of employment);

(6) participation in and requirements for sales, promotional, public relations, advertising and/or marketing programs and materials and media used in these programs;

(7) the design and appearance of the Restaurant and its Operating Assets, including the Restaurant's branding and cleanliness;

(8) maximum, minimum or other pricing requirements for products and services that the Restaurant offers, including requirements for promotions, special offers and discounts in which some or all Pieology Restaurants participate, in each case to the maximum extent the law allows;

(9) requirements for vehicles, training, qualifications, conduct and appearance of personnel, product packaging, format and use of materials and supplies (including display of the Marks), and other aspects of providing Catering Services or Delivery Services;

(10) participation in market research and test programs that we periodically require or approve concerning various aspects of the Franchise System, including new or updated procedures, systems, signs, trade dress, supplies, marketing materials and strategies, merchandising strategies, products and/or services;

(11) standards and procedures concerning web-hosted applications that permit the exchange of information and facilitate discussion of ideas through user-generated submissions, such as blogs, wikis, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video sharing sites like Pinterest and Instagram, forums such as Yahoo! Groups, and other similar social networking or media sites or tools (collectively, "**Social Media**") that in any way reference the Marks or involve your Restaurant;

(12) use and display of the Marks at the Restaurant, including on signage and postings and on napkins, boxes, bags, labels, forms, paper and plastic products and other customer-facing materials;

(13) days and hours of operation (which may vary among Pieology Restaurants);

(14) accepting credit and debit cards, other payment systems and check verification services;

(15) bookkeeping, accounting, data processing and recordkeeping systems and forms, including document retention requirements;

(16) any other aspects of developing, operating and maintaining the Restaurant that we determine to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and Pieology Restaurants.

You acknowledge that our periodic modification of our System Standards (including to accommodate changes to the Marks), which may accommodate regional and/or local variations, may obligate you to invest additional capital in the Restaurant and incur higher operating costs, and you agree to comply with those obligations within the time period we specify. Although we retain the right to establish and periodically modify the Franchise System and System Standards that you have agreed to follow, you retain the responsibility for the day-to-day management and operation of the Restaurant and implementing and maintaining System Standards at the Restaurant.

6.I Modification of Franchise System. Because complete and detailed uniformity under many varying conditions might not be possible or practical, we reserve the right to vary the Franchise System and/or System Standards for any Pieology Restaurant or group of Pieology Restaurants based upon the peculiarities of any conditions or factors that we consider important to its operations. You have no right to require us to grant you a similar variation or accommodation.

7. Advertising and Marketing.

7.A Pre-Opening Marketing Program. You agree, at your expense, to implement a Restaurant opening marketing program in accordance with the requirements in the Operations Manual and other System Standards. At least one hundred twenty (120) days before the Restaurant's planned opening, you must prepare and submit to us for our approval a proposed opening marketing program that covers a period from three (3) months before to three (3) months after the Restaurant's opening and contemplates spending at least the minimum amount that we reasonably specify, which will not exceed Twenty Thousand Dollars (\$20,000.00). You must make the changes to the program that we specify and execute the program as we have approved it.

7.B Marketing Fund. We have established, and (subject to this Section 7.B) administer and control, a marketing fund (the "**Marketing Fund**") for the advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs and materials for all or a group of Pieology Restaurants that we deem appropriate.

(1) You agree to contribute to the Marketing Fund each week, via electronic funds transfer or another payment method we specify and together with each payment of the Royalty, an amount equal to two percent (2%) of Gross Sales. Pieology Restaurants that we or our affiliates own will contribute to the Marketing Fund on the same basis as franchisees.

We will designate and direct all programs that the Marketing Fund finances, with sole control over the creative and business concepts, materials and endorsements used and their geographic, market and media placement and allocation. The Marketing Fund may pay for any advertising, promotion, marketing and brand-related activities, including preparing, producing and placing video, audio and written materials and electronic media; developing, maintaining and administering one or more System Websites, other online presence, and Social Media; creating and administering national, regional, multi-regional and local marketing, advertising, promotional, social responsibility and customer relationship management programs, including purchasing trade journal, direct mail, Internet and other media advertising and using advertising, promotion, and

marketing agencies and other advisors to provide assistance; and supporting public and customer relations, market research, and other advertising, promotion, marketing and brand-related activities. The Marketing Fund also may reimburse Pieology Restaurant operators (including us and/or our affiliates) for expenditures consistent with the Marketing Fund's purposes that we periodically specify.

We will account for the Marketing Fund, whether held by us or an affiliate, separately from our other funds and not use the Marketing Fund to pay any of our general operating expenses, except to compensate us and our affiliates for the reasonable salaries, administrative costs, travel expenses, overhead and other costs we and they incur in connection with activities performed for the Marketing Fund and its programs, including conducting market research, preparing advertising, promotion and marketing materials, implementing social responsibility initiatives, maintaining and administering the System Website and other forms of online presence, collecting and accounting for Marketing Fund contributions, and paying taxes on contributions. The Marketing Fund is not a trust, and we do not owe you fiduciary obligations because of our maintaining, directing or administering the Marketing Fund or any other reason. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on Marketing Fund contributions to pay costs before using the Marketing Fund's other assets. We will prepare an annual, unaudited statement of Marketing Fund collections and expenses and give you the statement upon written request. We may have the Marketing Fund audited periodically at the Marketing Fund's expense by an independent accountant we select. We may incorporate the Marketing Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Section 7.B.

We intend the Marketing Fund to maximize recognition of the Marks and patronage of Pieology Restaurants. Although we will try to use the Marketing Fund to develop and/or implement advertising and marketing materials and programs and for other uses (consistent with this Section 7.B) that will benefit all contributing Pieology Restaurants, we need not ensure that Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to the Marketing Fund contributions from Pieology Restaurants operating in that geographic area, or that any Pieology Restaurants benefits directly or in proportion to the Marketing Fund contributions that it makes. We have the right, but no obligation, to use collection agents and institute legal proceedings at the Marketing Fund's expense to collect Marketing Fund contributions. We also may forgive, waive, settle and compromise all claims by or against the Marketing Fund. Except as expressly provided in this Section 7.B, we assume no direct or indirect liability or obligation to you for maintaining, directing, or administering the Marketing Fund.

We may at any time defer or reduce a Pieology Restaurants operator's contributions to the Marketing Fund and, upon at least thirty (30) days' written notice to you, reduce or suspend Marketing Fund contributions and/or operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund

7.C Advertising Cooperatives. We may designate a geographic area in which two (2) or more Pieology Restaurants are located as an area for an advertising or marketing cooperative (a "Cooperative"). The Cooperative's members in any area are the owners of all Pieology Restaurants operating in that area, including us and our affiliates, if applicable. Each Cooperative

will be organized and governed in a form and manner, and begin operating on a date, that we determine. We may change, dissolve and merge Cooperatives. Each Cooperative's purpose is, with our approval, to develop, administer or implement advertising, marketing and promotional materials and programs for the area that the Cooperative covers. If, as of the Agreement Date, we have established a Cooperative for the geographic area in which the Restaurant is located, or if we establish a Cooperative in that area during the Term, you agree to sign the documents that we require to become a member of the Cooperative and to participate in the Cooperative as those documents require. In addition to the Marketing Fund contribution, you agree to contribute to the Cooperative the amounts that the Cooperative determines, subject to our approval and the Marketing Spending Requirement.

All material decisions of the Cooperative, including contribution levels (which also require our approval), will require the affirmative vote of more than fifty percent (50%) of all Pieology Restaurants participating in the Cooperative (including, if applicable, those we or our affiliates operate), with each Pieology Restaurant receiving one (1) vote; provided, however, in order for your Restaurant to qualify as a participating Restaurant and have a vote on any given decision of the Cooperative, you must be a franchisee in good standing, which requires you to be current in all payment obligations to us and our affiliates, not otherwise in default of any of your obligations under the Franchise Agreement, and to have achieved at least satisfactory scores on each of your Restaurant's operations review over previous six months prior to the voting. You agree to send us and the Cooperative any reports that we or the Cooperative periodically requires. The Cooperative will operate solely to collect and spend Cooperative contributions for the purposes described above. The Cooperative and its members may not use any advertising, marketing or promotional programs or materials that we have not approved.

7.D Local Marketing. In addition to your Marketing Fund contribution, you must spend no less than two percent (2%) of the Gross Sales of your Restaurant on local advertising and promotion during each calendar quarter. You agree at your expense to participate in the manner we periodically specify in all advertising, marketing, promotional, customer relationship management, social responsibility, public relations and other brand-related programs that we periodically designate for the Restaurant, subject to the Marketing Spending Requirement. You must ensure that all of your advertising, marketing, promotional, customer relationship management, social responsibility, public relations and other brand-related programs and materials that you or your agents or representatives develop or implement relating to the Restaurant (collectively, "**Local Marketing**") is completely clear, factual and not misleading, complies with all applicable laws and regulations, and conforms to the highest ethical standards and the advertising and marketing policies that we periodically specify. Each month you must expend no less than two percent (2%) of your Gross Sales for the preceding month, for Local Marketing. You must deliver evidence to us of your expenditures for Local Marketing. Before using them, you agree to send to us, for our approval, descriptions and samples of all proposed Local Marketing that we have not prepared or previously approved within the preceding six (6) months. If you do not receive written notice of approval from us within fifteen (15) days after we receive the materials, they are deemed disapproved. You may not conduct or use any Local Marketing that we have not approved or have disapproved. At our option, you must contract with one or more suppliers that we designate or approve to develop and/or implement Local Marketing. We assume no liability to you or any other party due to our specifying any programs or our approval or disapproval of any Local Marketing.

7.E Marketing Spending Requirement. The “**Marketing Spending Requirement**” is the maximum amount that we can require you to spend on Marketing Fund contributions, Cooperative contributions (if applicable) and approved Local Marketing for the Restaurant during each calendar quarter. Unless written notice to the contrary is provided to you from one of our officers, the quarterly Marketing Spending Requirement is set at four percent (4%) of the Restaurant’s Gross Sales during each calendar quarter effective throughout the Term. Although we may not require you to spend more than the Marketing Spending Requirement on Marketing Fund contributions, Cooperative contributions (if applicable) and approved Local Marketing for the Restaurant during any calendar quarter, you may choose to do so. We will not count towards your Marketing Spending Requirement the cost of free or discounted Menu Items, coupons, special offers or price reductions that you provide as a promotion, signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), service charges from third-party delivery companies, employee incentive programs, or other amounts that we, in our reasonable judgment, deem inappropriate for meeting the Marketing Spending Requirement. We may periodically review your books and records and require you to submit reports periodically to determine your Cooperative contributions (if applicable) and Local Marketing expenses. If you fail to spend (or prove that you spent) the Marketing Spending Requirement in any quarter, then we may, in addition to and without limiting our other rights and remedies, require you to pay us the shortfall as an additional Marketing Fund contribution or to pay us the shortfall for us to spend on Local Marketing for the Restaurant.

7.F System Websites and Electronic Advertising.

(1) We or one or more of our designees may establish a website or series of websites for the Pieology Restaurant network to advertise, market and promote Pieology Restaurants, the products and services they offer, and the Pieology Restaurant franchise opportunity, to facilitate the operations of Pieology Restaurants, and/or for any other purposes that we determine are appropriate for Pieology Restaurants (collectively, the “**System Website**”). If we include information about the Restaurant on the System Website, then you agree to give us the information and materials that we periodically request concerning the Restaurant and otherwise participate in the System Website in the manner that we periodically specify. We have the final decision concerning all information that appears on the System Website and will update or modify the System Website according to a schedule that we periodically determine. By posting or submitting to us information or materials for the System Website, you are representing to us that the information and materials are accurate and not misleading and do not infringe any third party’s rights. You must notify us whenever any information about you or your Restaurant on the System Website changes or is not accurate.

We own all intellectual property and other rights in the System Website and all information it contains, including the domain name or URL for the System Website and all subsidiary websites, the log of “hits” by visitors, and any personal or business data that visitors (including you and your personnel) supply. We may use the Marketing Fund’s assets to develop, maintain, support and update the System Website. We may implement and periodically modify System Standards relating to the System Website and, at our option, may discontinue the System Website, or any services offered through the System Website,

at any time. All Local Marketing that you develop for the Restaurant must contain notices of the URL of the System Website in the manner that we periodically designate.

(2) Except for the System Website, you may not develop, maintain or authorize any other website, other online presence or other electronic medium (such as any Social Media, mobile applications, kiosks and other interactive properties or technology-based programs) that mentions or describes you or the Restaurant or displays any of the Marks. You may not conduct commerce or directly or indirectly offer or sell any products or services using any website, another electronic means or medium, or otherwise over the Internet or using any other technology-based program without our approval. Nothing in this Section 7.F shall limit our right to maintain websites other than the System Website or to offer and sell products or services under the Marks from the System Website, another website or otherwise over the Internet without payment or obligation of any kind to you.

8. Records, Reports and Financial Statements

You agree to establish and maintain at your own expense a bookkeeping, accounting and recordkeeping system conforming to the requirements and formats that we periodically specify. We may require you to maintain certain sales and expense data, financial statements and other information, in the formats that we periodically specify, and to transmit that data and information (other than employee-related information) to us on a schedule that we periodically specify. You also must, at your expense, purchase and maintain the Computer System we designate in order to allow us unlimited, independent access to, and the ability to download, all information in your Computer System at any time.

You also agree to give us in the manner and format that we periodically specify:

- (1) within thirty (30) days after the end of each calendar month, the operating statements, financial statements, statistical reports, purchase records, and other information we request regarding you and the Restaurant covering the previous calendar month and the fiscal year to date;
- (2) within thirty (30) days after the end of each calendar month, a report on your expenditures to satisfy the Marketing Spending Requirement for the previous month;
- (3) within ninety (90) days after the end of each of your fiscal years, annual profit and loss and source and use of funds statements and a balance sheet for the Restaurant as of the end of the previous fiscal year; and
- (4) within thirty (30) days after our request, exact copies of federal and state income and other tax returns and any other forms, records, books, reports and other information that we periodically require relating to the Restaurant or you.

We may designate independent outside organizations to administer the electronic collection of all required financial statements, and you agree to timely follow the submittal procedures as established by us.

You agree to certify or validate each report and financial statement in the manner that we periodically specify. We may disclose data derived from these reports, including by creating and circulating reports on the financial results of the Restaurant and/or some or all other Pieology

Restaurants to other Pieology Restaurant owners and prospective franchisees, but we will not (without your consent) disclose your identity in any materials that we circulate publicly. You agree that we may, as often as we deem appropriate (including on a daily basis), access the Computer System and retrieve all information relating to the Restaurant's sales and operation.

You agree to preserve and maintain all records in a secure location during the Term and for at least five (5) years afterward. If we determine that you have failed to comply with your reporting or payment obligations under this Agreement, including by submitting any false reports, we may require you to have audited financial statements prepared annually at your expense during the remaining Term, in addition to our other remedies and rights under the Agreement and applicable law.

9. Quality Assurance, Inspections and Audits.

9.A Quality Assurance and Inspections. To determine whether you and the Restaurant are complying with this Agreement and all System Standards, we and our designated agents and representatives may at all times, and without prior notice to you: (a) inspect the Restaurant; (b) examine and copy the Restaurant's business, bookkeeping and accounting records, sales and income tax records and returns, and other records and documents as more particularly described in Section 9B below; (c) observe, photograph, record and otherwise monitor the Restaurant's operation (including so-called "mystery shopping") for consecutive or intermittent periods we deem necessary; and (d) interview the Restaurant's personnel and customers. You agree to cooperate with us and our designated agents and representatives fully. If we exercise any of these rights, we will use commercially reasonable efforts not to interfere unreasonably with the Restaurant's operation. You agree that your failure to achieve the minimum quality scores (as described in the Operations Manual) or otherwise satisfy our System Standards in any quality assurance inspection we conduct at the Restaurant is a default under this Agreement. Without limiting our other rights and remedies under this Agreement, you agree promptly to correct at your own expense all failures to comply with this Agreement (including any System Standards) that our inspectors note within the time period we specify following your receipt of our notice. We then may conduct one or more follow-up inspections to confirm that you have corrected these deficiencies and otherwise are complying with this Agreement and all System Standards. You agree to pay all costs and expenses associated with any quality assurance and inspection programs that we periodically specify. We may charge you an inspection fee to compensate us for our costs and expenses during any initial or follow-up inspections or any inspection that you request. You also agree to present to your customers the evaluation forms that we periodically specify and to participate and/or request that your customers participate in any surveys performed by or for us.

9.B Audits. We may at any time during the Restaurant's business hours, and without prior notice to you, examine the Restaurant's business, bookkeeping and accounting records, sales and income tax records and returns, and other records. You agree to fully cooperate with our representatives and/or any independent accountants we hire to conduct any such inspection or audit. If any inspection or audit discloses an understatement of the Restaurant's Gross Sales, you must pay us, within fifteen (15) days after receiving the inspection or audit report, the Royalties, Marketing Fund contributions and any other amounts due on the amount of the understatement, plus interest and administrative fees (in the amount described in Section 5.D) from the date originally due until the date of payment. If we reasonably determine that an inspection or audit is necessary due to your failure to furnish reports, supporting records or other information as

required, or to furnish these items on a timely basis, or if our examination reveals a Royalty or Marketing Fund contribution understatement exceeding two percent (2%) of the amount that you actually reported to us for the period examined, you agree to reimburse us for the cost of our examination, including legal fees and independent accountants' fees, plus the travel expenses, room and board, and compensation of our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

10. Marks.

10.A Ownership and Goodwill of Marks. Your right to use the Marks is derived only from this Agreement and is limited to your operating the Restaurant according to this Agreement and all System Standards we implement during the Term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our and our licensor's rights in the Marks. Your use of the Marks and any goodwill established by that use are for our and our licensor's exclusive benefit, and this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate the Restaurant under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional and substitute trademarks and service marks that we periodically authorize you to use. You may not at any time during or after the Term contest or assist any other person or Entity in contesting the validity, or our and our licensor's ownership, of the Marks.

10.B Limitations on Your Use of Marks. You agree to use the Marks as the Restaurant's sole identification, subject to the notices of independent ownership that we periodically designate. You may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any domain name, electronic address, metatag or otherwise in connection with any website or other electronic medium without our consent, or (5) in any other manner we have not expressly authorized in writing. Neither you nor your Owners may use any Mark in advertising the transfer, sale, or other disposition of the Restaurant or any direct or indirect Ownership Interest in you without our prior written consent. You agree to display the Marks prominently as we periodically specify at the Restaurant and on forms, advertising, supplies, vehicles, employee uniforms and other materials we designate. You agree to give the notices of trademark and service mark registrations that we periodically specify and to obtain any fictitious or assumed name registrations required under applicable law.

10.C Notification of Infringements and Claims. You agree to notify us immediately of any actual or apparent infringement of or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us, our licensor, and our and our licensor's attorneys, and your attorneys, regarding any infringement, challenge, or claim. We or our licensor may take the action that we or it deems appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding or other proceeding arising from any infringement, challenge or claim or otherwise concerning any Mark. You agree to sign any documents and take any reasonable actions that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our and our licensor's interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain our and our licensor's interests in the Marks. At our option, we

or our licensor may defend and control the defense of any litigation or proceeding relating to any Mark.

10.D Discontinuance of Use of Marks. If we believe at any time that it is advisable for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your expenses in complying with these directions (such as costs you incur in changing the Restaurant's signs or replacing supplies), for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

10.E Indemnification for Use of Marks. We agree to reimburse you for all damages and expenses you incur or for which you are liable in any proceeding challenging your right to use any Mark under this Agreement, provided you have complied with this Agreement, the Operations Manual, and System Standards and you have timely notified us of, and comply with our directions in responding to, the proceeding.

11. Confidential Information, Customer Information and Innovations.

11.A Confidential Information. We and our affiliates possess (and will continue to develop and acquire) certain confidential information relating to the development and operation of Pieology Restaurants, some of which constitutes trade secrets under applicable law (the "**Confidential Information**"), including but not limited to:

- (1) site selection criteria and methodologies;
- (2) information concerning the design, layout and construction of Pieology Restaurants, including any sample plans that we or our contractor provides;
- (3) recipes and related information for Menu Items and Proprietary Food Products;
- (4) research and development, future business plans, methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating Pieology Restaurants, including information in the Operations Manual, System Standards;
- (5) marketing research and promotional, marketing, advertising, public relations, customer relationship management and other brand-related materials and programs for Pieology Restaurants;
- (6) knowledge of specifications for and suppliers of, and methods of ordering, certain Proprietary Food Products, Operating Assets and other products that Pieology Restaurants use and/or sell;
- (7) knowledge of the operating results and financial performance of Pieology Restaurants other than the Restaurant;
- (8) any computer software or similar technology which is proprietary to us or the Franchise System, including digital passwords and identifications and any source code

of, and data, reports, and other printed materials generated by, such software or similar technology;

(9) customer communication and retention programs, along with data used or generated in connection with those programs;

(10) graphic designs and related intellectual property; and

(11) any other information we reasonably designate from time to time as confidential or proprietary.

You acknowledge and agree that by entering into this Agreement and/or acquiring the Restaurant you will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information that we periodically designate in operating the Restaurant during the Term and according to the System Standards and this Agreement's other terms and conditions, and that your use of any Confidential Information in any other business would constitute an unfair method of competition with us and our franchisees. We and our affiliates own all right, title and interest in and to the Confidential Information. You further acknowledge and agree that the Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you, your Owners, and the Managing Director agree, and you and they do agree, that you, your Owners, and the Managing Director:

(a) will not use any Confidential Information in any other business or capacity, whether during or after the Term;

(b) will keep the Confidential Information absolutely confidential, both during the Term and thereafter for as long as the information is not generally known in the foodservice industry;

(c) will not make unauthorized copies of any Confidential Information disclosed in written or other tangible or intangible form;

(d) will adopt and implement all reasonable procedures that we periodically designate to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to Restaurant personnel and others needing to know such Confidential Information to operate the Restaurant, and using confidentiality and non-competition agreements with those having access to Confidential Information. We have the right to regulate the form of agreement that you use and to be a third-party beneficiary of that agreement with independent enforcement rights; and

(e) will not sell, trade or otherwise profit in any way from the Confidential Information, except during the Term using methods we approve.

“Confidential Information” does not include information, knowledge or know-how that is or becomes generally known in the foodservice industry (without violating an obligation to us or our affiliate) or that you knew from previous business experience before we provided it to you (directly or indirectly) or before you began training or operating the Restaurant. If we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that the exclusion in this paragraph is fulfilled.

11.B **Innovations.** All ideas, concepts, techniques or materials relating to a Pieology Restaurant (collectively, “**Innovations**”), whether or not protectable intellectual property and whether created by or for you or your Owners, employees or contractors, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the Franchise System, and works made-for-hire for us. To the extent any Innovation does not qualify as a work made-for-hire for us, by this paragraph you assign ownership of that Innovation, and all related rights to that Innovation, to us and agree to sign (and to cause your Owners, employees and contractors to sign) whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property rights in the Innovation. We and our affiliates have no obligation to make any payments to you or any other person with respect to any Innovations. You may not use any Innovation in operating the Restaurant or otherwise without our prior approval.

12. **Exclusive Relationship.**

You acknowledge that we have granted you the rights under this Agreement in consideration of and reliance upon your and your Owners’ agreement to deal exclusively with us in connection with pizza-related businesses. You therefore agree that, during the Term, neither you nor any of your Owners, directors or officers, nor any members of your or their Immediate Families (defined below), nor your Managing Director will:

- (a) have any direct or indirect, controlling or non-controlling Ownership Interest – whether of record, beneficial or otherwise – in a Competitive Business (defined below), wherever located or operating, provided that this restriction will not apply to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market and quoted on a national inter-dealer quotation system that represent less than three percent (3%) of the number of shares of that class of securities issued and outstanding;
- (b) perform services as a director, officer, manager, employee, consultant, representative or agent for a Competitive Business, wherever located or operating;
- (c) directly or indirectly loan any money or other thing of value to, or guarantee any other person’s loan to, or lease any real or personal property to, any Competitive Business or any owner, director, officer, manager, employee or agent of any Competitive Business, wherever located or operating;
- (d) divert or attempt to divert any actual or potential business or customer of the Restaurant to another Competitive Business; or
- (e) engage in any other activity which might injure the goodwill associated with the Marks or the Franchise System.

The term “**Competitive Business**” means (i) any restaurant or other foodservice business which derives, or is reasonably expected to derive, more than ten percent (10%) of its revenue from the manufacture, sale or distribution of pizza and/or pizza-related products, including but not limited to calzones, or (ii) an entity that grants franchises or licenses or enters into similar arrangements for any of these types of businesses, other than a Pieology Restaurant operated under a franchise agreement with us. The term “**Immediate Family**” includes the named individual, his or her spouse or life partner, and all minor children of the named individual or his or her spouse

or life partner. You agree to obtain similar covenants from the personnel we specify, including officers, directors, managers, and other employees attending our training program or having access to Confidential Information. We have the right to regulate the form of agreement that you use and to be a third-party beneficiary of that agreement with independent enforcement rights.

13. **Transfer.**

13.A **Transfer by Us.** You represent that you have not signed this Agreement in reliance on any owner's, officer's or employee's remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement and any other agreement between us and you (or any of your Owners or affiliates) without restriction. This Agreement and any other agreement will inure to the benefit of any transferee or other legal successor to our interest in it. After our assignment of this Agreement to a third party who expressly assumes our obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement. Such an assignment shall constitute a release of us and novation with respect to this Agreement, and the assignee shall be liable to you as if it had been an original party to this Agreement.

13.B **Transfer by You – Defined.** You understand and acknowledge that the rights and duties this Agreement creates are personal to you (or, if you are an Entity, to your Owners) and that we have granted you the rights under this Agreement in reliance upon our perceptions of your (or your Owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither a Control Transfer (defined below) nor a Non-Control Transfer (defined below) may be consummated without our prior written approval and satisfying the applicable conditions of this Section 13, subject to Section 13.C and our right of first refusal under Section 13.I. A transfer (as defined below) of the ownership, possession or control of the Restaurant or the Operating Assets may be made only with a transfer of this Agreement. Any transfer without our approval is a breach of this Agreement and has no effect.

In this Agreement, a “**Control Transfer**” means any transfer (as defined below) of (a) this Agreement or any interest in this Agreement; (b) the Restaurant or all or substantially all of the Operating Assets; or (c) any Controlling Ownership Interest (defined below) in you (if you are an Entity), whether directly or indirectly through a transfer of Ownership Interests in any Owner that is an Entity, and whether in one transaction or a series of related transactions, regardless of the time period over which these transactions take place. A “**Non-Control Transfer**” means any transfer (as defined below) of any non-Controlling Ownership Interest in you (if you are an Entity), whether directly or indirectly through a transfer of Ownership Interests in any Owner that is an Entity. References to a “**Controlling Ownership Interest**” in you mean either (a) twenty percent (20%) or more of your direct or indirect Ownership Interests, or (b) an interest the acquisition of which grants the power (whether directly or indirectly) to direct or cause the direction of management and policies of you or the Restaurant to any individual or Entity, or group of individuals or Entities, that did not have that power before that acquisition.

In this Agreement, the term “**transfer**,” whether or not capitalized, includes any voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition and includes the following events, whether they impact you (or your Owners) directly or indirectly:

- (1) transfer of record or beneficial ownership of any Ownership Interest or the right to receive all or a portion of your profits or losses or any capital appreciation relating to you or the Restaurant (whether directly or indirectly);

(2) a merger, consolidation or exchange of Ownership Interests, or issuance of additional Ownership Interests or securities representing or potentially representing Ownership Interests, or a redemption of Ownership Interests;

(3) any sale or exchange of voting interests or securities convertible to voting interests, or any management agreement or other agreement granting the right to exercise or control the exercise of the voting rights of any Owner or to control your or the Restaurant's operations or affairs;

(4) transfer of a direct or indirect Ownership Interest or other interest in you, this Agreement, the Operating Assets, or the Restaurant in a divorce, insolvency or entity dissolution proceeding, or otherwise by operation of law;

(5) if you or one of your Owners dies, transfer of a direct or indirect Ownership Interest or other interest in you, this Agreement, the Operating Assets, or the Restaurant by will, declaration of or transfer in trust, or under the laws of intestate succession; or

(6) the grant of a mortgage, charge, pledge, collateral assignment, lien or security interest in any Ownership Interest or other interest in you, this Agreement, the Restaurant or the Operating Assets; foreclosure upon or attachment or seizure of the Restaurant or any of its Operating Assets; or your transfer, surrender or loss of the possession, control or management of all or any material portion of the Restaurant (or its operation) or you.

13.C Permitted Transfers. Our approval and the other conditions under Sections 13.B, 13.D and 13.E are not required, and our right of first refusal under Section 13.I does not apply, to any of the following transfers (whether a Control Transfer or a Non-Control Transfer):

(1) you may grant a security interest in the Site (if you own the Site), the Restaurant and/or any of the Operating Assets (but not this Agreement or any direct or indirect Ownership Interest in you) to a financial institution or other party that provided or provides any financing your acquisition, development, and/or operation of the Restaurant, but only if that party signs our then current form of lender consent to protect our rights under this Agreement. Any foreclosures or other exercise of the rights granted under that security interest are subject to all applicable terms and conditions of this Section 13; and

(2) any Owner who is an individual may transfer his or her Ownership Interest in you (or any of your Owners that is an Entity) to a trust that he or she establishes for estate planning purposes, as long as he or she is a trustee of the trust and otherwise controls the exercise of the rights in you (or your Owner) held by the trust and you notify us in writing of the transfer at least ten (10) days before its anticipated effective date. Dissolution of or transfers from any trust described in this Section 13.C(2) are subject to all applicable terms and conditions of this Section 13.

13.D Conditions for Approval of Non-Control Transfer. Subject to your timely fulfillment of all of the following conditions, we will review the proposed transfer and transferee, and acting in our sole discretion we will approve or disapprove the proposed transfer and transferee:

(1) you are in full compliance with all of your obligations under this Agreement and all other agreements with us or our affiliate during both (a) the ninety (90) day period before you requested our consent to the transfer and (b) the period between your request and the effective date of the transfer;

(2) you provide us written notice of the proposed transfer and all information we reasonably request concerning the proposed transferee, its direct and indirect owners (if the proposed transferee is an Entity) and the transfer at least thirty (30) days before its effective date;

(3) the proposed transferee and its direct and indirect owners (if the proposed transferee is an Entity) have no Ownership Interest in and do not perform services for a Competitive Business and meet our then applicable standards for non-controlling owners of Pieology franchisees;

(4) you and your Owners sign the form of agreement and related documents (including a Guaranty) that we then specify to reflect your new ownership structure and a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, representatives, agents, successors and assigns; and

(5) you pay us a transfer fee equal to One Thousand Dollars (\$1,000).

13.E Conditions for Approval of Control Transfer. Subject to Section 13.I and to your timely fulfillment of all of the following conditions, we will review the proposed transfer and transferee, and we will approve or disapprove the proposed transfer and transferee in our sole discretion after considering various factors, including but not limited to the following:

(1) you are in full compliance with all of your obligations under this Agreement and all other agreements with us or our affiliate during both (a) the ninety (90) day period before you requested our consent to the transfer and (b) the period between your request and the effective date of the transfer;

(2) you provide us written notice of the proposed transfer and all information we reasonably request concerning the proposed transferee, its direct and indirect owners (if the proposed transferee is an Entity) and the transfer at least forty-five (45) days before its effective date;

(3) the proposed transferee and its direct and indirect owners (if the proposed transferee is an Entity) have no Ownership Interest in and do not perform services for a Competitive Business, have in our sole judgment sufficient business experience, aptitude and financial resources to operate the Restaurant, and otherwise meet our then applicable standards for Pieology franchisee;

(4) the transferee (or its direct or indirect owners) and its management personnel, if they are different from your management personnel, satisfactorily complete our then current initial brand standards training program and pay our then current training fees for any training we provide;

(5) you and your Owners (if the transfer is of a direct or indirect Controlling Ownership Interest), or the transferee and its direct and indirect owners (if the transfer is

of this Agreement), sign our then current form of franchise agreement and related documents (including personal guaranties), any or all of the provisions of which may differ materially from any and all of those contained in this Agreement, except that the term of such franchise agreement shall be the then remaining Term;

(6) you and your Owners sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, representatives, agents, successors and assigns;

(7) you or the transferee pays us a transfer fee of fifty percent (50%) of the initial franchise fee we then charge to new franchisees signing their first franchise agreement with us to partially cover our costs and expenses incurred in evaluating the transferee and the transfer;

(8) your landlord allows you to transfer the Lease or sublease the Site to the transferee or otherwise provides its consent to the Control Transfer, if required under the Lease;

(9) we have determined that the purchase price and payment terms will not adversely affect the operation of the Restaurant, and if you or your Owners finance any part of the purchase price, you and they agree that all obligations under promissory notes, agreements or security interests reserved in the Restaurant are subordinate to the transferee's obligation to pay all amounts due to us and our affiliates and otherwise to comply with this Agreement; and

(10) at our option, you have corrected any existing deficiencies of the Restaurant of which we have notified you on a punchlist or in other communications (including any punchlist delivered in connection with the proposed transfer);

(11) you and your transferring Owners (and members of your or your Owners' Immediate Families) will not for two (2) years beginning on the transfer's effective date, engage in any of the activities proscribed in Section 16.D below; and

(12) beginning when the transfer closes, you (if the transfer is of this Agreement) and/or your transferring Owners agree to comply with Section 16.B(2).

At our sole option, we may review all information regarding the Restaurant that you give the transferee and give the transferee copies of any reports that you have given us or we have made regarding the Restaurant. You acknowledge that we have legitimate reasons to evaluate the qualifications of potential transferees (and their direct and indirect owners) and the terms of the proposed transfer, and that our contact with potential transferees (and their direct and indirect owners) to protect our business interests will not constitute tortious, improper or unlawful conduct.

You acknowledge our current requirement that franchisees and their affiliates must continue to own and operate all of the Pieology Restaurants that they own in those restaurants' market area throughout the entire terms of their franchise agreements. We believe these requirements are important in order to (among other reasons) establish continuity and cooperation among the Pieology Restaurants in the market and protect the Pieology® brand. Therefore, you and your Owners agree that if you, any of your Owners, or any affiliate seeks to enter into any transfer that would (if consummated) require our approval pursuant to this Section 13.E, regardless

of the form of transaction, then we may condition our approval of that transfer (in addition to any other conditions set forth in this Agreement) on the simultaneous transfer to that transferee of other rights, interests, obligations, assets, and/or Ownership Interests such that, following such transfer, the transferee (or its affiliate) owns and operates all of the Pieology Restaurants that you or your affiliates owned and operated in the Restaurant's market area before the transfer.

13.F Transfer to a Wholly-Owned Entity. Despite Section 13.E, if have been in full compliance with this Agreement for the ninety (90) days prior to any such request, then upon at least ten (10) days' prior written notice to us, you may transfer this Agreement, together with the Operating Assets and all other assets associated with the Restaurant, to an Entity which conducts no business other than the Restaurant and, if applicable, other Pieology Restaurants and of which you own and control one hundred percent (100%) of the equity and voting power of all Ownership Interests, provided that all of the Restaurant's assets are owned, and the Restaurant's business is conducted, only by that single Entity. Transfers of Ownership Interests in that Entity are subject to all of the restrictions in this Section 13. You (including, if you are a group of individuals, and any individual who will not have an Ownership Interest in the transferee Entity), your Owners, and the transferee Entity must sign the form of agreement and related documents (including a Guaranty) that we then specify to reflect the assignment of this Agreement to the transferee Entity and a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, representatives, agents, successors and assigns.

13.G Death or Disability. Upon the death or mental incapacity of an Owner, the executor, administrator, conservator, guardian or other personal representative of such Owner (the "**Representative**") shall transfer the Owner's interest in this Agreement, the Operating Assets and the Restaurant, or direct or indirect Ownership Interest in you, to a third party whom we approve. That transfer (including transfer by bequest or inheritance) must occur, subject to our rights under this Section 13.G, within a reasonable time, not to exceed nine (9) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 13. A failure to transfer such interest within this time period is a breach of this Agreement. If at any time following your, the Managing Owner's, the Managing Director's, or any other Owner's death or disability, we determine that the Restaurant is not being managed properly according to our System Standards, then we have the right (but no obligation) to assume the management of the Restaurant ourselves or appoint a third party (who may be our affiliate) to manage the Restaurant pursuant to the terms of Section 15.C(7). The term "**disability**" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent you or the Owner or the Managing Director from supervising your or the Restaurant's management and operation for ninety (90) or more consecutive days.

13.H Effect of Consent to Transfer. Our consent to any transfer is not a representation of the fairness of the terms of any contract between you and the transferee, an agreement that we will consent to or a waiver of our rights with respect to any future transfers, a guarantee of the Restaurant's or transferee's prospects of success, or a waiver of any claims we have against you (or your Owners) or of our right to demand the transferee's full compliance with this Agreement's terms or conditions.

13.I Our Right of First Refusal. If you or any of your Owners at any time determines to engage in a Control Transfer, you agree to obtain from a responsible and fully disclosed buyer,

and send us, a true and complete copy of a bona fide, executed written offer (which may be in the form of a letter of intent) relating exclusively to an interest in this Agreement and the Restaurant (and its assets) or a direct or indirect Controlling Ownership Interest in you. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price, and you must provide us evidence that the proposed buyer has provided an earnest money deposit equal to five percent (5%) or more of the offering price. To be a valid, bona fide offer, the proposed purchase price must be in a fixed dollar amount and without any contingent payments of purchase price (such as earn-out payments) and the proposed transaction must relate exclusively to an interest in this Agreement and the Restaurant (and its assets) or a direct or indirect Controlling Ownership Interest in you and not to any other interests or assets.

We may, by delivering written notice to you within thirty (30) days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest for the price and on the terms and conditions contained in the offer, provided that: (1) we may substitute cash for any form of payment proposed in the offer; (2) our credit will be deemed equal to the credit of any proposed buyer; (3) the closing will be not less than sixty (60) days after notifying you of our election to purchase or, if later, the closing date proposed in the offer; (4) you and your Owners sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, representatives, agents, successors, and assigns; and (5) we must receive, and you and your Owners agree to make, all customary representations, warranties and indemnities given by the seller of the assets of a business or Ownership Interests in an Entity, as applicable, including representations and warranties regarding ownership and condition of, and title to, assets and (if applicable) Ownership Interests, liens and encumbrances on assets, validity of contracts and agreements, and the liabilities, contingent or otherwise, relating to the assets or Ownership Interests being purchased, and indemnities for all actions, events and conditions that existed or occurred in connection with the Restaurant or your business prior to the closing of our purchase. If we exercise our right of first refusal, you and your selling Owner(s) agree that, for two (2) years beginning on the closing date, you and they (and members of your or their Immediate Families) will be bound by the covenants contained in Section 16.D. If we do not exercise our right of first refusal, you or your Owners may complete the sale to the proposed buyer on the original offer's terms, but only if we approve the transfer as provided in this Section 13. If you do not complete the sale to the proposed buyer (with our approval) within sixty (60) days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the offer (which you must tell us promptly), we will have an additional right of first refusal during the thirty (30)-day period following either the expiration of the sixty (60)-day period or our receipt of notice of the material change in the offer's terms, either on the terms originally offered or the modified terms, at our option.

We may assign our right of first refusal under this Section 13.I to any Entity (including any affiliate), and that Entity will have all of the rights and obligations under this Section 13.I.

14. Successor Franchise Rights.

14.A Right to a Successor Franchise Agreement. When this Agreement expires if:

(1) you (and your Owners) have substantially complied with this Agreement during the Term and are, both on the date you give us written notice of your election to exercise the Successor Franchise Right (as defined below) and on the date on which the term of the successor franchise commences, in full compliance with this Agreement, including all System Standards;

(2) you and your Owners then meet our then applicable standards for franchisees and owners of franchisees of Pieology Restaurants; and

(3) either (i) you maintain possession of the Site for the ten (10)-year successor franchise term and agree (regardless of cost) to renovate, remodel, and/or expand the Restaurant, add or replace Operating Assets, and otherwise modify the Restaurant as we require to comply with the Franchise System and System Standards then applicable for new similarly situated Pieology Restaurants; or (ii) if we determine (in our sole judgment based on changed market and economic conditions then in effect in the Restaurant's market) that the Restaurant should be relocated, you secure possession of a substitute site that we accept within the Protected Zone for the ten (10)-year successor franchise term and agree to construct and develop that site according to the Franchise System and System Standards then applicable for new similarly situated Pieology Restaurants (regardless of cost) according to the timeline we reasonably specify, we will offer you the right to enter into a successor franchise agreement to operate the Restaurant as a Pieology Restaurant for a term commencing immediately upon the expiration of this Agreement and expiring ten (10) years after that date (the "**Successor Franchise Right**") in accordance with Section 14.C. If you (and your Owners) are not, both on the date you give us written notice of your election to exercise the Successor Franchise Right and on the date on which the term of the successor franchise agreement is scheduled to commence, in full compliance with this Agreement, including all System Standards, you acknowledge that we need not enter into a successor franchise agreement with you, whether or not we had, or chose to exercise, the right to terminate this Agreement during the Term.

14.B Grant of a Successor Franchise. You agree to give us written notice of your election to exercise or not to exercise the Successor Franchise Right no more than twelve (12) months, and no less than nine (9) months, before the Term expires. If you elect to exercise your Successor Franchise Right, then together with that notice, you must send us the information concerning you and your Owners that we then specify to enable us to determine whether you and they meet our then applicable standards for franchisees and owners of franchisees of Pieology Restaurants. If you timely elect to exercise the Successor Franchise Right, we agree to give you written notice (the "**Response Notice**"), within sixty (60) days after we receive your notice, of our decision:

(1) to enter into a successor franchise agreement with you (subject to the other terms and conditions of this Section 14);

(2) to enter into a successor franchise agreement with you on the condition that you correct existing deficiencies of the Restaurant or in your operation of the Restaurant

and/or agree to relocate the Restaurant (subject to the other terms and conditions of this Section 14); or

(3) not to enter into a successor franchise agreement with you based on our determination that you and/or your Owners have not satisfied any one or more of the conditions in Section 14.A.

If applicable, the Response Notice will:

(a) describe the renovation, remodeling, expansion, improvements, and/or modifications required to bring the Restaurant compliance with the Franchise System and System Standards then applicable for new Pieology Restaurants, which the successor franchise agreement will require you to complete to our satisfaction within the time period we specify after that agreement takes effect; and

(b) state the actions you must take to correct operating deficiencies and the time period in which you must correct these deficiencies.

If we elect not to enter into a successor franchise agreement with you, the Response Notice will describe the reasons for our decision. If we elect to enter into a successor franchise agreement with you, your effective exercise of the Successor Franchise Right is subject to your full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in the Response Notice.

If the Response Notice states that you must cure certain deficiencies of the Restaurant or its operation as a condition to our entering into a successor franchise agreement with you, we will give you written notice of our decision not to enter into a successor franchise agreement with you based upon your failure to cure those deficiencies at least ninety (90) days before this Agreement expires. However, we need not give you this ninety (90) days' notice if we decide not to enter into a successor franchise agreement with you due to your breach of this Agreement during the ninety (90)-day period before it expires. If we fail to give you: (i) notice of deficiencies in the Restaurant, or in your operation of the Restaurant, within sixty (60) days after we receive your timely election to exercise the Successor Franchise Right (if we elect to enter into a successor franchise agreement with you under subparagraphs (2) and (b) above); or (ii) notice of our decision not to enter into a successor franchise agreement with you at least ninety (90) days before this Agreement expires, if this notice is required, then we may unilaterally extend the Term for the time period necessary to give you (at our option) either reasonable time to correct deficiencies or the ninety (90) days' notice of our refusal to grant a successor franchise. If you fail to notify us of your election to enter into a successor franchise agreement within the prescribed time period, we will deem this to be your decision not to exercise the Successor Franchise Right.

14.C Agreements/Releases. If you satisfy all of the other conditions for a successor franchise agreement, you and your Owners (as applicable) agree to sign the form of franchise agreement and any ancillary agreements we then customarily use in granting franchises for Pieology Restaurants (modified as necessary to reflect the fact that it is for a successor franchise and that there will be no further renewal or successor franchise rights), which may contain provisions (including the Protected Zone and related rights) that differ materially from any and all of those contained in this Agreement, except that the successor franchise fee shall be the initial franchise fee that we are then charging to new Pieology Restaurant franchisees signing their first

franchise agreement with us. You shall, upon execution of the successor franchise agreement, pay to us the then current initial franchise fee. You and your Owners further agree to sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, representatives, agents, successors, and assigns. We will consider your or your Owners' failure to sign these agreements and releases and to deliver them to us for acceptance and execution within thirty (30) days after their delivery to you to be an election not to enter into a successor franchise agreement.

15. Termination of Agreement.

15.A Termination by You. You may terminate this Agreement if we commit a material breach of any of our obligations under this Agreement and fail to correct such breach within thirty (30) days after your delivery of written notice to us of such breach; provided, however, that if we cannot reasonably correct the breach within this thirty (30)-day period but provide you, within this thirty (30) day-period, with information regarding our effort to correct the breach within a reasonable time period, then the cure period shall run through the end of such reasonable time period. Your termination of this Agreement (including by taking steps to de-identify the Restaurant or otherwise cease operations under this Agreement) other than in accordance with this Section 15.A is a termination without cause and a breach of this Agreement.

15.B Termination by Us. We may, at our option, terminate this Agreement, effective upon delivery of written notice of termination to you, if:

- (1) you or any of your Owners has made or makes a material misrepresentation or omission in acquiring any of the rights under this Agreement or operating the Restaurant;
- (2) you, your Owner or other Restaurant personnel that we required to attend our initial brand standards training program do not satisfactorily complete that brand standards training;
- (3) you abandon or fail actively to operate the Restaurant during the required hours of operation for two (2) or more consecutive calendar days, or for three (3) or more calendar days during any month, unless you close the Restaurant for a purpose we approve or because of casualty;
- (4) you surrender or transfer control of your or the Restaurant's management operation without our prior written consent;
- (5) you or any of your Owners is convicted by a trial court of, or pleads no contest to, a felony;
- (6) you or any of your Owners engages in any dishonest, unethical or illegal conduct which, in our opinion, adversely affects the Restaurant's reputation, the reputation of other Pieology Restaurants or the goodwill associated with the Marks;
- (7) you fail to maintain the insurance we require from time to time and/or you fail to provide us with proof of such insurance as this Agreement requires;
- (8) you interfere with our right to inspect the Restaurant or observe its operation;

(9) you or any of your Owners makes an unauthorized transfer in breach of this Agreement;

(10) any other franchise agreement or other agreement between us (or any of our affiliates) and you (or any of your Owners or affiliates), other than a development rights agreement for the development of multiple Pieology Restaurants, is terminated before its term expires, regardless of the reason;

(11) you or any of your Owners, directors or officers (or any members of your or their Immediate Families), or the Managing Director breaches Section 12 or knowingly makes any unauthorized use or disclosure of any part of the Operations Manual or any other Confidential Information;

(12) you violate any law, ordinance or regulation relating to the ownership or operation of the Restaurant (including any law pertaining to health, safety, sanitation or licensing), or operate the Restaurant in an unsafe manner, and (if the violation can be corrected) you do not begin to correct the violation immediately, and correct the violation fully within seventy-two (72) hours, after you receive notice of the violation from us or any other party;

(13) you fail to pay when due any federal, state or local income, service, sales or other taxes due on the Restaurant's operation, or repeatedly fail to make or delay making payments to your suppliers or lenders, unless you are in good faith contesting your liability for these taxes or payments;

(14) you or any of your Owners fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with any one or more obligations under this Agreement, whether or not any of these failures are corrected after we deliver written notice to you and whether these failures involve the same or different obligations under this Agreement;

(15) you or any of your Owners fails on two (2) or more separate occasions within any six (6) consecutive month period, or on three (3) or more separate occasions within any thirty-six (36) consecutive month period, to comply with the same obligation under this Agreement, whether or not any of these failures are corrected after we deliver written notice to you;

(16) you or any of your Owner's assets, property or interests are blocked under any law, ordinance or regulation relating to terrorist activities or you or any of your Owners violate any law, ordinance or regulation relating to terrorist activities;

(17) you or any Owner makes an assignment for the benefit of creditors or admits in writing your or its insolvency or inability to pay your or its debts generally as they become due; you or any Owner consents to the appointment of a receiver, trustee or liquidator of all or the substantial part of your or its property; the Restaurant or any of the Operating Assets is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee or liquidator of you, any Owner or the Restaurant is not vacated within thirty (30) days following the order's entry;

(18) you fail to pay us (or our affiliates) any amounts due, whether arising under this Agreement or any other agreement, and do not correct the failure within five (5) days after we deliver written notice of that failure to you; or

(19) you fail to comply with any other provision of this Agreement or any mandatory System Standard and do not correct the failure within thirty (30) days after we deliver written notice of the failure to you.

15.C Our Remedies Upon Default. In addition to and without limiting our other rights and remedies under this Agreement, any other agreement and applicable law, upon the occurrence of any of the events that give rise to our right to terminate this Agreement under Section 15.B, we may, at our sole option and upon delivery of written notice to you, elect to take any or all of the following actions without terminating this Agreement:

(1) temporarily or permanently reduce the size of the Protected Zone, in which event the restrictions on us and our affiliates under Section 3.A will not apply in the geographic area that was removed from the Protected Zone;

(2) temporarily remove information concerning the Restaurant from the System Website and/or stop your or the Restaurant's participation in any other programs or benefits offered on or through the System Website;

(3) suspend your right to participate in one or more programs or benefits that the Marketing Fund provides;

(4) refuse to provide any operational support that this Agreement requires or we have elected to provide or suspend any other services that we or our affiliate provides to you under this Agreement or any other agreement;

(5) suspend or terminate any temporary or permanent fee reductions to which we might have agreed (whether as a policy, in an amendment to this Agreement or otherwise);

(6) enter the Restaurant's premises and assume the management of the Restaurant ourselves or appoint a third party (who may be our affiliate) to manage the Restaurant. You agree that we need not post a bond or other security to exercise our rights under this Section 15.C(6). All funds from the operation of the Restaurant while we or our appointee assumes its management will be kept in a separate account, and all of the expenses of the Restaurant will be charged to that account. We or our appointee may charge you (in addition to the amounts due under this Agreement) a management fee equal to three percent (3%) of the Restaurant's Gross Sales during the period of management, plus any direct out-of-pocket costs and expenses, including the salaries and benefits of the personnel managing the Restaurant. We or our appointee has a duty to utilize only reasonable efforts and will not be liable to you for any debts, losses or obligations the Restaurant incurs, or to any of your creditors for any products or services the Restaurant purchases, while managing it. You shall not take any action or fail to take any action that would interfere with our or our appointee's exclusive right to manage the Restaurant. Our (or our appointee's) management of the Restaurant will continue for intervals lasting up to ninety (90) days each (and, in any event, for no more than a total of one (1) year), and we will

during each interval periodically evaluate whether you are capable of resuming the Restaurant's operation and periodically discuss the Restaurant's status with you.

Our exercise of our rights under this Section 15.C will not be a defense for you to our enforcement of any other provision of this Agreement or waive or release you from any of your other obligations under this Agreement. Our exercise of these rights will not constitute an actual or constructive termination of this Agreement nor be our sole or exclusive remedy for your default. You must continue to pay all fees and otherwise comply with all of your obligations under this Agreement (except as set forth in Section 15.C(6)) following our exercise of any of these rights. If we exercise any of our rights under this Section 15.C, we may thereafter terminate this Agreement without providing you any additional corrective or cure period, unless the default giving rise to our right to terminate this Agreement has been cured to our reasonable satisfaction.

16. Rights and Obligations Upon Termination or Expiration.

16.A Payment of Amounts Owed; Liquidated Damages. You agree to pay within fifteen (15) days after this Agreement expires or is terminated, or on any later date that the amounts due are determined, all amounts owed to us or our affiliates under this Agreement or any related agreement which then are unpaid, including without limitation all unpaid Royalties and Marketing Fund contributions and other amounts accrued up to and including the effective date of termination or expiration, and all of our other damages, which include liquidated damages as provided below.

Liquidated Damages. If this Agreement is terminated by us or you as a result of or in connection with the repudiation, anticipatory breach, material default, or other act or omission by you without material breach hereof by us, then you shall pay to us immediately in a lump sum as liquidated damages in lieu of our lost future Royalties and Marketing Contributions (and in addition to any other remedy or right we may have for other categories of damages or other relief) an amount equal to the greater of: (a) twenty-five percent (25%) times the Restaurant's Gross Sales for the last twelve months of full time operation prior to termination of this Agreement (with the Restaurant's Gross Sales prorated to the equivalent of twelve months in the event the Restaurant was not operated for at least twelve months in aggregate prior to termination), or (b) Two Hundred Twenty-Five Thousand Dollars (\$225,000.00). After careful consideration, you and we hereby acknowledge and agree that the precise amount of our actual lost future Royalties and Marketing Contributions in such event would be extremely difficult to ascertain and that the foregoing lump sum represents a reasonable estimate of such actual damages, based in part upon the approximate time and expense it would take us to cause there to be opened another Pieology® Restaurant in the same vicinity, as well as the importance of marketing expenditures in maintaining the value of a consumer brand. Such liquidated damages shall not apply if within one hundred (120) days of termination of this Agreement either we or an authorized franchisee of the System commences operation of another Pieology® Restaurant within the Protected Area, as described within Exhibit A.

[Franchisor's Initials: _____]

[Franchisee's Initials: _____]

[Owners' Initials: _____]

16.B De-Identification. When this Agreement expires or is terminated for any reason:

(1) you must take any actions that are required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any of the Marks and, at our option, to assign to us (or our designee) or cancel any electronic address, domain name or website, or rights maintained in connection with any search engine, that directly or indirectly associates you or the Restaurant with us, the Marks, the Franchise System or the network of Pieology Restaurants;

(2) beginning on the De-identification Date (defined below), you and your Owners shall not directly or indirectly at any time thereafter or in any manner (except in connection with other Pieology Restaurants you or they own and operate): (a) identify yourself or themselves or any business as a current or former Pieology Restaurant or as one of our current or former franchisees or licensees; (b) use any Mark, any colorable imitation of a Mark, any trademark, service mark or commercial symbol that is confusingly similar to any Mark, or other indicia of a Pieology Restaurant in any manner or for any purpose, including in or on any advertising or marketing materials, forms, or any website, Social Media or other electronic media; or (c) use for any purpose any trade dress, trade name, trademark, service mark or other commercial symbol that indicates or suggests a connection or association with us or the network of Pieology Restaurants; and

(3) within three (3) days after the De-identification Date (defined below), you must remove and deliver to us (or, at our option, destroy) all exterior and interior signs, Local Marketing and other advertising, marketing and promotional materials, forms and other documents containing any of the Marks or otherwise identifying or relating to a Pieology Restaurant; and

(4) within fifteen (15) days after the De-identification Date (defined below), you must make such alterations as we reasonably specify to distinguish the Restaurant and its assets clearly from their former appearance as a Pieology Restaurant and from other Pieology Restaurants so as to prevent a likelihood of confusion by the public and otherwise take the steps that we specify to de-identify the Restaurant, including permanently removing all Marks and trade dress from the Restaurant's walls and altering the Restaurant's color scheme, layout and other aspects of the trade dress associated with the Franchise System.

You must provide us documentary evidence (including pictures) of your compliance with this Section 16.B upon our request. If you fail to comply with any of your obligations under this Section 16.B, then, without limiting our other rights and remedies under this Agreement or applicable law, we or our designee may take any action that this Section 16.B requires on your behalf and at your expense, including by entering the Restaurant and adjacent areas, without prior notice or liability, to remove the items and/or make the alterations that this Section 16.B requires. The “**De-identification Date**” is five (5) business days from the date the Agreement expires or is terminated for any reason.

16.C Confidential Information. You agree that, when this Agreement expires or is terminated, you will immediately cease using any Confidential Information in any business or otherwise and return to us all copies of the Operations Manual and any other confidential materials

that we have loaned you. You may not sell, trade or otherwise profit in any way from any Confidential Information at any time following the expiration or termination of this Agreement.

16.D Covenant Not to Compete. Upon termination of this Agreement for any reason or expiration of this Agreement, you agree that, for two (2) years beginning on the effective date of termination or expiration (subject to extension as provided below), neither you nor any of your Owners, nor any member of your or their Immediate Families, nor the Managing Director, will:

(1) have any direct or indirect, controlling or non-controlling interest as an owner – whether of record, beneficial or otherwise – in any Competitive Business which is located or operating (a) at the Site, (b) within a ten (10) mile radius of the Site, or (c) within a ten (10) mile radius of any other Pieology Restaurant in operation or under construction on the effective date of this covenant; provided that this restriction shall not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent less than three percent (3%) of the number of shares of that class of securities issued and outstanding; or

(2) perform services as a director, officer, manager, employee, consultant, representative or agent for a Competitive Business which is located or operating (a) at the Site, (b) within a ten (10) mile radius of the Site, or (c) within a ten (10) mile radius of any other Pieology Restaurant in operation or under construction on the effective date of the covenant.

The time period during which these restrictions apply will be automatically extended, with respect to all persons that this Section 16.D covers, for each day during which any person covered by this Section 16.D is not complying fully with this Section 16.D. These restrictions also apply after transfers and other events, as provided in Section 13. You acknowledge that you and your Owners (and members of your or their Immediate Families), and Managing Director possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Section 16.D will not deprive you or your Owners (and members of your or their Immediate Families), or Managing Director of personal goodwill or the ability to earn a living.

16.E Continuing Obligations. All of our and your (and your Owners’) obligations under this Agreement which expressly or by their nature survive this Agreement’s expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until these obligations are satisfied in full or by their nature expire.

17. Relationship of the Parties/Indemnification.

17.A Independent Contractors. You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us. You have no authority, express or implied, to act as our or our affiliate’s agent for any purpose. You are, and shall remain, an independent contractor responsible for all obligations and liabilities of, and for all loss or damage to, the Restaurant and its business, including any personal property, equipment, fixtures or real property and for all claims or demands based on damage or destruction of property or based on injury, illness or death of any person or persons, directly or indirectly, resulting from the operation of the Restaurant. Further, we and you are not and do not intend to be partners, associates, or joint employers in any way, and we shall not be construed to be jointly liable for any of your acts or

omissions under any circumstances. We have no relationship with your employees and you have no relationship with our employees. You agree to identify yourself conspicuously in all dealings with customers, employees, suppliers, public officials and others as the Restaurant's owner under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, employment materials, advertising and other materials we require from time to time. You also agree to communicate clearly with your employees in employment agreements, manuals, handbooks and other materials that you, and neither we nor our affiliates, are the employer of all Restaurant employees.

17.B No Liability for Acts of Other Party. We and you agree not to make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchisee. We will not be obligated for any damages to any person or property directly or indirectly arising out of the Restaurant's operation or the business you conduct under this Agreement.

17.C Taxes. We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property or other taxes, whether levied upon you or the Restaurant, due to the business you conduct (except any taxes we are required by law to collect from you for purchases from us and our income taxes). You are responsible for paying these taxes.

17.D Indemnification and Defense of Claims.

(1) You agree to indemnify and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, representatives, successors and assignees (the "**Indemnified Parties**") against, and to reimburse any one or more of the Indemnified Parties for, all Losses (defined below) directly or indirectly arising out of or relating to: (a) the Restaurant's operation; (b) the business you conduct under this Agreement; (c) your breach of this Agreement; (d) your noncompliance or alleged noncompliance with any law, ordinance, rule or regulation, including those concerning the Restaurant's construction, design or operation, and including any allegation that we or another Indemnified Party is a joint employer or otherwise responsible for your acts or omissions relating to your employees; or (e) claims alleging either intentional or negligent conduct, acts or omissions by you (or your contractors or any of your or their employees, agents or representatives), or by us or our affiliates (or our or their contractors or any of our or their employees, agents or representatives), subject to Section 17.D(3). "**Losses**" means any and all losses, expenses, obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that an Indemnified Party incurs in connection with same, including accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

(2) You agree to defend the Indemnified Parties against any and all claims asserted or inquiries made (formally or informally), or legal actions, investigations, or other proceedings brought, by a third party and directly or indirectly arising out of or relating to any matter described in Subsection 17.D(1)(a) through (e) above (collectively, "**Proceedings**"), including those alleging the Indemnified Party's negligence, gross

negligence, willful misconduct and/or willful wrongful omissions. Each Indemnified Party may at your expense defend and otherwise respond to and address any claim asserted or inquiry made, or Proceeding brought, that is subject to this Section 17.D (instead of having you defend it as required above), and agree to settlements or take any other remedial, corrective, or other actions, for all of which defense and response costs and other Losses you are solely responsible, subject to Section 17.D(3). An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against you, and you agree that a failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section 17.D. Your obligations in this Section 17.D will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

(3) Despite Section 17.D(1), you have no obligation to indemnify or hold harmless an Indemnified Party for, and we will reimburse you for, any Losses (including costs of defending any Proceeding under Section 17.D(2)) to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's willful misconduct or gross negligence, so long as the claim to which those Losses relate is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or joint employer) or our failure to compel you to comply with this Agreement. However, nothing in this Section 17.D(3) limits your obligation to defend us and the other Indemnified Parties under Section 17.D(2).

18. Enforcement.

18.A Severability and Substitution of Valid Provisions. Except as expressly provided to the contrary in this Agreement (including in Section 18.F), each Section, Subsection, paragraph, term and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or arbitrator with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties. If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity. If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of termination or of our refusal to enter into a successor franchise agreement, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

18.B Waiver of Obligations and Force Majeure. We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. But, no interpretation, change or waiver of any of this Agreement's provisions shall be binding upon us unless in writing and signed by one of our officers, and which is specifically identified as an amendment to or waiver of this Agreement. No modification, waiver, termination, rescission, discharge or cancellation of this Agreement shall affect the right of any party hereto to enforce any claim or right hereunder, whether or not liquidated, which occurred prior to the date of such modification, waiver, termination, rescission, discharge or cancellation. Any waiver we grant will be without prejudice to any other rights we have, will be subject to our continuing review, and may be revoked at any time and for any reason, effective upon delivery to you of ten (10) days' prior written notice.

We and you will not be deemed to waive or impair any right, power or option this Agreement reserves (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 the Term expires) because of any custom or practice at variance with its terms; our or your failure, refusal or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including any System Standard; our waiver of or failure to exercise any right, power or option, whether of the same, similar or different nature, with other Pieology Restaurants; the existence of franchise agreements for other Pieology Restaurants which contain provisions different from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement or accord and satisfaction. We are authorized to remove any legend or endorsement, and they shall have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if our or your failure to perform obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government which do not arise from a violation or alleged violation of any law, rule, regulation or ordinance; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payment of amounts owed at the time of the occurrence or payment of Royalties, Marketing Fund contributions, and other amounts due afterward.

18.C Costs and Attorneys' Fees. If we incur expenses due to your failure to pay when due amounts owed to us or otherwise to comply with this Agreement, you agree, whether or not we initiate a legal proceeding (and, in the event either we or you do initiate a legal proceeding, if we prevail in such proceeding), to reimburse us for any costs and expenses which we incur, including reasonable accounting, attorneys', arbitrators' and related fees.

18.D Applying and Withholding Payments. Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us (or our affiliates). We may set-off any amounts you or your Owners owe us or our affiliates against any amounts we or our affiliates might owe you or your Owners, whether in connection with this Agreement or otherwise. You agree that you will not withhold payment of any amounts owed to us or our affiliates on the

grounds of our or their alleged nonperformance of any of our or their obligations under this Agreement or any other agreement.

18.E Rights of Parties are Cumulative. Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy under this Agreement which we or you are entitled by law to enforce.

18.F Arbitration. All controversies, disputes or claims between us (and our affiliates and our and their respective owners, officers, directors, managers, agents and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, directors, managers, agents and employees, as applicable) arising out of or related to:

- (1) this Agreement or any other agreement between you and us or any provision of any of such agreements (including this Section 18.F);
- (2) our relationship with you;
- (3) the arbitrability of any controversies, disputes or claims;
- (4) the scope and validity of this Agreement or any other agreement between you and us or any provision of any of such agreements (including the scope and validity of the arbitration obligations under this Section 18.F, which you and we acknowledge is to be determined by an arbitrator and not a court); or
- (5) any System Standard

will be submitted for arbitration to JAMS (formerly Judicial Arbitration and Mediation Service). Except as otherwise provided in this Agreement, such arbitration proceedings shall be heard by one (1) arbitrator in accordance with the then existing JAMS Comprehensive Arbitration Rules and Procedures (with the Expedited Arbitration Procedures to limit discovery burdens). Arbitration proceedings shall be held at a suitable location to be chosen by the arbitrator which is within twenty-five (25) miles of our principal business address at the time that the arbitration action is filed. The arbitrator has no authority to establish a different hearing locale. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) will be governed by it and not by any state arbitration law.

The arbitrator shall have the right to award or include in his or her award any relief which he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs, provided that: (1) the arbitrator shall not have authority to declare any Mark generic or otherwise invalid; and (2) except for punitive, exemplary and other forms of multiple damages available to any party under federal law or owed to third parties which are subject to indemnification under Section 17.D, we and you waive to the fullest extent permitted by law any right to or claim for any punitive, exemplary or other forms of multiple damages against the other and agree that, in the event of a dispute between us and you, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains. The award and decision of the arbitrator shall be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction.

We and you agree to be bound by the provisions of any limitation on the period of time by which claims must be brought under this Agreement or applicable law, whichever expires first. We and you further agree that, in connection with any such arbitration proceeding, each shall submit or file any claim which would constitute a compulsory counterclaim (as defined by the then current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding shall be barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Section 18.C.

We and you agree that arbitration shall be conducted on an individual, not a collective or class-wide, basis, that only we (and our affiliates and our and their respective owners, officers, directors, managers, agents and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, directors, managers, agents and employees, as applicable) may be the parties to any arbitration proceeding described in this Section 18.F, and that no such arbitration proceeding shall be consolidated with any other arbitration proceeding involving us and/or any other person or Entity. Notwithstanding the foregoing or anything to the contrary in this Section 18.F or Section 18.A, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 18.F, then we and you agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 18 (excluding this Section 18.F).

The provisions of this Section 18.F are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Notwithstanding anything to the contrary contained in this Section 18.F, we and you have the right to obtain temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction. In that case, we and you must contemporaneously submit the dispute for arbitration on the merits according to this Section 18.F.

18.G Governing Law. Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, all controversies, disputes or claims arising from or relating to this Agreement or any other agreement between you (or your Owners) and us, our relationship with you, the validity of this Agreement or any other agreement between you (or your Owners) and us, or any System Standard will be governed by the laws of the State of Delaware, without regard to its conflict of laws rules, except that the notice and cure period for a noticed default under this Agreement shall be governed by the law of the state (or federal district or territory, as applicable) within which the Restaurant is or is to be located, and except that any law regulating the offer or sale of franchises, business opportunities or similar interests or governing the relationship between us and you will not apply unless its jurisdictional requirements are met independently without reference to this Section 18.G.

18.H Consent to Jurisdiction. Subject to the arbitration obligations in Section 18.F, you and your Owners agree that all judicial actions brought by us against you or your Owners, or by

you or your Owners against us, our affiliates or our or their respective owners, officers, directors, agents or employees, must be brought exclusively in the federal court district court where we maintain our principal business address at the time that the action is brought, or if the federal court lacks jurisdiction in the state court located where we maintain our principal business address at the time that the action is brought. You and each of your Owners irrevocably submit to the jurisdiction of such courts and waive any objection that any of them may have to either jurisdiction or venue. Notwithstanding the foregoing, we may bring an action for a temporary restraining order or for temporary or preliminary injunctive relief, or to enforce an arbitration award, in any federal or state court in the state in which you or any of your Owners resides or the Restaurant is located.

18.I Waiver of Punitive Damages and Jury Trial. EXCEPT FOR PUNITIVE, EXEMPLARY AND OTHER FORMS OF MULTIPLE DAMAGES AVAILABLE TO ANY PARTY UNDER FEDERAL LAW OR OWED TO THIRD PARTIES WHICH ARE SUBJECT TO INDEMNIFICATION UNDER SECTION 17.D, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY OR OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

WE AND YOU (AND YOUR OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER US OR YOU (OR YOUR OWNERS).

18.J Binding Effect. This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns and successors in interest. Subject to our rights to modify the Operations Manual, System Standards and Franchise System, our right to modify Exhibit A to reflect the Site's address and Protected Zone, and the waiver of either parties' rights as set out in Section 18.B, this Agreement may not be modified except by a written agreement signed by both you and us.

18.K Limitations of Claims. Except for claims arising from your non-payment or underpayment of amounts you owe us, any and all claims arising out of or relating to this Agreement or our relationship with you will be barred unless an arbitration or judicial proceeding is commenced in the proper forum within eighteen months (18) months from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claim.

18.L Construction. The preambles and exhibits are a part of this Agreement which, together with any riders or addenda signed at the same time as this Agreement, constitutes our and your entire agreement and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to the subject matter of this Agreement. There are no other oral or written representations, warranties, understandings or agreements between us and you relating to the subject matter of this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require you to waive reliance on any representation that we made in the most recent disclosure document (including its exhibits and amendments) that we delivered to you or your representative. Any policies that we adopt and implement from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement and are not binding on us. Except as provided in Sections 17.D and 18.F, nothing in this Agreement is intended

nor deemed to confer any rights or remedies upon any person or Entity not a party to this Agreement.

References in this Agreement to “we” “us” and “our,” with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal in connection with the Restaurant. The term “**affiliate**” means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling the party indicated. “**Control**” means the power to direct or cause the direction of management and policies.

If two or more persons are at any time the owners of the rights under this Agreement and the Restaurant, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. “**Person**” (whether or not capitalized) means any individual, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative or other legal or functional Entity. The term “**Restaurant**” includes all of the assets of the Pieology Restaurant you operate under this Agreement, including its revenue and income.

The headings of the Sections, Subsections and paragraphs are for convenience only and do not define, limit or construe their contents. 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 shall be interpreted to mean “including, but not limited to” and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter. This Agreement may be executed in multiple copies, each of which will be deemed an original.

18.M The Exercise of Our Judgment. We have the right to operate, develop and change the Franchise System and System Standards in any manner that is not specifically prohibited by this Agreement. Whenever we have reserved in this Agreement a right 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 sole judgment of what is in the best interests of us or our affiliates, the Pieology Restaurant network generally, or the Franchise System at the time our decision is made, without regard to whether we could have made other reasonable or even arguably preferable alternative decisions or whether our decision promotes our or our affiliates’ financial or other individual interest. Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed, initiated or completed actions that require our approval.

19. Notices and Payments.

All written notices, reports and payments permitted or required to be delivered by the provisions of this Agreement or the Operations Manual will be deemed so delivered:

- (1) at the time delivered via computer transmission if the sender has confirmation of a successful transmission and, in the case of Royalties, Marketing Fund contributions, and other amounts due, at the time we actually receive payment from your account;

(2) one (1) business day after transmission by telecopy, facsimile or other electronic system if the sender has confirmation of successful transmission;

(3) one (1) business day after being placed in the hands of a commercial courier service for next business day delivery; or

(4) three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid;

and must be addressed to the party to be notified at its most current principal business address of which the notifying party has notice and/or, with respect to any approvals or notices that we provide to you or your Owners, at the Restaurant's address. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before then) will be deemed delinquent.

20. Representations, Warranties and Acknowledgments.

To induce us to sign this Agreement and grant you the rights under this Agreement, you (on behalf of yourself and your Owners) represent, warrant and acknowledge to us that:

(a) none of your (or your Owners') property or interests is subject to being blocked under, and you and your Owners otherwise are not in violation of, Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, or any other federal, state, or local law, ordinance, regulation, policy, list or other requirement of any governmental authority addressing or in any way relating to terrorist acts or acts of war.

(b) you have independently investigated the Pieology Restaurant franchise opportunity and recognize that, like any other business, the nature of a Pieology Restaurant business may, and probably will, evolve and change over time.

(c) an investment in a Pieology Restaurant involves business risks and your business abilities and efforts are vital to your success.

(d) obtaining and retaining customers for your Restaurant will require you (among other things) to make consistent marketing and promotional efforts, and to maintain a high level of customer service and strict adherence to the Franchise System and our System Standards, and that you are committed to doing so.

(e) except as set forth in our Franchise Disclosure Document, you have not received or relied upon, and we expressly disclaim making, any representation, warranty or guaranty, express or implied, as to the revenues, profits or success of your Restaurant or any other Pieology Restaurant.

(f) any information you have acquired from other Pieology Restaurant franchisees regarding their sales, profits or cash flows is not information obtained from us, and we make no representation about that information's accuracy.

(g) you have no knowledge of any representations made about the Pieology Restaurant franchise opportunity by us, our affiliates or any of our or their officers, directors, owners or agents that are contrary to the statements made in our Franchise Disclosure Document or to the terms and conditions of this Agreement.

(h) in all of their dealings with you, our owners, officers, employees and agents act only in a representative, and not in an individual, capacity and that business dealings between you and them as a result of this Agreement are only between you and us.

(i) all statements you have made and all materials you have given us in acquiring the rights under this Agreement are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the rights under this Agreement.

(j) you have read this Agreement and our Franchise Disclosure Document and understand and accept that the terms and covenants in this Agreement are reasonable and necessary for us to maintain our high standards of quality and service, as well as the uniformity of those standards at each Pieology Restaurant, and to protect and preserve the goodwill of the Marks.

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IN WITNESS WHEREOF, the parties have executed and delivered this Agreement effective on the date stated on the first page above.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC, a
Delaware limited liability company

By:

Shawn Thompson

Chief Executive Officer

Date: _____, 20__

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____, 20__

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 20__

EXHIBIT A
to the
PIEOLOGY RESTAURANT FRANCHISE AGREEMENT

BASIC TERMS

Date: _____, 20__

1. The Site is _____.
2. The Protected Zone is a _____ radius around the Site.

- a.) This Agreement is for your or your affiliates' first Pieology Restaurant in the Restaurant's market area. The training fee is \$15,000, and is due to us on the Agreement Date. _____
(Initial if applicable)
- b.) This Agreement is for your or your affiliates' second Pieology Restaurant in the Restaurant's market area. The training fee is \$7,500, and is due to us on the Agreement Date, subject to Sections 4.B and 4.D. _____
(Initial if applicable)
- c.) This Agreement is for your or your affiliates' third or additional Pieology Restaurant in the Restaurant's market area. The training fee is \$5,000, and is due to us on the Agreement Date, subject to Sections 4.B and 4.D. _____
(Initial if applicable)
- d.) This Agreement is for a Pieology Restaurant for which you or your affiliates are a designated Certified Training Franchisee, and whose personnel will be trained at your or your affiliates' Certified Training Restaurant, subject to Sections 4.B and 4.D. _____
(Initial if applicable)

EXHIBIT B
to the
PIEOLOGY FRANCHISE AGREEMENT

OWNERS, MANAGING OWNER, MANAGING DIRECTOR & DESIGNATED
SUCCESSOR OPERATOR
Effective Date

Effective Date: This Exhibit B is current and complete as of _____, 20__.

You and Your Owners

1. **Form of Owner.** (Choose (a) or (b))

(a) **Individual Proprietorship.** List individual(s):

(b) **Entity.**

Corporation

Limited Liability Company _____

Partnership _____

_____ was incorporated or formed on _____, under the laws of the State of _____. _____ has not conducted business under any name other than the corporate, limited liability company, or partnership name above and _____. The following is a list of your directors, if applicable, and officers as of the effective date shown above:

Name of Each Director/Officer

Position(s) Held

2. **Owners.** The following list includes the full name of each person or Entity who is one of your Owners (as defined in the Franchise Agreement) and fully describes the nature of each Owner's interest (attach additional pages if necessary).

	<u>Owner's Name</u>	<u>Percentage/Description of Interest</u>
(a)	_____	_____
(b)	_____	_____
(c)	_____	_____
(d)	_____	_____

3. **Identification of Managing Owner.** As of the Effective Date, your Managing Owner is _____. You may not change the Managing Owner without complying with the Franchise Agreement.

4. **Identification of Managing Director.** As of the Effective Date, your Managing Director is _____. You may not change the Managing Director without complying with the Franchise Agreement.

5. **Identification of Designated Successor Operator.** As of the Effective Date, your Designated Successor Operator is _____. You may not change the Designated Successor Operator without complying with the Franchise Agreement.

[The next page is the signature page.]

FRANCHISOR

PIEOLOGY FRANCHISE, LLC, a
Delaware limited liability company

By: _____
Shawn Thompson
Chief Executive Officer

Date: _____, 20__

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____, 20__

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 20__

EXHIBIT C
to the
PIEOLOGY FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____ day of _____, 20__, by _____.

In consideration of, and as an inducement to, the execution of the Franchise Agreement (the “**Agreement**”) on this date by **PIEOLOGY FRANCHISE, LLC** (“**we,**” “**us,**” or “**our**”), the undersigned personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that _____ (“**Franchisee**”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement); and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the arbitration, non-competition, confidentiality, and transfer requirements.

The undersigned acknowledges that he, she or it is either an owner (whether direct or indirect) of Franchisee or otherwise has a direct or indirect relationship with Franchisee or its affiliates; that he, she or it will benefit significantly from our entering into the Agreement with Franchisee; and that we would not enter into the Agreement unless the undersigned agreed to sign and comply with the terms of this Guaranty.

Each of the undersigned consents and agrees that: (1) his, her or its direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he, she, or it will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person or entity; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we may from time to time grant to Franchisee or to any other person or entity, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Franchisee or any of its owners or guarantors, and for so long as we have any cause of action against Franchisee or any of its owners or guarantors; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any direct or indirect interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation that any of the undersigned may have against Franchisee arising as a result of the undersigned’s execution of and performance under this Guaranty, for the express purpose that none

of the undersigned shall be deemed a “creditor” of Franchisee under any applicable bankruptcy law with respect to Franchisee’s obligations to us; (ii) all rights to require us to proceed against Franchisee for any payment required under the Agreement, proceed against or exhaust any security from Franchisee, take any action to assist any of the undersigned in seeking reimbursement or subrogation in connection with this Guaranty or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee; (iii) any benefit of, or any right to participate in, any security now or hereafter held by us; and (iv) acceptance and notice of acceptance by us of his, her or its undertakings under this Guaranty, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. We shall have no present or future duty or obligation to the undersigned under this Guaranty, and each of the undersigned waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Franchisee, any other guarantor, or any collateral securing any obligations of Franchisee to us. Without affecting the obligations of the undersigned under this Guaranty, we may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Agreement or any indebtedness or obligation of Franchisee, or settle, adjust, release, or compromise any claims against Franchisee or any other guarantor, make advances for the purpose of performing any obligations of Franchisee under the Agreement, and/or assign the Agreement or the right to receive any sum payable under the Agreement, and each of the undersigned hereby waives notice of same. Each of the undersigned expressly acknowledges that the obligations hereunder survive the expiration or termination of the Agreement.

In addition, each of the undersigned waives any defense arising by reason of any of the following: (a) any disability, counterclaim, right of set-off or other defense of Franchisee, (b) any lack of authority of Franchisee with respect to the Agreement, (c) the cessation from any cause whatsoever of the liability of Franchisee, (d) any circumstance whereby the Agreement shall be void or voidable as against Franchisee or any of Franchisee’s creditors, including a trustee in bankruptcy of Franchisee, by reason of any fact or circumstance, (e) any event or circumstance that might otherwise constitute a legal or equitable discharge of the undersigned’s obligations hereunder, except that the undersigned do not waive any defense arising from the due performance by Franchisee of the terms and conditions of the Agreement, (f) any right or claim of right to cause a marshaling of the assets of Franchisee or any other guarantor, and (g) any act or omission of Franchisee.

If we are required to enforce this Guaranty in a judicial proceeding, and prevail in such proceeding, we shall be entitled to reimbursement of our costs and expenses, including, but not limited to, reasonable accountants’, attorneys’, attorneys’ assistants’, and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse us for any of the above-listed costs and expenses we incur.

Subject to the arbitration obligations and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the

relationship between us and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where we maintain our principal business address at the time that the action is brought. Each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he, she or it might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that we may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he, she or it is domiciled or has assets. EACH OF THE UNDERSIGNED IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, ARISING UNDER OR RELATING TO THIS GUARANTY OR ITS ENFORCEMENT.

[The next page is the signature page.]

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR

Signature

Print Name

Signature

Print Name

Signature

Print Name

Exhibit C

Electronic Funds Transfer Agreement

EXHIBIT C

ELECTRONIC FUNDS TRANSFER AGREEMENT

Electronic Funds Transfer Authorization for Preauthorized Payments

The undersigned Franchisee authorizes Pieology Franchise, LLC (“Franchisor”) to debit fees due and payable under the Franchise Agreement(s), including but not limited to Royalty payments, Marketing Fund contributions, technology fees, conference registration fees, ingredient and supplies purchases, interest, late fees and/or payment rejection fees from the bank account listed below.

BANK ACCOUNT INFORMATION	
Bank Name: _____	Account Type: <input type="checkbox"/> Business <input type="checkbox"/> Personal
Branch Address: _____	Account Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings
Bank City: _____	FEIN #: _____
Bank State or Province: _____	
Account Number: _____	Bank Routing #: _____
Please include a void check from this account when submitting this form.	

Franchisee authorizes Franchisor to debit Royalty payments, Marketing Fund contributions and other amounts in the amounts and as provided in the Franchise Agreement(s). Franchisee will incur a per occurrence fee of One Hundred Dollars (\$100.00) if any payment is rejected by the above referenced Electronic Depository Transfer Account (“EDTA”). If the amounts that we debit from your EDTA are less than the amounts you actually owe us, we will debit your EDTA for the balance on the day we specify. If the amounts that we debit from your EDTA are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your EDTA during the following week.

This Authorization is irrevocable and shall remain in effect for so long as the Franchise Agreement(s) remains in effect. Franchisee shall notify Franchisor in writing of any changes to bank account information at least thirty (30) days in advance of the date the first debit is scheduled to be initiated from the new bank. The new bank account will be subject to this Authorization as if it had been in effect at the time this Agreement was signed.

Franchisee Name

By: _____

Name: _____

Title: _____

DATE: _____

Exhibit D
Lease Rider

EXHIBIT D

LEASE RIDER

THIS LEASE RIDER is made and entered into _____, 20__ by and among _____ whose principal place of business is _____ (“**Landlord**”), _____ whose principal place of business is _____ (“**Tenant**”), and Pieology Franchise, LLC, a Delaware limited liability company whose principal place of business is 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**Franchisor**”).

RECITALS

A. This Lease Rider supplements and forms part of the attached Lease Agreement between Landlord and Tenant dated _____ (“**Lease**”) for the premises situated at _____ (“**Premises**”). If there is a conflict between the terms of the Lease and the terms of this Lease Rider, the terms of this Lease Rider shall control.

B. This Lease Rider is entered into in connection with Franchisor’s approval of the location of the Premises as a Pieology® Pizzeria and the grant of a franchise to Tenant pursuant to a Franchise Agreement dated _____, 20__ (the “**Franchise Agreement**”).

C. This Lease Rider is intended to provide Franchisor certain rights relating to the Lease and the Premises, as set out and subject to the terms contained herein.

The parties hereby agree:

1. UPON DEFAULT OF TENANT UNDER THE LEASE

1.1 Landlord agrees to send to Franchisor copies of any notice of default that is given to Tenant concurrently with the giving of such notice to Tenant. If Tenant fails to cure such default within the period specified within the notice or if there is no cure period for such default, Landlord shall promptly give to Franchisor further written notice specifying the default that Tenant has failed to cure. If Franchisor elects to exercise its right to assume Tenant’s rights and obligations under the Lease, Franchisor shall have fifteen (15) business days following receipt of the second written notice to provide written notice of its exercise of its right to assume Tenant’s rights and obligations under the Lease (“**Franchisor’s Assumption Notice**”).

1.2 Upon Landlord’s receipt of Franchisor’s Assumption Notice, Tenant shall surrender possession of the Premises and Landlord shall deliver possession of the Premises to Franchisor, whereupon Franchisor shall promptly cure the noticed defaults and begin paying rent. Upon Landlord’s delivery of possession of the Premises to Franchisor, the Lease shall be deemed assigned by Tenant to Franchisor and Tenant’s obligations thereunder assumed by Franchisor, and the provisions of Section 4.1 below shall apply.

2. UPON TERMINATION OF THE FRANCHISE AGREEMENT

2.1 If the Franchise Agreement is terminated for any reason during the term of the Lease or any extension or renewal of the Lease, and if Franchisor shall desire to assume the Lease,

Franchisor shall promptly give Landlord written notice to this effect (“Franchisor’s FA Notice”). Within fifteen (15) business days after receipt of such notice, Landlord shall sign and give Franchisor an estoppel certificate, in form reasonably acceptable to Franchisor, (i) stating that the Lease is then in full force and effect and has not been modified (or if the Lease is not in full force and effect, stating the reasons therefor, or if the Lease is modified, setting forth all modifications); (ii) stating whether Landlord or Tenant is in default under the Lease, and, if either party is in default, setting forth the specific nature of all such defaults; (iii) stating whether Landlord or Tenant has any existing defenses, offsets, claims, or counterclaims which the undersigned has against the enforcement of the Lease; and (iv) disclosing any material facts reasonably related to the Lease and not otherwise readily apparent to Franchisor.

2.2 Within fifteen (15) business days after Franchisor’s receipt of Landlord’s estoppel certificate, (or if Landlord fails to provide Landlord’s estoppel certificate then twenty (20) business days after Franchisor’s sending Franchisor’s FA Notice) Franchisor may provide written notice of its exercise of its right to assume Tenant’s rights and obligations under the Lease to Landlord. Upon Landlord’s receipt of such notice, Tenant shall surrender possession of the Premises and Landlord shall deliver possession of the Premises to Franchisor, whereupon Franchisor shall promptly cure the noticed defaults and begin paying rent. Upon Landlord’s delivery of possession of the Premises to Franchisor, the Lease shall be deemed assigned by Tenant to Franchisor and Tenant’s obligations thereunder assumed by Franchisor, and the provisions of Section 4.1 below shall apply.

3. UPON NONRENEWAL OF THE LEASE TERM

If the Lease contains term renewal or extension right(s) and if Tenant does not exercise such renewal or extension right within the applicable notice period, Landlord shall give Franchisor written notice to this effect and Franchisor shall have the option for thirty (30) days following receipt of such notice to exercise Tenant’s renewal or extension right(s) on the same terms and conditions contained in the Lease. If Franchisor elects to exercise such right(s) it shall notify Landlord in writing whereupon Landlord and Franchisor shall promptly execute an agreement whereby Franchisor assumes the Lease effective upon the date of expiration of the term of the Lease (or, if Tenant fails to surrender possession of the Premises by such date, then the date that Landlord delivers possession of the Premises to Franchisor).

4. ADDITIONAL PROVISIONS

4.1 Tenant agrees that termination of the Franchise Agreement shall be a default under the Lease. In the event Franchisor elects to assume the Lease pursuant to this Lease Rider, Tenant shall within ten (10) days after written demand by Franchisor, execute a written assignment and assumption agreement evidencing Tenant’s assignment of all of its right, title and interest in and to the Lease to Franchisor. If Tenant fails to do so within the said ten (10) days, Tenant hereby designates Franchisor as its agent to execute any and all documents, agreements and to take all action as may be necessary or desirable to effect the assignment of the Lease and the relinquishment of any and all of Tenant’s rights thereunder. Landlord hereby consents to such assignment subject to Franchisor’s executing a written assignment and assumption agreement and curing all of Tenant’s defaults under the Lease. Tenant further agrees to promptly and peaceably vacate the Premises and to remove its personal property at the written request of Franchisor. Any

property not so removed by Tenant within ten (10) days following receipt of such written request shall be deemed abandoned by Tenant and immediately and permanently relinquished to Franchisor. Franchisor may elect not to be bound by the terms of any amendment to the Lease executed by Tenant without obtaining Franchisor's prior written approval to such amendment, which approval shall not be unreasonably withheld or delayed

4.2 Tenant shall be and remain liable to Landlord for all of its obligations under the Lease, notwithstanding any assignment of the Lease to Franchisor. Franchisor shall be entitled to recover from Tenant all amounts it pays to Landlord to cure Tenant's defaults under the Lease including interest thereon and Franchisor's reasonable collection costs.

4.3 After Franchisor assumes Tenant's interest under the Lease, Franchisor may, at any time, assign or sublet all or a part of its interest under the Lease but only with the prior written consent of Landlord and the usual provisions of the Lease concerning consent shall apply except that the following shall be considered permitted transfers and shall not require the Landlord's consent: (i) any transfer by Franchisor to an entity that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with Franchisor or (ii) any transfer by Franchisor to a Pieology franchisee meeting Franchisor's standard franchisee requirements. Upon receipt by Landlord of an assignment agreement pursuant to which such assignee agrees to assume the Lease and to observe the terms, conditions and agreements on the part of the tenant to be performed under the Lease, Franchisor and all affiliates shall thereupon be released from all liability under the Lease from and after the date of assignment, without any need of a written acknowledgment of such release by Landlord.

4.4 If the Lease or Franchise Agreement is terminated and Franchisor has not assumed the Lease pursuant to this Lease Rider, Tenant agrees, upon written demand by Franchisor to deidentify the Premises as a Pieology® Pizzeria and to promptly remove signs, decor and other items which Franchisor reasonably requests be removed as being distinctive and indicative of a Pieology® Pizzeria. Franchisor may enter upon the Premises without being guilty or liable of trespass or tort to effect deidentification if Tenant fails to do so within ten (10) days after receipt of written demand from Franchisor, following termination of the Franchise Agreement or Lease. Tenant shall pay Franchisor for its reasonable costs and expenses in effecting the deidentification. Tenant agrees and accepts that its obligations to Landlord in respect to the provisions of the Lease concerning the removal of signage and additions and alterations at the termination of the Lease remain in full force and effect notwithstanding the right made available to Franchisor pursuant to this Section.

4.5 In addition to Landlord's notice obligations in Section 1.1 above, if Tenant fails to pay rent or any other charges payable by Tenant to Landlord pursuant to the Lease within thirty (30) days of the date such payment is due, Landlord shall send Franchisor written notice describing the amount and nature of such payment owed by Tenant. All notices pursuant to this Lease Rider shall be in writing and shall be personally delivered, sent by registered mail or reputable overnight delivery service or by other means which afford the sender evidence of delivery or rejected delivery to the addresses described above or to such other address as any party to this Lease Rider may, by written notice, instruct that notices be given. **Landlord shall add this address for notices to the notice section of the Lease.**

Franchisor's Notice Address:
Pieology
Attn: Legal Department
18101 Von Karman
Suite #1100
Irvine, CA 92612

4.6 By executing this Lease Rider to the Lease, Franchisor does not assume any liability with respect to the Premises or any obligation as tenant under the Lease unless and until Franchisor expressly assumes such liability and/or obligation as described above.

EXECUTED by the parties as follows:

LANDLORD:

a _____

By: _____

Title: _____

Date: _____

TENANT:

a _____

By: _____

Title: _____

Date: _____

FRANCHISOR:

Pieology Franchise, LLC,
a Delaware limited liability
company

By: _____

Title: _____

Date: _____

Exhibit E
Development Rights Agreement

DEVELOPMENT RIGHTS AGREEMENT

DEVELOPMENT RIGHTS AGREEMENT

TABLE OF CONTENTS

	Page
1. <u>Background</u>	1
2. <u>Grant of Development Rights</u>	1
3. <u>No Pieology Restaurants in Development Territory</u>	1
4. <u>Development Obligations and Franchise Agreements</u>	2
5. <u>No Subfranchising or Rights to Marks</u>	3
6. <u>Development Fee</u>	4
7. <u>Grant of Franchises and Site Acceptance</u>	4
8. <u>Certified Training Franchisee</u>	5
9. <u>Developer Principal</u>	6
10. <u>Term and Termination</u>	6
11. <u>Other Remedies Upon Default</u>	7
12. <u>Transfer</u>	7
13. <u>Confidential Information, Customer Information and Innovations</u>	8
14. <u>Exclusive Relationship</u>	10
15. <u>Relationship of the Parties/Indemnification</u>	11
16. <u>Enforcement</u>	13
17. <u>Notices and Payments</u>	19

DEVELOPMENT RIGHTS AGREEMENT

This Development Rights Agreement (the “**Agreement**”) is made on _____, 20__ (the “**Effective Date**”) between **PIEOLOGY FRANCHISE, LLC**, a Delaware limited liability company located at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**,” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. Background.

We and our affiliates have developed a method of developing and operating fast casual restaurants that sell custom made pizzas and other food products which are prepared according to our specified recipes and procedures and use high quality ingredients, including our specially formulated and produced proprietary ingredients, and which are primarily identified by the Marks (defined below) and use the Franchise System (as defined in the Current Franchise Agreement (defined below) (collectively, “**Pieology Restaurants**”). We and our affiliates have developed and we use, promote and sublicense certain trademarks, service marks and other commercial symbols in operating Pieology Restaurants, including “Pieology®,” and we may periodically create, use and license or sublicense other trademarks, service marks and commercial symbols for use in operating Pieology Restaurants, all of which we may modify from time to time (collectively, the “**Marks**”).

We and you are signing this Agreement because you want the right to develop multiple Pieology Restaurants within a certain geographic area over a certain period of time, and we are willing to grant you those development rights based on all of your representations, warranties and acknowledgements contained in the Current Franchise Agreement and in this Agreement. Prior to or simultaneously with signing this Agreement, we and you or your Affiliated Entity (defined below) are signing a franchise agreement dated _____ under which you will operate a Pieology Restaurant located at _____ (the “**Current Franchise Agreement**”). All capitalized terms used but not defined in this Agreement shall have the meanings in the Current Franchise Agreement.

2. Grant of Development Rights.

Subject to your strict compliance with this Agreement, we grant you and/or any of your approved Affiliated Entities (defined below) the right to sign Franchise Agreement(s) (defined in Section 4) to develop and operate _____ (____) new Pieology Restaurants, which number includes the Pieology Restaurant that the Current Franchise Agreement covers, according to the development schedule (the “**Schedule**”) and within the geographic territory (the “**Development Territory**”), both of which are listed on Exhibit A. “**Affiliated Entity**” means any corporation, limited liability company or other Entity of which you or one or more of your owners owns more than fifty percent (50%) of the total authorized Ownership Interests, as long as you or such owner(s) have the right to control the Entity’s management and policies.

3. No Pieology Restaurants in Development Territory.

If you are complying with this Agreement, and you and your Affiliated Entities are fully

complying with all of your and their obligations under the Current Franchise Agreement and all other franchise agreements then in effect between us and you (and your Affiliated Entities), neither we nor our affiliates will operate, or authorize any other party to operate, a Pieology Restaurant the physical premises of which are located within the Development Territory during this Agreement's term, except for (a) Pieology Restaurants that already exist, are under construction, or are under contract for future construction in the Development Territory and (b) Pieology Restaurants at Non Traditional Locations. "**Non Traditional Locations**" means (i) any location within another primary business, corporate campus complexes, institutional venues, and any location to which the general public does not have unlimited access; (ii) mobile outlets, temporary or seasonal food service facilities; and/or (iii) commercial kitchen facilities that provide order and delivery-only services, which may include the associated online or mobile ordering and delivery services to and from locations in or outside of the Development Territory. Examples of Non Traditional Locations include mobile outlets (such as food trucks), "ghost" kitchens, grocery stores, concert venues, casinos, convention centers, airports, resorts, amusement parks, sports stadiums, fairs, expositions, college and university buildings, military bases, hospitals and medical centers, and other venues operated by a master concessionaire or contract food service provider. Except as described above, this Agreement does not impose any restrictions on our (and our affiliates') activities within the Development Territory during this Agreement's term, and we and our affiliates have the right to engage, and grant to others the right to engage, in any other activities of any nature whatsoever, whether within or outside the Development Territory, including those which we reserve in the Current Franchise Agreement. After this Agreement expires or is terminated (regardless of the reason for termination), we and our affiliates have the right to operate, and authorize others to operate, Pieology Restaurants the physical premises of which are located within the Development Territory and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Development Territory without any restrictions whatsoever, subject only to your (and/or your Affiliated Entity's) rights under existing Franchise Agreements with us.

4. Development Obligations and Franchise Agreements.

To maintain your rights under this Agreement, you (and/or your Affiliated Entities) must sign Franchise Agreements for, and have open and operating within the Development Territory, the agreed-upon number of Pieology Restaurants by the dates specified in the Schedule. You (or your Affiliated Entity) will operate each Pieology Restaurant under the form of franchise agreement and any ancillary documents that we then customarily use in granting Pieology Restaurant franchises, any or all of the terms of which may differ substantially from the Current Franchise Agreement (collectively, the "**Franchise Agreement**"), except that, for each Franchise Agreement:

1. you or your Affiliated Entity shall be required to open and begin operating each Pieology Restaurant on or before the dates listed in the Schedule;
2. the initial franchise fee for each Pieology Restaurant will be Twenty-Five Thousand Dollars (\$25,000), and we will apply Ten Thousand Dollars (\$10,000) of the Development Fee (defined in Section 6) towards each initial franchise fee, with the

remaining Fifteen Thousand Dollars (\$15,000) due upon signing each Franchise Agreement;

3. the royalty fee for each Pieology Restaurant will be five percent (5%) of that restaurant's Gross Sales (as defined in the Franchise Agreement); and

4. the initial training fee will be Fifteen Thousand Dollars (\$15,000) for the first Franchise Agreement that you or your Affiliated Entities sign pursuant to this Agreement (which may be the Current Franchise Agreement), Seven Thousand Five Hundred Dollars (\$7,500) for the second Franchise Agreement that you or your Affiliated Entities sign pursuant to this Agreement, and Five Thousand Dollars (\$5,000) for the third and each subsequent Franchise Agreement that you or your Affiliated Entities sign pursuant to this Agreement, except that (i) we have the right to charge you (or your Affiliated Entity) our additional expenses if you or your Affiliated Entity changes travel schedules or wants an additional training day; and (ii) if not less than thirty (30) days prior to a particular Restaurant's scheduled first opening date you or one of your Affiliated Entities qualifies as a "**Certified Training Franchisee**" (as described below), then: (A) we will not charge an initial training fee under that Franchise Agreement, (B) we are not required to provide the initial training program for personnel at that new Pieology Restaurant under that Franchise Agreement, and (C) you (or your Affiliated Entity) will be responsible for providing initial training from the Certified Training Restaurant to personnel at that new Pieology Restaurant according to our standards. To qualify for designation by us as a Certified Training Franchisee, you must have completed to our satisfaction the necessary brand standards training and over the immediately preceding six (6) months have consistently satisfied the minimum benchmarks that we then specify in order for us to designate one of your or your affiliates' operating Pieology Restaurants in the market area of the Restaurant as a "**Certified Training Restaurant**" (as defined below); and the Key Operator or another of your or your affiliates' employees of the Certified Training Restaurant that you designate has then completed such brand standards training, performed such other tasks, and satisfied such other conditions that we then specify to designate that individual as your "**Certified Training Manager**."

To retain your rights under this Agreement, each Pieology Restaurant opened pursuant to this Agreement must operate continuously throughout this Agreement's term in full compliance with the applicable Franchise Agreement.

5. **No Subfranchising or Rights to Marks.**

This Agreement does not give you any right to franchise or subfranchise others to operate Pieology Restaurants. Only you (and/or your Affiliated Entities) may develop, open, and operate Pieology Restaurants contemplated by this Agreement and only pursuant to signed Franchise Agreements. Although you may reference your rights and obligations under this Agreement in discussions with landlords, employees, and others with whom you may deal in connection with Pieology Restaurants, this Agreement does not grant you any rights to use, or authorize others to use, the Marks in any manner. Your right to use the Marks arises only under the Franchise Agreement. We or our affiliates own all rights to the Marks, and your use of the Marks in any way,

other than pursuant to a signed Franchise Agreement, is an infringement of our (and our affiliates') rights and a breach of this Agreement.

6. Development Fee.

As consideration for the development rights we grant you in this Agreement, you must pay us, at the same time you sign this Agreement, an amount equal to _____ (\$ _____) (the "**Development Fee**"), which is Ten Thousand Dollars (\$10,000) for each of the Pieology Restaurants you agree to develop under the Schedule. We will apply the Development Fee for each Pieology Restaurant to the initial franchise fee due for each Pieology Restaurant. The Development Fee is consideration for the rights we grant you in this Agreement and for reserving the Development Territory for you to the exclusion of others, is fully earned by us when we and you sign this Agreement, and is not refundable under any circumstances, even if you do not comply or attempt to comply with the Schedule and we then terminate this Agreement for that reason.

7. Grant of Franchises and Site Acceptance.

You must submit to us a separate application for each Pieology Restaurant that you or your Affiliated Entities wish to develop within the Development Territory. You agree to give us all information and materials we request to assess each proposed site and your (or your Affiliated Entity's) financial and operational ability to develop and operate each proposed Pieology Restaurant. We will not conduct site selection activities for you. In granting you the development rights under this Agreement, we are relying on your knowledge of the real estate market in the Development Territory and your ability to locate and assess sites.

We will not unreasonably withhold our acceptance of a site that meets our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; other commercial characteristics; and the proposed site's size, appearance, and other physical characteristics. In determining whether to accept or reject a proposed site, we also may consider the site's proximity both to the Development Territory's boundaries and to other existing or potential sites for Pieology Restaurants located outside the Development Territory. Despite any assistance, information or recommendations that we provided or will provide (whether before or after the Effective Date) with respect to the Site or our acceptance of the Site, we have made and will make no representations or warranties of any kind, express or implied, of the suitability of the Site for a Pieology Restaurant or any other purpose. Our recommendation or acceptance indicates only that we believe that the Site meets or has the potential to meet, or that we have waived, the general criteria of Site acceptability that we have established as of that time. Applying criteria that have appeared effective for other sites might not accurately reflect the potential for all sites, and, after we recommend or accept a Site, demographic and/or other factors included in or excluded from our site criteria could change, thereby altering a site's potential. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if the Site fails to meet our or your expectations. Your acceptance of the rights under this Agreement is based on your own independent investigation of, or agreement in the future to investigate, the Site's suitability.

We agree to use reasonable efforts to review and accept (or not accept) sites you propose within thirty (30) business days after we receive all requested information and materials. If we

accept the proposed site, you agree to sign the Site Approval Letter and a separate Franchise Agreement (and related documents) for that Pieology Restaurant within the time period we specify and to pay us the initial franchise fee due. If you fail to do so, or cannot obtain lawful possession of the proposed site within two (2) months after we accept the proposed site, we may withdraw our acceptance of the proposed site. After you (or your Affiliated Entity) sign the Franchise Agreement (and related documents), its terms and conditions will control the development and operation of the Pieology Restaurant. In addition to our rights with respect to proposed Pieology Restaurant sites, we may delay your development of additional Pieology Restaurants within the Development Territory for the time period we deem best if we believe, when you submit your application, that you or your Affiliated Entities are not yet operationally or otherwise prepared, due to the particular amount of time that has elapsed since you developed and opened your most recent Pieology Restaurant, to develop, open, and/or operate the additional Pieology Restaurants in full compliance with the Franchise Agreement. We may delay additional development for the time period we deem best.

8. **Certified Training Franchisee.**

On or before the date upon which the fifth (5th) Pieology Restaurant covered by this Agreement first opens for business, you must ensure that:

- (a) you or one of your Affiliated Entities completes to our satisfaction the necessary training, and attains the minimum benchmarks, that we then specify for us to designate one of the operating Pieology Restaurants in the Development Territory as a “**Certified Training Restaurant**” for the Development Territory;
- (b) the general manager of the Certified Training Restaurant completes such training and satisfies such other conditions that we then specify to designate that general manager as the “**Certified Training Manager**” for the Development Territory; and
- (c) individual(s) from your affiliated entities complete to our satisfaction the necessary training, and attain the minimum benchmarks that we then specify for us to designate such individual(s) as a “**Certified Opening Leader**” for leading new restaurant openings in the Development Territory.

After you have established a designated Certified Training Restaurant and Certified Training Manager, and you are maintaining the requisite number of Certified Opening Leaders, we will then designate you as a “**Certified Training Franchisee.**”

We may establish and periodically modify training, benchmarks and other tasks and conditions for certifying your Certified Training Restaurant and Certified Training Manager in a manner consistent with the training, benchmarks and other terms and conditions for certifying the Pieology Restaurants that our affiliates operate and their managers. We maintain the right, but not the obligation, to monitor any Certified Training Restaurant or Certified Training Manager for compliance with our current established certification requirements for maintaining a Certified Training Franchisee designation. You must ensure that the Certified Training Manager and other personnel at the Certified Training Restaurant provide training and other assistance to your (and

your Affiliated Entities') other Pieology Restaurants and their personnel using standards and procedures that we periodically specify.

Once we have designated a Certified Training Restaurant and Certified Training Manager for the Development Territory pursuant to this Agreement, you must ensure that you maintain at all times during the remaining term of this Agreement at least one (1) Certified Training Restaurant in the Development Territory and have a Certified Training Manager working full-time at that Certified Training Restaurant. If the Certified Training Restaurant for the Development Territory fails to maintain that status, or if the Certified Training Manager's employment at the Certified Training Restaurant terminates for any reason or the Certified Training Manager for the Development Territory fails to maintain that status, then you must within thirty (30) days thereafter comply with our requirements to obtain once again a Certified Training Restaurant in the Development Territory and a Certified Training Manager working full-time at that Certified Training Restaurant.

9. **Developer Principal.**

You also acknowledge our current requirement that one individual whom we approve as the Developer Principal (defined below) must oversee and control the site selection and acquisition and development of all your Pieology Restaurants in the Development Territory. The "**Developer Principal**" is an individual whom we approve and who must at all times during the term of this Agreement be your (and your Affiliated Entities') principal development officer and otherwise direct and control on a day-to-day basis your and your Affiliated Entities' development program. The Developer Principal's name as of the Effective Date is listed on Exhibit A. Without limiting our rights and your (and your Affiliated Entities') obligations under Section 12 or any Franchise Agreement, if Developer Principal fails to meet the conditions in this Section 9 at any time during the term of this Agreement, then you must within thirty (30) days thereafter engage a Developer Principal whom we approve and who satisfies the conditions in this Section 9.

10. **Term and Termination.**

This Agreement's term begins on the Effective Date and ends on the date upon which the Franchise Agreement for the last Pieology Restaurant under the Schedule has been signed, unless sooner terminated as provided herein. We may terminate this Agreement and your right to develop Pieology Restaurants within the Development Territory (other than those Pieology Restaurants for which we and you (or your Affiliated Entity) already have signed a Franchise Agreement) at any time, effective upon delivery to you of written notice of termination, if:

- (a) you fail to satisfy your development obligations under the Schedule and do not correct the failure within thirty (30) days after we deliver written notice of the failure to you;
- (b) you fail to satisfy any other obligation under this Agreement (except as set forth in subsection (a) above), which defaults you have no right to cure; or
- (c) the Current Franchise Agreement or any other Franchise Agreement between us and you or your Affiliated Entity) for a Pieology Restaurant, regardless

of where it is located, is terminated by us in compliance with its terms or by you or one of your Affiliated Entities for any (or no) reason.

11. **Other Remedies Upon Default.**

In addition to and without limiting our other rights and remedies under this Agreement, any Franchise Agreement or applicable law, and notwithstanding anything to the contrary in the Franchise Agreement, upon the occurrence of any of the events that give rise to our right to terminate this Agreement or a Franchise Agreement, we may, at our sole option and upon delivery of written notice to you, elect to take any or all of the following actions without terminating the Franchise Agreement or this Agreement:

- (a) temporarily suspend your rights to develop additional Pieology Restaurants in any part of the Development Territory;
- (b) temporarily or permanently reduce the size of the Development Territory, in which event the restrictions on us and our affiliates under Section 3 will not apply in the geographic area which is no longer part of the Development Territory and we and our affiliates may engage, and authorize third parties to engage, in any business activities they deem appropriate, whether under the Marks or other trademarks, within that geographic area, including establishing and operating (and granting rights to others to establish and operate) Pieology Restaurants the physical premises of which are located in that geographic; and/or
- (c) extend the time of the Schedule for any period of time that we determine.

Our exercise of our rights under this Section 11 will not be a defense for you to our enforcement of any other provision of this Agreement or a Franchise Agreement, or waive or release you from any of your other obligations under this Agreement. Our exercise of these rights will not constitute an actual or constructive termination of this Agreement or a Franchise Agreement, nor will it be our sole or exclusive remedy for your default. If we exercise any of our rights under this Section 11, we may thereafter terminate this Agreement without providing you any additional corrective or cure period, unless the default giving rise to our right to terminate this Agreement has been cured to our reasonable satisfaction.

12. **Transfer.**

We may assign this Agreement or any of our Ownership Interests without restriction. You and your owners acknowledge that we are granting you the rights under this Agreement because of our perception of your (and your owners') individual and collective character, skill, business acumen, financial capability, and proven ability to operate Pieology Restaurants according to our standards. These rights are personal to you and your owners. Therefore, you and your owners may not assign this Agreement or any of your Ownership Interests (whether directly or indirectly) without our prior written approval, which we may grant or withhold for any or no reason.

You acknowledge our current requirement that developers (directly or through affiliated entities) must continue to own and operate all of the Pieology Restaurants located in their development area

throughout the entire terms of their franchise agreements. We believe these requirements are important in order to (among other reasons) establish continuity and cooperation among the Pieology Restaurants in the market and protect the Pieology® brand. A developer currently may not decide to own and operate (directly or through affiliated entities) less than all of the Pieology Restaurants located in its development area throughout the entire terms of their franchise agreements. Therefore, you and your Owners agree that if you, any of your Owners, or any Affiliated Entity seeks to enter into any transfer that would (if consummated) require our approval pursuant to this Section 12 or the applicable Franchise Agreement, regardless of the form of transaction, then we may condition our approval of that transfer (in addition to any other conditions set forth in this Agreement or the applicable Franchise Agreement) on the simultaneous transfer to that transferee of other rights, interests, obligations, assets, and/or Ownership Interests such that, following such transfer, you (or your successor in interest) own and operate (directly or through your Affiliated Entities) all of the Pieology Restaurants in the Development Territory and the Developer Principal (or his or her successor in interest) satisfies the requirements of Section 9.

13. **Confidential Information, Customer Information and Innovations.**

13.A. Confidential Information. We and our affiliates possess (and will continue to develop and acquire) certain confidential information relating to the development and operation of Pieology Restaurants, some of which constitutes trade secrets under applicable law (the “**Confidential Information**”), including:

- (1) site selection criteria and methodologies;
- (2) information concerning the design, layout and construction of Pieology Restaurants, including any sample plans that we or our contractor provides;
- (3) research and development, future business plans, methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating Pieology Restaurants, including information in the Operations Manual and System Standards;
- (4) marketing research and promotional, marketing, advertising, public relations, customer relationship management and other brand-related materials and programs for Pieology Restaurants;
- (5) knowledge of specifications for and suppliers of, and methods of ordering, certain Proprietary Food Products, Operating Assets and other products that Pieology Restaurants use and/or sell;
- (6) knowledge of the operating results and financial performance of Pieology Restaurants other than any Pieology Restaurants you develop and operate;
- (7) graphic designs and related intellectual property; and
- (8) any other information we reasonably designate from time to time as confidential or proprietary.

You acknowledge and agree that by entering into this Agreement and/or acquiring Pieology Restaurants you will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information that we periodically designate in operating Pieology Restaurants during the term of this Agreement and according to the System Standards and this Agreement's other terms and conditions, and that your use of any Confidential Information in any other business would constitute an unfair method of competition with us and our franchisees. We and our affiliates own all right, title and interest in and to the Confidential Information. You further acknowledge and agree that the Confidential Information is proprietary, includes our trade secrets, and to the extent that it is disclosed to you, it is disclosed to you only on the condition that you and your Owners agree, and you and they do agree, that you and your Owners:

- (a) will not use any Confidential Information in any other business or capacity, whether during or after the term of this Agreement;
- (b) will keep the Confidential Information absolutely confidential, both during the term of this Agreement and thereafter for as long as the information is not generally known in the foodservice industry;
- (c) will not make unauthorized copies of any Confidential Information disclosed in written or other tangible or intangible form;
- (d) will adopt and implement all reasonable procedures that we periodically designate to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to your personnel and others needing to know such Confidential Information to operate your business, and using confidentiality and non-competition agreements with those having access to Confidential Information. We have the right to regulate the form of agreement that you use and to be a third party beneficiary of that agreement with independent enforcement rights; and
- (e) will not sell, trade or otherwise profit in any way from the Confidential Information, except during the term of this Agreement using methods we approve.

“Confidential Information” does not include information, knowledge or know-how that is or becomes generally known in the foodservice industry (without violating an obligation to us or our affiliate) or that you knew from previous business experience before we provided it to you (directly or indirectly) or before you began training or operating the Pieology Restaurants. If we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that the exclusion in this paragraph is fulfilled.

13.B. Innovations. All ideas, concepts, techniques or materials relating to a Pieology Restaurant (collectively, “**Innovations**”), whether or not protectable intellectual property and whether created by or for you or your Owners, employees or contractors, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the Franchise System, and works made-for-hire for us. To the extent any Innovation does not qualify as a work made-for-hire for us, by this paragraph you assign ownership of that Innovation, and all related rights to that Innovation, to us and agree to sign (and to cause your Owners, employees and

contractors to sign) whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property rights in the Innovation. We and our affiliates have no obligation to make any payments to you or any other person with respect to any Innovations. You may not use any Innovation in operating the Pieology Restaurants or otherwise without our prior approval.

14. **Exclusive Relationship.**

You acknowledge that we have granted you the rights under this Agreement in consideration of and reliance upon your and your Owners' agreement to deal exclusively with us in connection with pizza-related businesses. You therefore agree that, during the term of this Agreement, neither you nor any of your Owners, directors or officers, nor any members of your or their Immediate Families (defined below), will:

- (a) have any direct or indirect, controlling or non-controlling Ownership Interest – whether of record, beneficial or otherwise – in a Competitive Business (defined below), wherever located or operating, provided that this restriction will not apply to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market and quoted on a national inter-dealer quotation system that represent less than three percent (3%) of the number of shares of that class of securities issued and outstanding;
- (b) perform services as a director, officer, manager, employee, consultant, representative or agent for a Competitive Business, wherever located or operating;
- (c) directly or indirectly loan any money or other thing of value to, or guarantee any other person's loan to, or lease any real or personal property to, any Competitive Business or any owner, director, officer, manager, employee or agent of any Competitive Business, wherever located or operating;
- (d) divert or attempt to divert any actual or potential business or customer of the Restaurant to another Competitive Business; or
- (e) engage in any other activity which might injure the goodwill associated with the Marks or the Franchise System.

The term “**Competitive Business**” means (i) any restaurant or other foodservice business which derives, or is reasonably expected to derive, more than ten percent (10%) of its revenue from the manufacture, sale or distribution of pizza and/or pizza-related products, or (ii) an entity that grants franchises or licenses or enters into similar arrangements for any of these types of businesses, other than a Pieology Restaurant operated under a franchise agreement with us. The term “**Immediate Family**” includes the named individual, his or her spouse, and all minor children of the named individual or his or her spouse. You agree to obtain similar covenants from the personnel we specify, including officers, directors, managers, and other employees attending our training program or having access to Confidential Information. We have the right to regulate the form of agreement that you use and to be a third-party beneficiary of that agreement with independent enforcement rights

15. **Relationship of the Parties/Indemnification.**

(a) Independent Contractors. You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us. You have no authority, express or implied, to act as our or our affiliate's agent for any purpose. You are, and shall remain, an independent contractor responsible for all obligations and liabilities of, and for all loss or damage to, your Pieology Restaurant and its business, including any personal property, equipment, fixtures or real property and for all claims or demands based on damage or destruction of property or based on injury, illness or death of any person or persons, directly or indirectly, resulting from the operation of the Pieology Restaurants. Further, we and you are not and do not intend to be partners, associates, or joint employers in any way, and we shall not be construed to be jointly liable for any of your acts or omissions under any circumstances. We have no relationship with your employees and you have no relationship with our employees. You agree to identify yourself conspicuously in all dealings with customers, employees, suppliers, public officials, and others as a holder of development rights and the Pieology Restaurant's owner under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, employment materials, advertising, and other materials we require from time to time. You also agree to communicate clearly with your employees in employment agreements, manuals, handbooks, and other materials that you, and neither we nor our affiliates, are the employer of all your Pieology Restaurants' employees.

(b) No Liability for Acts of Other Party. We and you agree not to make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchisee. We will not be obligated for any damages to any person or property directly or indirectly arising out of your Pieology Restaurants' operation or the business you conduct under this Agreement.

(c) Taxes. We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon you or your Pieology Restaurants, due to the business you conduct (except any taxes we are required by law to collect from you for purchases from us and our income taxes). You are responsible for paying these taxes.

(d) Indemnification and Defense of Claims. (1) You agree to indemnify and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, representatives, successors and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, all Losses (defined below) directly or indirectly arising out of or relating to: (a) your Pieology Restaurants' operation; (b) the business you conduct under this Agreement; (c) your breach of this Agreement; (d) your noncompliance or alleged noncompliance with any law, ordinance, rule or regulation, including those concerning your Pieology Restaurants' construction,

design or operation, and including any allegation that we or another Indemnified Party is a joint employer or otherwise responsible for your acts or omissions relating to your employees; or (e) claims alleging either intentional or negligent conduct, acts or omissions by you (or your contractors or any of your or their employees, agents or representatives), or by us or our affiliates (or our or their contractors or any of our or their employees, agents or representatives), subject to Section 15(d)(3). “Losses” means any and all losses, expenses, obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that an Indemnified Party incurs, including accountants’, arbitrators’, attorneys’, and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

(2) You agree to defend the Indemnified Parties against any and all claims asserted or inquiries made (formally or informally), or legal actions, investigations, or other proceedings brought, by a third party and directly or indirectly arising out of or relating to any matter described in Subsection 15(d)(1)(a) through (e) above (collectively, “Proceedings”), including those alleging the Indemnified Party’s negligence, gross negligence, willful misconduct and/or willful wrongful omissions. Each Indemnified Party may at your expense defend and otherwise respond to and address any claim asserted or inquiry made, or Proceeding brought, that is subject to this Section 15(d) (instead of having you defend it as required above), and agree to settlements or take any other remedial, corrective, or other actions, for all of which defense and response costs and other Losses you are solely responsible, subject to Section 15(d)(3). An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against you, and you agree that a failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section 15(d). Your obligations in this Section 15(d) will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination.

(3) Despite Section 15(d)(1), you have no obligation to indemnify or hold harmless an Indemnified Party for, and we will reimburse you for, any Losses (including costs of defending any Proceeding under Section 15(d)(2)) to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party’s willful misconduct or gross negligence, so long as the claim to which those Losses relate is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or joint employer) or our failure to compel you to comply with this Agreement. However, nothing in this Section 15(d)(3) limits your obligation to defend us and the other Indemnified Parties under Section 15(d)(2).

16. **Enforcement.**

(a) Severability and Substitution of Valid Provisions. Except as expressly provided to the contrary in this Agreement (including in Section 16(f)), each Section, Subsection, paragraph, term and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or arbitrator with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties. If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity. If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of termination or of our refusal to enter into a successor franchise agreement, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

(b) Waiver of Obligations and Force Majeure. We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. But, no interpretation, change or waiver of any of this Agreement's provisions shall be binding upon us unless in writing and signed by one of our officers, and which is specifically identified as an amendment to or waiver of this Agreement. No modification, waiver, termination, rescission, discharge or cancellation of this Agreement shall affect the right of any party hereto to enforce any claim or right hereunder, whether or not liquidated, which occurred prior to the date of such modification, waiver, termination, rescission, discharge or cancellation. Any waiver we grant will be without prejudice to any other rights we have, will be subject to our continuing review, and may be revoked at any time and for any reason, effective upon delivery to you of ten (10) days' prior written notice.

We and you will not be deemed to waive or impair any right, power or option this Agreement reserves (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 the Term expires) because of any custom or

practice at variance with its terms; our or your failure, refusal or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including any System Standard; our waiver of or failure to exercise any right, power or option, whether of the same, similar or different nature, with other Pieology Restaurants; the existence of franchise agreements for other Pieology Restaurants which contain provisions different from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement or accord and satisfaction. We are authorized to remove any legend or endorsement, and they shall have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if our or your failure to perform obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government which do not arise from a violation or alleged violation of any law, rule, regulation or ordinance; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payment of amounts owed at the time of the occurrence or payment of Royalties, Marketing Fund contributions and other amounts due afterward.

(c) Costs and Attorneys' Fees. If we incur expenses due to your failure to pay when due amounts owed to us or otherwise to comply with this Agreement, you agree, whether or not we initiate a legal proceeding (and, in the event either we or you do initiate a legal proceeding, if we prevail in such proceeding), to reimburse us for any costs and expenses which we incur, including reasonable accounting, attorneys', arbitrators' and related fees.

(d) Applying and Withholding Payments. Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us (or our affiliates). We may set-off any amounts you or your Owners owe us or our affiliates against any amounts we or our affiliates might owe you or your Owners, whether in connection with this Agreement or otherwise. You agree that you will not withhold payment of any amounts owed to us or our affiliates on the grounds of our or their alleged nonperformance of any of our or their obligations under this Agreement or any other agreement.

(e) Rights of Parties are Cumulative. Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy under this Agreement which we or you are entitled by law to enforce.

(f) Arbitration. All controversies, disputes or claims between us (and our affiliates and our and their respective owners, officers, directors, managers, agents, and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, directors, managers, agents, and employees, as applicable) arising out of or related to:

- (1) this Agreement or any other agreement between you and us or any provision of any of such agreements (including this Section 16(f));
- (2) our relationship with you;
- (3) the arbitrability of any controversies, disputes or claims;
- (4) the scope and validity of this Agreement or any other agreement between you and us or any provision of any of such agreements (including the scope and validity of the arbitration obligations under this Section 16(f), which you and we acknowledge is to be determined by an arbitrator and not a court); or
- (5) any System Standard

will be submitted for arbitration to JAMS (formerly Judicial Arbitration and Mediation Service). Except as otherwise provided in this Agreement, such arbitration proceedings shall be heard by one (1) arbitrator in accordance with the then existing JAMS Comprehensive Arbitration Rules and Procedures (with the Expedited Arbitration Procedures to limit discovery burdens). Arbitration proceedings shall be held at a suitable location to be chosen by the arbitrator which is within twenty-five (25) miles of our principal business address at the time that the arbitration action is filed. The arbitrator has no authority to establish a different hearing locale. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) will be governed by it and not by any state arbitration law.

The arbitrator shall have the right to award or include in his or her award any relief which he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs, provided that: (1) the arbitrator shall not have authority to declare any Mark generic or otherwise invalid; and (2) except for punitive, exemplary and other forms of multiple damages available to any party under federal law or owed to third parties which are subject to indemnification under Section 15(d), we and you waive to the fullest extent permitted by law any right to or claim for any punitive, exemplary or other forms of multiple damages against the other and agree that, in the event of a dispute between us and you, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains. The award and decision of the arbitrator shall be conclusive and binding upon all parties hereto and

judgment upon the award may be entered in any court of competent jurisdiction.

We and you agree to be bound by the provisions of any limitation on the period of time by which claims must be brought under this Agreement or applicable law, whichever expires first. We and you further agree that, in connection with any such arbitration proceeding, each shall submit or file any claim which would constitute a compulsory counterclaim (as defined by the then current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim which is not submitted or filed in such proceeding shall be barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Section 16(c).

We and you agree that arbitration shall be conducted on an individual, not a class-wide, basis, that only we (and our affiliates and our and their respective owners, officers, directors, managers, agents and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, directors, managers, agents and employees, as applicable) may be the parties to any arbitration proceeding described in this Section 16(f), and that no such arbitration proceeding shall be consolidated with any other arbitration proceeding involving us and/or any other person or Entity. Notwithstanding the foregoing or anything to the contrary in this Section 16(f) or Section 16(a), if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 16(f), then we and you agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 16 (excluding this Section 16(f)).

The provisions of this Section 16(f) are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Notwithstanding anything to the contrary contained in this Section 16(f), we and you have the right to obtain temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction. In that case, we and you must contemporaneously submit the dispute for arbitration on the merits according to this Section 16(f).

(g) Governing Law. Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, all controversies, disputes or claims arising from or relating to this Agreement or any other agreement between you (or your Owners) and us, our relationship with you, the validity of this Agreement or any other agreement between you (or your Owners) and us, or any System Standard will be governed by the laws of the State of Delaware, without regard to its conflict of laws rules, except that the notice and cure period for a noticed default under this Agreement shall be governed by the law of the state (or federal district or territory, as applicable) within which the Pieology Restaurants are to be located hereunder, and except that any law regulating the offer or sale of franchises, business opportunities or similar interests or governing the relationship between us and you will not apply unless its jurisdictional requirements are met independently without reference to this Section 16(g).

(h) Consent to Jurisdiction. Subject to the arbitration obligations in Section 16(f), you and your Owners agree that all judicial actions brought by us against you or your Owners, or by you or your Owners against us, our affiliates or our or their respective owners, officers, directors, agents or employees, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where we maintain our principal business address at the time that the action is brought. You and each of your Owners irrevocably submit to the jurisdiction of such courts and waive any objection that any of them may have to either jurisdiction or venue. Notwithstanding the foregoing, we may bring an action for a temporary restraining order or for temporary or preliminary injunctive relief, or to enforce an arbitration award, in any federal or state court in the state in which you or any of your Owners resides or the Pieology Restaurants are to be located hereunder.

(i) Waiver of Punitive Damages and Jury Trial. EXCEPT FOR PUNITIVE, EXEMPLARY AND OTHER FORMS OF MULTIPLE DAMAGES AVAILABLE TO ANY PARTY UNDER FEDERAL LAW OR OWED TO THIRD PARTIES WHICH ARE SUBJECT TO INDEMNIFICATION UNDER SECTION 15.D, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY OR OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

WE AND YOU (AND YOUR OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER US OR YOU (OR YOUR OWNERS).

(j) Binding Effect. This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns and successors in interest. Subject to our rights to modify the Operations Manual, System Standards and Franchise System, this Agreement may not be modified except by a written agreement signed by both you and us.

(k) Limitations of Claims. Except for claims arising from your non-payment or underpayment of amounts you owe us, any and all claims arising out of or relating to this Agreement or our relationship with you will be barred unless an arbitration or judicial proceeding is commenced in the proper forum within twelve months (12) months from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claim.

(l) Construction. The preambles and exhibits are a part of this Agreement which, together with any riders or addenda signed at the same time as this Agreement, constitutes our and your entire agreement and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to the subject matter of this Agreement. There are no other oral or written representations, warranties, understandings or agreements between us and you relating to the subject matter of this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require you to waive reliance on any representation that we made in the most recent disclosure document (including its exhibits and amendments) that we delivered to you or your representative. Any policies that we adopt and implement from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement and are not binding on us. Except as provided in Sections 15(d) and 16(f), nothing in this Agreement is intended nor deemed to confer any rights or remedies upon any person or Entity not a party to this Agreement.

References in this Agreement to “we” “us” and “our,” with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal in connection with your Pieology Restaurants. The term “**affiliate**” means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling the party indicated. “**Control**” means the power to direct or cause the direction of management and policies.

If two or more persons are at any time the owners of the rights under this Agreement and the Pieology Restaurants developed hereunder, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. “**Person**” (whether or not capitalized) means any individual, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative or other legal or functional Entity.

The headings of the Sections, Subsections and paragraphs are for convenience only and do not define, limit or construe their contents. 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 shall be interpreted to mean “including, but not limited to” and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter. This Agreement may be executed in multiple copies, each of which will be deemed an original.

(m) **The Exercise of Our Judgment.** We have the right to operate, develop and change the Franchise System and System Standards in any manner that is not specifically prohibited by this Agreement. Whenever we have reserved in this Agreement a right 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 the best interests of us or our affiliates, the Pieology Restaurant network generally, or the Franchise System at the time our decision is made, without regard to whether we could have made other reasonable or even arguably preferable alternative decisions or whether our decision promotes our or our affiliates’ financial or other individual interest. Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed, initiated or completed actions that require our approval.

17. **Notices and Payments.**

All written notices, reports and payments permitted or required to be delivered by the provisions of this Agreement or the Operations Manual will be deemed so delivered:

- (1) at the time delivered via computer transmission if the sender has confirmation of a successful transmission and, in the case of Royalties, Marketing Fund contributions, and other amounts due, at the time we actually receive payment from your account;
- (2) one (1) business day after transmission by telecopy, facsimile or other electronic system if the sender has confirmation of successful transmission;
- (3) one (1) business day after being placed in the hands of a commercial courier service for next business day delivery; or
- (4) three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid;

and must be addressed to the party to be notified at its most current principal business address of which the notifying party has notice and/or, with respect to any approvals or notices that we provide to you or your Owners, at the Restaurant’s address. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before then) will be deemed delinquent.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement effective on the dated stated on the first page above.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC, a
Delaware limited liability company

By: _____
Shawn Thompson
Chief Executive Officer

Date: _____, 20__

DEVELOPER

(IF ENTITY):

[Name]

By: _____
Name: _____
Title: _____

Date: _____, 20__

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 20__

EXHIBIT A

TO THE DEVELOPMENT RIGHTS AGREEMENT

You have the right to develop and open _____ (____) Restaurants in the Development Territory according to the following Schedule:

Number of Pieology Restaurants To Be Opened	Pieology Restaurants To Be Opened By (Date)	Cumulative Number of Pieology Restaurants to Be Open and Operating No Later Than the Opening Date (in previous column)

The Development Territory is _____, as its boundaries exist on the Effective Date.

The Developer Principal is _____.

[The next page is the signature page for this Exhibit A.]

FRANCHISOR

PIEOLOGY FRANCHISE, LLC, a
Delaware limited liability company

By: _____
Shawn Thompson
Chief Executive Officer

Date: _____, 20__

DEVELOPER

(IF ENTITY):

[Name]

By: _____
Name: _____
Title: _____

Date: _____, 20__

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 20__

Exhibit F
Operations Manual Table of Contents



OPERATIONS SOP MANUAL

STANDARD OPERATING POLICIES &
PROCEDURES

Q4 2021

Proprietary Information of Pieology Pizzeria





TABLE OF CONTENTS

Overview Of Document.....	5
Audience.....	5
How To Use.....	5
Operational Procedures.....	6
Overview.....	6
Guest Journeys.....	6
In-Restaurant Guest Journey / Guest Pathway	7
Digital Guest Journey.....	8
Team Member Makeline Sequence of Service.....	9
Operational Procedures and Resources.....	11
Overview.....	11
Checklists & Job Aids.....	11
SOP: MIC & Team Member Checklists.....	12
SOP: Line Check.....	12
SOP: Pre-Shift Check-in Sheet.....	14
SOP: Daily Prep Sheet.....	14
SOP: Waste Log.....	15
SOP: Safe Log.....	15
SOP: Guest Tracker	16
SOP: Creative License.....	16
Day In a Life.....	17
Cash Handling Policies & Procedures.....	18
Policies Overview.....	18
Cashier Cash Handling Guidelines.....	18
Cash Out Guidelines.....	19
MANAGERS ONLY - Voids.....	20
Paid-Outs:	20
MANAGERS ONLY – End-Of-Day Reconciliation.....	21
Bank Deposit Procedures (<i>Corporate Restaurants Only</i>).....	21
Safe Accountability Policy.....	22



OPERATIONS SOP MANUAL

POLICIES & PROCEDURES

Discounts.....	23
Marketing Promotions & Coupons (Discounts Vary).....	23
Fundraiser Events.....	24
MANAGERS ONLY - Record Keeping.....	24
Franchise Locations.....	24
Corporate Locations.....	24
Cleanliness Standards.....	25
Restaurant Cleaning and Sanitizing.....	26
Cleaning and Sanitizing Food Contact Surfaces.....	26
Sanitation.....	28
Chemicals.....	29
Pest and Garbage Control.....	30
Food Handling & Safety.....	31
The Flow of Food.....	31
Purchasing.....	31
Receiving Deliveries.....	32
Overnight Deliveries.....	33
Quality Control Form.....	34
Storing Products.....	34
Preparation.....	36
Labeling Products.....	37
Thawing Procedures.....	37
Holding.....	37
Time And Temperature Abuse.....	37
Checking Product Quality.....	38
Inventory.....	39
Inventory Storage.....	39
Food Safety.....	40
Handwashing Policies.....	40
Handling Food Products.....	40
Foodborne Illness.....	41
Contamination.....	41



OPERATIONS SOP MANUAL

POLICIES & PROCEDURES

Receiving a Foodborne Illness Complaint.....	42
Foodborne Illness Recovery Steps.....	43
HACCP Program.....	44
Product Recalls	44
Hot Water Is Unavailable	45
Cold Food Storage Power Outage.....	45
Guests Service.....	46
Your Role in Pieology Guest Service	46
MIC.....	46
Sauce & Cheese Station.....	46
Veggies & Meats Station(s).....	47
Expo Station	48
Cashier Station.....	48
Ambiance Inspector	48
Serving Guests.....	49
Guest Service is Always the Top Priority	49
Serving Guests with Physical Disabilities.....	50
Allergens.....	51
Handling Incorrectly Prepared Orders	52
Guest Complaints	53
Immediate Action:.....	53
L.A.S.T Procedure.....	53
Ten Tips for Dealing with Angry Guests:.....	54
The Unspoken Complaint.....	54
The Next Step.....	55
Guest FAQs	55
Nutritional Guide.....	55
Shoes & Shirts.....	55
No Smoking Policy.....	55
Water Policy	55

Exhibit G
Financial Statements



Report of Independent Auditors and
Financial Statements

Pieology Franchise, LLC

As of December 25, 2023 and December 26, 2022,
and for the three years in the period ended December 25, 2023

Table of Contents

	Page
Report of Independent Auditors	1
Financial Statements	
Balance Sheets	4
Statements of Income	5
Statements of Member's Equity	6
Statements of Cash Flows	7
Notes to Financial Statements	8

Report of Independent Auditors

The Member
Pieology Franchise, LLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pieology Franchise, LLC, which comprise the balance sheets as of December 25, 2023 and December 26, 2022, and the related statements of income, member's equity, and cash flows for each of the three years in the period ended December 25, 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Pieology Franchise, LLC as of December 25, 2023 and December 26, 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 25, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pieology Franchise, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Pieology Franchise, LLC's ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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 GAAS 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 GAAS, we:

- 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 Pieology Franchise, 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 our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Pieology Franchise, LLC's ability to continue as a going concern for a reasonable period of time.

We are 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 we identified during the audit.



Irvine, California
March 28, 2024

Financial Statements

Pieology Franchise, LLC
Balance Sheets

	December 25, 2023	December 26, 2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 3,481,075	\$ 5,097,622
Accounts receivable	497,545	205,935
Prepaid assets	79,916	45,424
Total current assets	4,058,536	5,348,981
Restricted cash	2,009,818	2,009,818
PROPERTY AND EQUIPMENT, NET	969,000	1,004,045
OPERATING LEASE RIGHT-OF-USE ASSETS	338,148	-
Total assets	\$ 7,375,502	\$ 8,362,844
LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 274,099	\$ -
Accrued expenses	77,826	18,957
Due to related party	1,943,810	834,850
Operating lease liabilities, current portion	103,281	-
Total current liabilities	2,399,016	853,807
Deferred franchise revenue	1,032,251	1,774,413
OPERATING LEASE LIABILITIES, net of current portion	240,478	-
Total liabilities	3,671,745	2,628,220
MEMBER'S EQUITY	3,703,757	5,734,624
Total liabilities and member's equity	\$ 7,375,502	\$ 8,362,844

See accompanying notes.

Pieology Franchise, LLC
Statements of Income

	Years Ended		
	December 25, 2023	December 26, 2022	December 27, 2021
REVENUE			
Franchise development fees	\$ 722,142	\$ 446,624	\$ 291,489
Franchise royalties, net	3,753,941	4,278,862	4,818,812
Marketing fees	971,330	1,314,182	1,189,470
Total revenue	<u>5,447,413</u>	<u>6,039,668</u>	<u>6,299,771</u>
OPERATING EXPENSES			
Sales and marketing expenses	1,788,265	1,314,182	1,057,128
General and administrative	130,952	104,961	46,936
Franchising expenses	420,813	437,451	249,488
Depreciation	263,060	188,410	-
Total operating expenses	<u>2,603,090</u>	<u>2,045,004</u>	<u>1,353,552</u>
OPERATING INCOME	2,844,323	3,994,664	4,946,219
OTHER INCOME (EXPENSE)			
Other expense	(69,654)	(6,617)	-
Interest income	193,836	61,697	27,170
NET INCOME	<u>\$ 2,968,505</u>	<u>\$ 4,049,744</u>	<u>\$ 4,973,389</u>

See accompanying notes.

Pieology Franchise, LLC
Statements of Member's Equity

	<u>Total Member's Equity</u>
BALANCE, December 28, 2020	\$ 129,368
Contributions from member	295,612
Net income	<u>4,973,389</u>
BALANCE, December 27, 2021	5,398,369
Distributions to member	(3,713,489)
Net income	<u>4,049,744</u>
BALANCE, December 26, 2022	5,734,624
Distributions to member	(4,999,372)
Net income	<u>2,968,505</u>
BALANCE, December 25, 2023	<u><u>\$ 3,703,757</u></u>

See accompanying notes.

Pieology Franchise, LLC

Statements of Cash Flows

	Years Ended		
	December 25, 2023	December 26, 2022	December 27, 2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 2,968,505	\$ 4,049,744	\$ 4,973,389
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation expense	263,060	188,410	-
Changes in assets and liabilities			
Accounts receivable	(291,610)	(38,127)	(22,148)
Prepaid expenses	(34,492)	(45,424)	-
Accounts payable	274,099	-	-
Accrued expenses	58,869	10,957	667
Due to related party	1,108,960	410,185	649,928
Deferred revenue	(742,162)	(390,374)	(88,009)
Operating lease right-of-use assets/liabilities	5,611	-	-
Net cash provided by operating activities	<u>3,610,840</u>	<u>4,185,371</u>	<u>5,513,827</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property and equipment	<u>(228,015)</u>	<u>(410,185)</u>	<u>(782,270)</u>
Net cash used in investing activities	<u>(228,015)</u>	<u>(410,185)</u>	<u>(782,270)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributions from (distributions to) member	<u>(4,999,372)</u>	<u>(3,713,489)</u>	<u>295,612</u>
Net cash (used in) provided by financing activities	<u>(4,999,372)</u>	<u>(3,713,489)</u>	<u>295,612</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(1,616,547)	61,697	5,027,169
CASH AND CASH EQUIVALENTS, beginning of year	<u>7,107,440</u>	<u>7,045,743</u>	<u>2,018,574</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 5,490,893</u>	<u>\$ 7,107,440</u>	<u>\$ 7,045,743</u>

See accompanying notes.

Pieology Franchise, LLC

Notes to Financial Statements

Note 1 – Nature of Business and Operations

Pieology Franchise, LLC (the Company) was organized in the state of Delaware as a single member Limited Liability Company (LLC) on August 10, 2012, and commenced operations in September 2012. The sole member of the Company is The Little Brown Box Pizza, LLC (Member), a Delaware limited liability company. The Company was formed for the purpose of franchising the Member's business throughout the U.S. and internationally through a 10-year renewable trademark license agreement with the Member. The license agreement grants the Company a non-exclusive right to use the "Pieology" name ("Pieology restaurants") and to develop the Pieology franchise system and to offer, sale, and support the Pieology franchised business, including the sale of Pieology franchise agreements to franchisees. Either the Company or the Member may terminate the trademark license agreement upon 30 days' written notice.

The Company is in the business of franchising limited-service, fast casual restaurants operating under the Pieology restaurants feature customized pizza pies and salads, but also sell other items, such as drinks and desserts. The Company does not operate and has never operated any Pieology restaurants, although the Member does, and the Company's future operations are dependent upon the success of the Member's business. The franchise agreements are typically for 10 years and require the purchaser to pay an initial franchise fee for each location to be opened. Once the franchise begins operations, the Company typically charges a royalty fee ranging from 5%–7% of the franchise gross sales. As of December 25, 2023, the Company had sold the rights to develop 1,113 franchise units under various franchise development agreements and has 101 franchise locations in operation.

The Member is responsible for performing the day-to-day management of the Company's operations. The Member allocates expenses to the Company based on shared services. Net losses and all items of the Company's income, gain, loss, deduction, or credit will be allocated to the Member. The Company has relied on resources from the Member to support operations and the Member has committed to continue to provide financial support to the Company sufficient for the Company during the start-up phase of the franchising operations.

On December 27, 2022, Pieology National Advertising Fund, LLC, a Delaware limited liability company, was formed by the Member for the purpose of affecting a reorganization of entities under common control. As part of the reorganization, the Pieology National Advertising Fund, LLC is a wholly owned subsidiary of Pieology Franchise, LLC. The Company has accounted for the reorganization as a transaction between entities under common control pursuant to Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 805-50-45. Financial information presented within these statements have been retrospectively adjusted to furnish comparative information for all years presented.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation – The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP). The Company believes this information includes all adjustments, consisting of normal recurring accruals, necessary to fairly present the financial condition of the Company. References to ASC and ASU included hereinafter refer to the Accounting Standards Codification and Accounting Standards Update established by the Financial Accounting Standards Board as the source of authoritative U.S. GAAP.

Pieology Franchise, LLC

Notes to Financial Statements

Fiscal year – The Company uses a fiscal year consisting of the 52- or 53-week period ending on the last Monday in December. For 2023, the fiscal year consisted of a 52-week period ending December 25. The fiscal years for 2022 and 2021 consisted of 52-week periods ending December 26 and December 27, respectively.

Use of estimates – The preparation of the financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities as of the balance sheet date. Actual results could differ from those estimates.

Cash and cash equivalents – The Company considers all highly liquid debt instruments purchased with an original maturity of ninety days or less to be cash equivalents.

Restricted cash – Restricted cash at December 25, 2023 and December 26, 2022, consists of funds held specifically for acquisition repayments. Classification of restricted balances in the accompanying balance sheets is based on the expected date the restrictions will be released.

Fair value of financial instruments – The carrying values of the Company's cash and cash equivalents, accounts receivable, and accrued expenses approximate fair value due to their short-term nature.

Accounts receivable – Accounts receivable represent amounts due from their franchisees for royalty revenues. Amounts are stated at the amounts expected to be collected from balances outstanding. The Company estimates the allowance for credit losses when lifetime credit losses are expected. The Company assesses collectability based on consideration of the age, nature of the past due accounts, historical losses, existing economic conditions, and specific analysis of each account. At December 25, 2023 and December 26, 2022, the Company had no allowance. The opening balance of receivables for fiscal year 2022 is \$167,808.

Property and equipment, net – Property and equipment, net is carried at cost, net of accumulated depreciation. Renewals and betterments that materially extend the life of an asset are capitalized while repairs and maintenance costs are expensed as incurred. Depreciation is computed over the assets' estimated useful lives using the straight-line method. Leasehold improvements are amortized using the straight-line method over the shorter of the term of the lease, including reasonably assured extensions or their estimated useful lives. Amortization of leasehold improvements is included in depreciation and amortization expense in the consolidated statements of operations.

Contract liability – Contract liability or deferred revenue is a liability related to a revenue-producing activity for which revenue has not yet been recognized. The Company records a contract liability when it receives consideration from a customer before achieving certain criteria that must be met for revenue to be recognized in conformity with U.S. GAAP.

Pieology Franchise, LLC

Notes to Financial Statements

The following table reflects the change in deferred revenue between December 28, 2020, and December 25 2023:

BALANCE, December 28, 2020	\$	1,023,025
Revenue recognized that was included in deferred revenue at beginning of the year		(161,468)
Increase, excluding amounts recognized as revenue during the period		19,800
BALANCE, December 27, 2021		881,357
Revenue recognized that was included in deferred revenue at beginning of the year		(334,124)
Increase, excluding amounts recognized as revenue during the period		79,200
BALANCE, December 26, 2022		626,433
Revenue recognized that was included in deferred revenue at beginning of the year		(212,055)
Increase, excluding amounts recognized as revenue during the period		62,913
BALANCE, December 25, 2023	\$	477,291

The following table illustrates estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as of December 25, 2023:

		Amount
Deferred revenue to be recognized in		
2024	\$	134,484
2025		109,632
2026		78,387
2027		52,210
2028		33,815
Thereafter		68,763
Total	\$	477,291

Revenue recognition – The Company analyzes each contract for separate performance obligations existing over the term of the contract and will recognize revenue as those performance obligations are satisfied. The Company determines revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, the Company satisfies a performance obligation.

As part of its assessment of each franchise contract, the Company evaluates certain factors including the customer's ability to pay, or credit risk. For each contract, the Company considers the promise to fulfill services, each of which is distinct to be the identified performance obligations.

Pieology Franchise, LLC

Notes to Financial Statements

The Company has the following revenue streams:

Franchise development fee revenues – The Company's franchise agreements typically operate under 10-year franchise agreements with the option to renew for up to two additional five-year successor terms. Initial franchise fees are recognized as revenue as the performance obligations of the contract are satisfied. The Company has identified separate performance obligations over the term of the contract and recognizes revenue as those performance obligations are satisfied. These performance obligations include rights to training and rights to use trademarks and intellectual property. The Company may enter into area development agreements, which typically operate under 10-year agreements with the option to renew for up to two additional five-year successor terms. Area development fees are for a territory in which a developer has agreed to develop and operate a certain number of franchise restaurants over a stipulated period of time. The related territory is unavailable to any other party and is no longer marketed by the Company. Development rights fees are initially recorded as deferred revenue and recognized as revenue over the life of the agreement, starting at the location opening date. There was \$555,000 and \$1,147,980 in deferred franchise area development fees at December 25, 2023 and December 26, 2022, respectively.

There were three and four franchise area development agreements terminated and/or expired for the years ended December 25, 2023 and December 26, 2022, respectively. No agreements were terminated or expired during the year ended December 27, 2021. The Company has no obligation or duty to repay any amounts to the developer for any payments made to the Company under the area development agreements. The forfeited area development fees for these terminated and/or expired agreements totaled \$462,980 and \$80,000 for the years ended December 25, 2023 and December 26, 2022, and are included in franchise development fees.

Franchise royalty revenue – Royalty revenue represents royalties earned from franchisees in accordance with the franchise agreement. The royalty rate in the franchise agreement is typically 5% of the gross sales of each restaurant operated, which is recognized when earned and is payable to the Company weekly when the weekly sales are reported by the franchisees. In addition, the Company allows for one-year royalty rebate incentives for franchisees to apply for a refund due to their underperformance of financial results in a current year. Royalty revenue is shown on the statements of income net of royalty rebate incentives. There were no royalty rebate incentives for the years ended December 25, 2023, December 26, 2022, and December 27, 2021, respectively.

Marketing fund revenue – All Pieology restaurants are required to pay weekly marketing fees of 1%–2% of gross sales depending on the nature of the franchise agreement. The marketing fees are used for advertising, market research, product development, and related marketing materials as outlined in the franchise agreements. In addition to collecting marketing fees, the Company could also receive contributions from the Member to fund marketing activities. The marketing expenses associated with the Company's marketing efforts are expensed as incurred within sales and marketing on the statements of operations and are recognized at the same time as national marketing fee revenue.

Leases – Leases are evaluated and classified as operating or finance leases for financial reporting purposes. The classification evaluation begins at the commencement date, and the lease term used in the evaluation includes the non-cancellable period for which the Company has the right to use the underlying asset, together with renewal option periods when the exercise of the renewal option is reasonably certain and failure to exercise such option would result in an economic penalty. The Company has one restaurant lease classified as an operating lease under ASC 842. The Company does not have any finance leases.

Pieology Franchise, LLC

Notes to Financial Statements

Right-of-use (ROU) asset represents the Company's right to use an underlying asset for the lease term and lease liability represents the Company's obligation to make lease payments arising from the lease. The lease liability is recognized at the lease commencement date based on the present value of future lease payments over the lease term discounted at the risk-free rate (discount rate) corresponding with the lease term.

The lease term used for straight-line rent expense is calculated from the commencement date through the lease termination date. The Company has elected to not separate lease and non-lease components. The Company has also elected to not apply the recognition requirement to any leases within its existing classes of assets with a term of 12 months or less. The Company did not have any leases in the prior year.

Sales and marketing expenses – Franchised locations contribute to the marketing fund that the Company manages on behalf of the locations. The Company is committed under its franchise and other agreements to spend revenues of the marketing fund on marketing and advertising efforts. Advertising expenses include promotions, market research, product development, social media, public relations, and marketing materials as outlined in the agreements. Marketing expenses were approximately \$1,789,000, \$1,314,000, and 1,057,000 for the years ended December 25, 2023 and December 26, 2022 and December 27, 2021, respectively, and are included within sales and marketing expenses on the statements of operations.

General and administrative expenses – The Company's general and administrative expenses consist of the Member-allocated general and administrative expenses to the Company based on shared services and consisted of payroll, office supplies, insurance, telephone, internet, and rent.

Franchising expenses – The Company incurs certain costs associated with the selling of franchise restaurants. These costs include salaries, wages, and benefits for employees involved in the selling and training of franchises including the use of professionals, such as consultants, legal firms, and accountants. These amounts are expensed as incurred in the statements of income.

Income taxes – The Company is an LLC and is classified as a Company for income tax purposes. The Company's taxable income or loss is reportable by the Member on their respective income tax returns. Accordingly, no provision for income taxes has been reflected in these financial statements, except for the minimum state tax applicable to LLCs, which is recorded in general and administrative expenses.

Concentration of credit risk – Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, restricted cash, and accounts receivable. The Company maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits. In addition, the Company closely monitors the extension of credit to its franchisees while maintaining allowances for potential credit losses.

Recently adopted accounting pronouncements – As of December 27, 2022, the Company adopted ASU 2016-13, a new accounting standard under U.S. GAAP that replaced the incurred loss model for measuring the allowance for credit losses with a new model that reflects current expected credit losses (CECL) over the lifetime of the underlying accounts and notes receivable. The CECL methodology is applicable to financial assets that we measure at amortized cost, including trade accounts receivable, contract assets, and notes and loans receivable due from officers, owners, and employees. The adoption of ASU 2016-13 did not have a material impact to the Company's financial statements.

Pieology Franchise, LLC

Notes to Financial Statements

Subsequent events – Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued. The Company recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. The Company's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet, but arose after the balance sheet date and before the financial statements are issued.

The Company has evaluated subsequent events through March 28, 2024, which is the date the financial statements were available to be issued.

Note 3 – Related-Party Transactions

The Member directly pays for the operating expenses of the Company and the Company reimburses the Member for Company invoices paid for by the Member on behalf of the Company. Additionally, the Company and the Member share office space, personnel, and other overhead expenses, and as such, the Company is allocated its share of those expenses based upon the Company's percentage use of those resources. During the years ended December 25, 2023, December 26, 2022, and December 27, 2021, all expenses incurred are for services from the Member.

During fiscal years 2023 and 2022, the Member paid for assets on behalf of the Company. As of December 25, 2023 and December 26, 2022, the payable to the Member for these assets was \$1,944,000 and \$835,000, respectively.

Note 4 – Member's Equity

The Company's LLC operating agreement has a perpetual life. Excess cash flow from profits is distributed to the Member in accordance with the operating agreement, which requires that all operating expenses are paid down first, and the excess is a distribution. The liability of the Company's Member is limited to the Member's specific capital balance. Upon liquidation of the Company, the net assets shall be distributed to the Member.

Note 5 – Commitments and Contingencies

The Company is subject to legal action and claims arising in the ordinary course of business. Although the outcome of any legal matter cannot be predicted with certainty, the Company does not believe that any legal proceedings, or matters in which the Company is currently involved, will have a material adverse effect on its business, financial position, results of operations, or cash flows.

Note 6 – Leases

In September 2023, the Company entered into a lease for a restaurant facility. For the year ending December 25, 2023, operating lease expense was \$5,611.

Pieology Franchise, LLC

Notes to Financial Statements

Supplemental balance sheet information related to operating leases:

	2023
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	\$ 5,611
ROU assets obtained in exchange for new operating lease liabilities	\$ 338,148
Weighted-average remaining lease term in years for operating leases	3.33
Weighted-average discount rate for operating leases	4.9%

As of December 25, 2023, maturities of lease liabilities were as follows:

2024	\$ 117,920
2025	121,452
2026	125,304
2027	10,132
Total lease payments	374,808
Less: imputed interest	(31,049)
Total lease liabilities as of December 25, 2023	\$ 343,759

Note 7 – Property and Equipment, Net

Property and equipment, net consisted of the following at December 31:

	December 25, 2023	December 26, 2022
Computer and software	\$ 1,420,470	1,192,455
	1,420,470	1,192,455
Less: accumulated depreciation and amortization	(451,470)	(188,410)
	\$ 969,000	\$ 1,004,045

Depreciation expense amounted to approximately \$263,000 and \$188,000 for the years ended December 25, 2023 and December 26, 2022, respectively. There was no depreciation expense for the year ended December 27, 2021.

Exhibit H
Form of General Release

EXHIBIT H

FORM OF GENERAL RELEASE

Pieology Franchise, LLC

GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

Pieology Franchise, LLC (“we,” “us,” or “our”) and the undersigned franchisee, _____ (“you” or “your”), currently are parties to a certain Franchise Agreement (the “Franchise Agreement”) dated _____. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation] We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the “Releasing Parties”), hereby forever release and discharge us and our current and former officers, directors, owners, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the “Pieology Parties”) from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, “Claims”) that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Pieology Parties (1) arising out of or related to the Pieology Parties’ obligations under the Franchise Agreement or (2) otherwise arising from or related to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Pieology Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Pieology Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

[The next page is the signature page.]

[This is the signature page for the General Release.]

Pieology Franchise, LLC

[Name of Franchisee]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

By: _____

[Name of Owner]

[Signature]

Date: _____

Exhibit I
List of Franchisees

EXHIBIT I to the Franchise Disclosure Document

Franchisees with Outlets Open as of December 25, 2023

Franchisee Name	Store Name	Address	City	State	Zip	Phone
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	Bridge Street	365 The Bridge Street Suite 101	Huntsville	AL	35806	(502) 805-1108
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	Montgomery	1454 Taylor Road, Suite 101	Montgomery	AL	36117	(502) 805-1108
Arizona Front Star, LLC Amir Siddiqi	Avondale	9915 W McDowell Road Ste. 107	Avondale	AZ	85392	(480) 963-3499
Arizona Front Star, LLC Amir Siddiqi	Chandler	3450 West Chandler Blvd Suite 5	Chandler	AZ	85226	(480) 963-3499
Arizona Front Star, LLC Amir Siddiqi	Mesa	1766 S. Greenfield Road #102	Mesa	AZ	85206	(480) 963-3499
Arizona Front Star, LLC Amir Siddiqi	Queen Creek	25166 S Ellsworth Rd Queen Creek	Queen Creek	AZ	85142	(480) 963-3499
Arizona Front Star, LLC Amir Siddiqi	Surprise	14321 W. Bell Road, Suite 105	Surprise	AZ	85374	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Apple Valley	12218 Apple Valley Road	Apple Valley	CA	92308	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Arvin / Tejon Ranch	5555 Lavel Road, Suite C	Arvin	CA	93203	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Silver Creek	6509 Panama Lane, Suite 103	Bakersfield	CA	93312	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Riverlakes	5503 Calloway Drive, Suite 300	Bakersfield	CA	93312	(480) 963-3499
Pizza of the Desert Michael Sheehan	Beaumont	1620 E. 1 st Street, Suite 400	Beaumont	CA	92223	(949)500-0112
LA Pie, Inc. Mary Khaleghian	Carson Southbay	20700 Avalon Blvd Suite 831-32	Carson	CA	90746	(310) 408-1733
Pie Venture, LLC James Yeung	Cerritos	12841 Towne Center	Cerritos	CA	90703	(562) 860-5202
Valley Grand Partners Sam Thong	Chino	3908 Grand Avenue	Chino	CA	91710	(626) 353-9929
TSY Pies, LLC Amir Siddiqi	City of Industry	17525 Colima Road	City of Industry	CA	91748	(480) 963-3499

TSY Pies, LLC Amir Siddiqi	Clovis	870 Herndon Avenue, Suite 101	Clovis	CA	93612	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Corona Hills	300 N. McKinley Street, Suite 101	Corona	CA	92879	(951) 515-4742
TSY Pies, LLC Amir Siddiqi	Cypress	9543 Valley View Street	Cypress	CA	90630	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Eastvale	13394 Limonite Avenue, Suite B- 170	Eastvale	CA	92880	(951) 515-4742
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Elk Grove	7600 Elk Grove Blvd, Suite 100	Elk Grove	CA	95757	(707) 427-1169
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Gateway Courtyard	1630 Gateway Blvd Ste. E	Fairfield	CA	94533	(707) 427-1169
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Folsom Gateway	2405 Iron Point Road, Suite 130	Folsom	CA	95630	(707) 427-1169
TSY Pies, LLC Amir Siddiqi	Fresno Campus Pointe	3123 East Campus Pointe Drive	Fresno	CA	93710	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Fresno El Paseo	6709 North Riverside Drive, Suite 103	Fresno	CA	93722	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Fresno Fig Garden	5068 North Palm Avenue	Fresno	CA	93704	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Fresno Park Crossing	8464 N. Friant Road #105	Fresno	CA	93720	(480) 963-3499
CSU Fullerton Auxillary Services Corporation Tony Lynch	Cal State Fullerton (Titan Student Union)	800 N. State College Blvd	Fullerton	CA	92831	
TSY Pies, LLC Amir Siddiqi	Fullerton College Square	516 North State College Blvd	Fullerton	CA	92831	(480) 963-3499
Pie Venture, LLC James Yeung	Gilroy Crossings	6944 Camino Arroyo Ste. 9-6	Gilroy	CA	95020	(714) 287-8280
TSY Pies, LLC Amir Siddiqi	Granada Village	17943 Chatsworth Street Unit 30A	Granada Hills	CA	91344	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Hanford Mall	1693 West Lacey Blvd, Suite B	Hanford	CA	93230	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Hesperia	13325 Main Street	Hesperia	CA	92345	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Irvine Spectrum	713 Spectrum Center Drive	Irvine	CA	92618	(480) 963-3499

TSY Pies, LLC Amir Siddiqi	Lake Elsinore	18310 Collier Avenue, Suite B	Lake Elsinore	CA	92530	(480) 963-3499
Pie Venture, LLC James Yeung	Lakewood Square	5027 Lakewood Blvd Suite 63-2	Lakewood	CA	90712	(562) 634-2625
Pizza Investment Entrepreneurs, LLC Dan Abfalter	La Quinta	79024 Highway 111	La Quinta	CA	92253	(925) 338-2475
TSY Pies, LLC Amir Siddiqi	Porter Ranch	19953 Rinaldi Street	Los Angeles	CA	91326	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Citadel Outlets	100 Citadel Drive, Suite FC-E	Los Angeles	CA	90040	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Menifee	30075 Haun Road	Menifee	CA	92584	(951) 515-4742
California Pizza Management, LLC Parham Oshidari	Monrovia	915 W. Huntington Dr.	Monrovia	CA	91016	(818) 703-3478
TSY Pies, LLC Amir Siddiqi	Monterey Park	2098 S. Atlantic Blvd	Monterey Park	CA	91754	(480) 963-3499
Pie Venture, LLC James Yeung	Moreno Valley	12860 Day Street	Moreno Valley	CA	92553	(714) 287-8280
Pie Venture, LLC James Yeung	Morgan Hill	250 Cochrane Road, Suite 100	Morgan Hill	CA	95037	(408) 782-7088
TSY Pies, LLC Amir Siddiqi	Norco	1411 Hamner Avenue, Suite 101	Norco	CA	92860	(951) 515-4742
TSY Pies, LLC Amir Siddiqi	University Plaza	9118 Reseda Blvd.	Northridge	CA	91325	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Perris Market-place	1700 Perris Blvd	Perris	CA	92571	(951) 515-4742
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Pleasant Hill	2380 Monument Blvd, Suite B	Pleasant Hill	CA	94523	(925) 338-2475
Pie Venture, LLC James Yeung	Rancho Valley	2051 Rancho Valley Drive, Suite 200	Pomona	CA	91766	(714) 287-8280
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Rivergate	2350 Sunrise Blvd, Suite 1	Rancho Cordova	CA	95670	(916) 635-4694
Pizza of the Desert Trent Hagey	Rancho Las Palmas	42500 Bob Hope Drive, Suite D	Rancho Mirage	CA	92270	(949)500-0112
Hagey Family, Inc. Todd Hagey	Redlands	623 Orange Street	Redlands	CA	92373	(909) 792-7329
TSY Pies, LLC Amir Siddiqi	Rialto	1420 South Riverside Avenue, Suite 8B	Rialto	CA	92376	(951) 515-4742

Sacramento Pie Company Manny Hundal	Rocky Ridge	2030 Douglas Blvd, Suite 30	Roseville	CA	95661	(916) 474-4281
Sacramento Pie Company Manny Hundal	Sacramento - Downtown	1020 16th Street	Sacramento	CA	95814	(916) 447-1695
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Delta Shores	8144 Delta Shores Circle South, Suite 100	Sacramento	CA	95832	(916) 801-1659
TSY Pies, LLC Amir Siddiqi	San Diego Balboa Mesa	5575 Balboa Avenue, Suite 310	San Diego	CA	92111	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	San Diego Sports Arena	3455 Sports Arena Blvd, Suite 110A	San Diego	CA	92110	(480) 963-3499
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Lincoln Center	6627 Pacific Avenue	Stockton	CA	95207	(707) 541-6380
TSY Pies, LLC Amir Siddiqi	Temecula	26460 Ynez Road	Temecula	CA	92882	(951) 515-4742
TSY Pies, LLC Amir Siddiqi	Thousand Oaks	205 N. Moorpark Road, Suite A	Thousand Oaks	CA	91360	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Upland	1071 East 19 th Street, Unit A	Upland	CA	91784	(480) 963-3499
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Vacaville	1650 E. Monte Vista Avenue, Suite ee-103	Vacaville	CA	95688	(707) 474-5328
TSY Pies, LLC Amir Siddiqi	Victorville	11604 Amargosa Road, Suite 4	Victorville	CA	92392	(480) 963-3499
TSY Pies, LLC Amir Siddiqi	Visalia Gateway Plaza	3733 Mooney Blvd	Visalia	CA	93277	(480) 963-3499
Valley Grand Partners Sam Thong	Walnut	505 N. Grand Ave	Walnut	CA	91789	(626) 353-9929
TSY Pies, LLC Amir Siddiqi	Westminster	16338 Beach Blvd	Westminster	CA	92683	(480) 963-3499
Pie Venture, LLC James Yeung	Whittier	12502 Washington Blvd	Whittier	CA	90605	(714) 287-8280
Sacramento Pie Company Manny Hundal	Yuba City	1250 Bridge Street, Suite 200	Yuba City	CA	95991	(916) 447-1695
Big East Pie Company, LLC Regal Patel	Stamford	100 Greyrock Place	Stamford	CT	06901	(860) 913-6469
Big East Pie Company, LLC Regal Patel	Food Truck	230 Tresser Blvd, Suite 005	Stamford	CT	06901	(860) 913-6469

Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	Coral Springs	4608 N. University Drive	Coral Springs	FL	33076	(502) 805-1108
Pieocentral, LLC Alvaro Diez	Flamingo Crossing	2198 Western Way #C	Winter Garden	FL	34787	(469) 358-8010
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	Fountain Square	10141 W. Flagler Street, Suite D150	Miami	FL	33174	(502) 805-1108
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	Pembroke Pines	304 SW 145 th Avenue, Suite 110	Pembroke Pines	FL	33027	(502) 805-1108
Kingdom Pies, LLC Ted Cheng	Cordova Mall	5100 N. 9 th Avenue	Pensacola	FL	32904	(714) 337-3152
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	Plantation Pointe	1760 N. University Drive, Suite A	Plantation	FL	33322	(502) 805-1108
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	Seminole	11165 Park Blvd, Suite A	Seminole	FL	33772	(502) 805-1108
Progressive Pies, LLC – Richard Hart	Macheche Plaza	131 Macheche Avenue, Suite 100	Dededo	Guam	96912	(617) 489-3753
Progressive Pies, LLC Richard Hart	Tamuning – Guam	341 Chalan San Antonio	Tamuning	Guam	96931	(671) 489-3753
Cotti Foods Pizza Hawaii Peter Capriotti II	Pearl Ridge Mall	98-1005 Monalua Road	Aiea	HI	96701	(949) 858-9191
Cotti Foods Pizza Hawaii Peter Capriotti II	Aina Haina	820 West Hind Drive	Honolulu	HI	96821	(949) 858-9191
Cotti Foods Pizza Hawaii Peter Capriotti II	Honolulu University Square	2615 South King Street, Space 7	Honolulu	HI	96826	(949) 858-9191
Cotti Foods Pizza Hawaii Peter Capriotti II	Kailua	151 Hekili Street, Suite 103 & 104	Kailua	HI	96734	(949) 858-9191
Cotti Foods Pizza Hawaii Peter Capriotti II	Windward Mall	46-056 Kamehameha Hwy, Space E09	Kaneohe	HI	96744	(949) 858-9191
Crash-Coyote, LLC Laurie Wylie	Kuna	1327 N Meridian Road, Suite 120, Kuna, ID 83634	Kuna	ID	83634	(909) 664-4606

Pizza Investment Entrepreneurs, LLC Dan Abfalter	Cannery Corner	2520 E. Craig Road, Suite 120	Las Vegas	NV	89030	(702) 331-4454
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Hughes Center	365 Hughes Center Drive, Suite 130	Las Vegas	NV	89169	(702) 888-1295
TSY Pies, LLC Amir Siddiqi	MGM Grand	3799 South Las Vegas Blvd	Las Vegas	NV	89109	(480) 963-3499
Pizza Investment Entrepreneurs, LLC Dan Abfalter	Summerlin	10965 Lavender Hill Drive, Suite 130	Las Vegas	NV	89135	(702) 331-4454
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	Friendly Center	3316 W. Friendly Avenue, Suite 101	Greensboro	NC	27408	(502) 805-1108
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	North Hills	4158 Main	Raleigh	NC	27609	(502) 805-1108
IL Boushe Pizza, LLC Mike Sheehan	Springfield	2860 Gateway Street, MT 202	Springfield	OR	97477	(949) 500-0112
IL Boushe Pizza, LLC Mike Sheehan	Nyberg	7663 Nyberg Street	Tualatin	OR	97062	(949) 500-0112
AON Group, LLC Juan Garza	Edinburg	508 W. Trenton Road, Suite 1	Edinburg	TX	78539	(956) 802-1377
Triple Crown Ventures, LLC Jesus Reza	El Paso / Mesa	6951 N. Mesa Street	El Paso	TX	79912	(915) 585-1251
Triple Pie Group, LLC Jesus Reza	El Paso W. Towne Mktplace	6450 N. Desert Blvd, Suite G101-102	El Paso	TX	79912	(915) 585-1251
Triple Pie Group, LLC Jesus Reza	El Paso / George Dieter	1318 George Dieter Drive	El Paso	TX	79936	(915) 585-1251
Triple Pie Group, LLC Jesus Reza	El Paso / Pebble Hill	14011 Pebble Hills Blvd, Suite 111	El Paso	TX	79938	(915) 585-1251
Triple Pie Group, LLC Jesus Reza	Eastlake	13371 Eastlake Blvd, Suite 301	Horizon City	TX	79928	(915) 585-1251
AON Group, LLC Juan Garza	McAllen Jackson Triangle	1400 E. Expy 83, Suite 155	McAllen	TX	78501	(956) 802-1377

Franchisees Whose Outlets Were Not Yet Open as of December 25, 2023

Franchisee Name	Address	Phone
None		

Former Franchisees

Franchisee Name	Address	Phone
Big East Pie Company, LLC Regal Patel	15 Federal Road, Brookfield, CT 06804	(860) 913-6469
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	346 Main Street, Franklin, TN 37064	(502) 805-1108
Bluegrass Restaurant Holdings I, LLC Kevin Attkisson	128 West McMillian Street, Suite 514A, Cincinnati, OH 45219	(502) 805-1108
IL Boushe Pizza, LLC Mike Sheehan	12130 SE 82nd Avenue, Happy Valley, OR 97086	(949) 500-0112
Kingdom Pies, LLC Ted Cheng	641 Crosswater Parkway, Ponte Vedra, FL 32081	(714) 337-3152
Kingdom Pies, LLC Ted Cheng	2998 E. US 412 Highway, Suite 90, Siloam Springs, AR 72761	(714) 337-3152
Kingdom Pies, LLC Ted Cheng	1777 Martin Luther King Blvd, Suite 102, Fayetteville, AR 72701	(714) 337-3152
Pizza Investment Entrepreneurs, LLC Dan Abfalter	2280 Mendocino Avenue, Suite B-3-B, Santa Rosa, CA 95403	(707) 541-6380
Pizza Investment Entrepreneurs, LLC Dan Abfalter	484 Howe Avenue, Suite 20, Sacramento, CA 95825	(916) 801-1659
Pizza Pie Investments, LLC Jerrod Hartman	1125 W. Trenton, Findlay, OH 45840	(419) 203-1386
Pyramid Enterprise, LLC Manny Bramao	15780 Shady Grove Road, Gaithersburg, MD 20877	(301) 526-2025

Exhibit J

State Addenda and Franchise Agreement Riders

EXHIBIT J

ADDITIONAL DISCLOSURES FOR THE MULTI-STATE FRANCHISE DISCLOSURE DOCUMENT OF PIEOLOGY FRANCHISE, LLC

The following are additional disclosures for the Franchise Disclosure Document of Pieology Franchise, 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 registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.**

2. 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.

3. OUR WEBSITE, www.pieology.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

4. The Franchise Agreement and Development Agreement contain a provision requiring you to waive your right to punitive or exemplary damages against the franchisor or any of its representatives, limiting your recover to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

5. **Spousal Liability:** Your spouse will be liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

6. The following paragraph is added at the end of Item 3 of the Disclosure Document:

Except as disclosed above, neither we nor any person identified in Item 2 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, 15 U.S.C.A. Section 78a et seq., suspending or expelling such person from membership in such association or exchange.

7. The following sentence is added to the “Remarks” column of the line-item titled “Late Payment Interest and Administrative Fee” in Item 6 of the Franchise Disclosure Document:

The highest interest rate allowed under California law is 10% annually.

8. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

California Law Regarding Termination, Transfer and Nonrenewal. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination, transfer or nonrenewal of the franchise. If the Franchise Agreement contains any provision that is inconsistent with the law, and the law applies, then the law will control.

Termination Upon Bankruptcy. The Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.)

Covenant Not to Compete. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

Arbitration. The Franchise Agreement requires binding arbitration. The arbitration will occur at a suitable location in Orange County, California with the costs being borne as the arbitrator determines. Prospective franchisees are encouraged to consult private 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 provision of the Franchise Agreement restricting venue to a forum outside the State of California.

Material Modification. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

Releases. The Franchise Agreement requires you to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order under that law is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000–31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000–20043).

Curable Defaults. The Franchise Agreement provides that certain breaches by you of the Franchise Agreement would constitute a non-curable or curable, as applicable, material breach of the Franchise Agreement, which if non-curable, or if

curable but not timely cured, would entitle us to terminate the Franchise Agreement. The California Franchise Relations Act as amended effective January 1, 2016 (California Business and Professions Code Sections 20000-20043, inclusive), provides franchisees an opportunity to cure certain, specified defaults. If the Franchise Agreement contains provisions that are inconsistent with the law, the law will control.

Time to Cure. The Franchise Agreement provides a limited number of days for you to cure certain, specified defaults. The California Franchise Relations Act as amended effective January 1, 2016 (California Business and Professions Code Sections 20000 through 20043) provides for minimum cure periods for certain defaults by a franchisee. If the Franchise Agreement contains provisions that are inconsistent with the law, the law will control.

Liquidated Damages. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Choice of Law. The Franchise Agreement requires application of the laws of Delaware. This provision may not be enforceable under California law.

HAWAII

1. The following paragraphs shall be added to the state cover page:

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The name and address of the Franchisor's agent in this state authorized to receive service of process is the Hawaii Commissioner of Securities, 335 Merchant Street, Honolulu, Hawaii 96813.

2. Each provision of this Addendum to the Disclosure document is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E-1, et seq., are met independently without reference to this Addendum to the Disclosure document, and only to the extent such provision is a then valid requirement of the statute.

3. The following language shall be added to Item 5:

Payment of all initial fees payable under the Franchise Agreement and/or Development Rights Agreement is deferred until Pieology Franchise, LLC has satisfied its pre-opening obligations to you under the Franchise Agreement and/or Development Rights Agreement and your Pieology Restaurant opens to the public.

ILLINOIS

1. Illinois law governs the Franchise Agreement.

2. 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.

3. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. 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.

For info about obtaining a liquor license in Illinois, see:
<https://www.illinois.gov/ilcc/Pages/Forms-and-Applications.aspx>

For info about obtaining TIPS certification in Illinois, see:
<https://www.tipscertified.com/tips-state-pages/illinois/>

MARYLAND

1. Item 5 of the Disclosure Document is amended to add the following in compliance with the Maryland Franchise Registration and Disclosure Law:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees to the franchisor under a franchise agreement shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first Restaurant developed under the development agreement opens.

2. The "Summary" sections of Items 17(c), entitled **Requirements for franchisee to renew or extend**, and 17(m), entitled **Conditions for franchisor approval of transfer**, of the Disclosure Document are amended by adding the following:

Any general releases you sign as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The "Summary" section of Item 17(h), entitled **"Cause" defined – non-curable defaults**, of the Disclosure Document is amended by adding the following:

The agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we and you agree to enforce it to the extent the law allows.

4. The "Summary" section of Item 17(v), entitled **Choice of Forum**, of the Disclosure Document is amended by adding the following:

Although you may, subject to your arbitration obligation, bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. The "Summary" section of Item 17(w), entitled **Choice of Law**, of the Disclosure Document is amended by adding the following:

Except for Federal Arbitration Act and other federal law, and as otherwise required by applicable law for claims arising under the Maryland Franchise Registration and Disclosure Law, the law of the State in which the majority of the Designated Territory or the Pieology Restaurant is located governs.

6. The following language is added to the end of Item 17 of the Disclosure Document:

Despite any contradicting provision in the Franchise Agreement, you have 3 years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure Law.

MINNESOTA

1. The following is added at the end of the chart in Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota. Those provisions also provide that no condition, stipulations or provision in the Franchise Agreement shall in any way abrogate or reduce any rights you have under the Minnesota Franchises Law, including (if applicable) the right to submit matters to the jurisdiction of the courts of Minnesota and the right to any procedure, forum or remedies that the laws of the jurisdiction provide.

Any release required as a condition of renewal or transfer/assignment will not apply to the extent prohibited by the Minnesota Franchises Law.

Minn. Rule Part 2860.4400J might prohibit a franchisee from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties or judgment notes. However, we and you will enforce these provisions in our Franchise Agreement to the extent the law allows.

2. 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 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 in connection with the franchise.

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party 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.

B. No such party has pending actions, 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.

C. No such party 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.

D. No such party 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. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy 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 thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee":

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

1. Item 5 is amended by adding the following: “All initial fees and payments owed by franchisees to the franchisor under a franchise agreement shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement and the franchisee has commenced doing business.”

2. The “Summary” sections of Items 17(c), entitled **Requirements for franchisee to renew or extend**, and 17(m), entitled **Conditions for franchisor approval of transfer**, of the Disclosure Document are amended by adding the following:

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. The “Summary” sections of Item 17(i), entitled **Franchisee’s obligations on termination/non-renewal**, of the Disclosure Document is amended by adding the following:

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, the provision of the Franchise Agreement pertaining to liquidated damages will be excluded by a rider to each Franchise Agreement that pertains to a restaurant located within North Dakota.

4. The “Summary” sections of Item 17(r), entitled **Non-competition covenants during the term of the franchise**, of the Disclosure Document is amended by adding the following:

Covenants not to compete such as those mentioned above generally are considered unenforceable in North Dakota. However, we will seek to enforce them to the extent enforceable.

5. The “Summary” sections of Item 17(u), entitled **Dispute resolution by arbitration or mediation**, of the Disclosure Document is amended by adding the following:

However, to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree.

6. The “Summary” sections of Item 17(v), entitled **Choice of Forum**, of the Disclosure Document is amended by adding the following:

Subject to arbitration requirements and to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota.

7. The “Summary” sections of Item 17(w), entitled **Choice of Law**, of the Disclosure Document is amended by adding the following:

Except for Federal Arbitration Act and other federal law, North Dakota law governs.

RHODE ISLAND

1. The “Summary” sections of Item 17(v), entitled **Choice of Forum**, of the Disclosure Document is deleted and replaced with the following:

Subject to arbitration requirements, litigation generally must be in California, except that, to the extent required by applicable law, you may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. The “Summary” sections of Item 17(w), entitled **Choice of Law**, of the Disclosure Document is deleted and replaced with the following:

Except for Federal Arbitration Act and other federal law, and except as otherwise required by the Rhode Island Franchise Investment Act, California law applies.

VIRGINIA

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the “Summary” section of Item 17(h), entitled **“Cause” defined – non-curable defaults**, is amended by adding the following:

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 does 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.

2. The following Risk Factor is added to the “Special Risks to Consider About This Franchise” page:

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from \$304,000 to \$807,500. This amount exceeds the franchisor's stockholder's equity as of December 28, 2020 which is \$(98,895).

3. The following language is added at the end of Item 5:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by

franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the development fee owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the development agreement.

WASHINGTON

1. The following language is added at the end of Item 5:

Based upon the franchisor's financial condition, the Department of Financial Institutions has required a financial assurance. Therefore, all initial fees and payments owed by franchisees to the franchisor under a franchise agreement shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first Restaurant developed under the development agreement opens.

2. The following paragraph is added at the end of Item 17:

If any of the provisions in this disclosure document or the Franchise Agreement or the Development Rights Agreement are inconsistent with the relationship provisions of Revised Code of Washington Section 19.100.180 or any other requirements of the Washington Franchise Investment Protection Act (the "Act"), then (if the Act applies by its terms) the provisions of the Act will prevail over the inconsistent terms of the disclosure document, the Franchise Agreement, and/or the Development Rights Agreement, as applicable, for any franchises sold in Washington.

However, we and you agree to enforce the Franchise Agreement's and Development Rights Agreement's provisions to the extent the law allows.

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS
TO THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT AS
INDICATED**

**RIDER TO THE PIEOLOGY FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR USE IN CALIFORNIA**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”). This Rider is part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Pieology Restaurant that you will operate under the Franchise Agreement was made in the State of California and the Pieology Restaurant will be located in California, and/or (b) you are a resident of California.

2. **Effect of California Law.** The California Department of Financial Protection And Innovation requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL. CORP CODE Section 31000 et seq., and the California Franchise Relations Act, CAL.BUS. & PROF. CODE Section 20000 et seq., To the extent that the Agreement or Section 2 above of this Rider contains provisions that are inconsistent with the following, such provisions are hereby amended:

a. California Business and Professions Code Sections 20000 through 20043 provide rights to Franchisee concerning termination, transfer or non-renewal of a franchise. If the Agreement contains a provision that is inconsistent with the law, the law will control.

b. The Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

3. **Disclaimer.** No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee’s investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee’s understanding of the law and facts as of the time of the franchisee’s investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

4. **Jurisdictional Condition.** Each provision of this Rider shall be effective only to the extent that the jurisdictional requirements of the California law applicable to the provision are met independent of this Rider. This Rider shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR USE IN HAWAII**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”). This Rider is part of the Franchise Agreement.

2. The parties wish to modify the Franchise Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree that to amend the Franchise Agreement as follows:

Notwithstanding anything to the contrary set forth in the Franchise Agreement, and in particular Section 5.A thereof, Franchisee shall pay the Initial Franchise Fee to Company when Company has fulfilled its initial obligations to Franchisee and Franchisee’s Pieology Restaurant opens to the public.

Except as set forth herein, the Franchise Agreement shall be valid and enforceable between the parties in accordance with its terms.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

FRANCHISEE

(IF ENTITY):

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

[Name]

By: _____

Date: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”). This Rider is part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Pieology Restaurant that you will operate under the Franchise Agreement was made in the State of Illinois and the Pieology Restaurant will be located in Illinois, and/or (b) you are a resident of Illinois.

2. **Illinois Franchise Disclosure Act.** The following language is added as Section 18.N of the Franchise Agreement:

- (1) Illinois law governs the Franchise Agreement.
- (2) 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.
- (3) Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
- (4) 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 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 in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

FRANCHISEE

(IF ENTITY):

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

[Name]

By: _____

Date: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC
DEVELOPMENT RIGHTS AGREEMENT
FOR USE IN ILLINOIS**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Development Rights Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Development Rights Agreement that has been signed at the same time as the signing of this Rider (the “**Development Rights Agreement**”). This Rider is part of the Development Rights Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Pieology Restaurant that you will operate under the Development Rights Agreement was made in the State of Illinois and the Pieology Restaurant will be located in Illinois, and/or (b) you are a resident of Illinois.

2. **Illinois Franchise Disclosure Act.** The following language is added as Section 16(g) of the Development Rights Agreement:

- (1) Illinois law governs the Franchise Agreement.
- (2) 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.
- (3) Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
- (4) 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 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 in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

By: _____

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

Date: _____

FRANCHISEE

(IF ENTITY):

_____ [Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

_____ [Signature]

_____ [Print Name]

_____ [Signature]

_____ [Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of the State of Maryland, and/or (b) the Pieology Restaurant that you will operate under the Franchise Agreement will be located in Maryland.

2. **Fees.** Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees to the franchisor under a franchise agreement shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

3. **Releases.** The following language is added to the end of Sections 13.D.(4), 13.F., 13.I., 14.C. and 16.E.(5) of the Franchise Agreement:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to any claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

4. **Insolvency.** The following language is added to the end of Section 15.B.(19) of the Franchise Agreement:

; termination upon insolvency might not be enforceable under federal insolvency law (11 U.S.C. Sections 101 et seq.), but we and you agree to enforce this provision to the maximum extent the law allows.

5. **Governing Law.** The following language is added to the end of Section 18.G of the Franchise Agreement:

However, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

6. **Consent to Jurisdiction.** The following language is added to the end of Section 18.H of the Franchise Agreement:

However, subject to the parties’ arbitration obligations, you may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

7. **Limitation of Claims.** The following language is added to the end of Section 18.K of the Franchise Agreement:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after we grant you the franchise.

8. **Acknowledgements.** The following language is added as Section 18.N of the Franchise Agreement:

All representations requiring you to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC DEVELOPMENT RIGHTS
AGREEMENT
FOR USE IN MARYLAND**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Development Rights Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Development Rights Agreement that has been signed at the same time as the signing of this Rider (the “**Development Rights Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Development Rights Agreement. This Rider is being signed because (a) you are a resident of the State of Maryland, and/or (b) the Pieology Restaurant that you will operate will be located in Maryland.

2. **Fees.** Based upon the franchisor’s financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

3. **Governing Law.** The following language is added to the end of Section 16(g) of the Development Rights Agreement:

However, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

4. **Consent to Jurisdiction.** The following language is added to the end of Section 16(h) of the Development Rights Agreement:

However, subject to the parties’ arbitration obligations, you may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. **Limitation of Claims.** The following language is added to the end of Section 16(k) of the Development Rights Agreement:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after we grant you the franchise.

6. **Acknowledgements.** The following language is added as Section 16(n) of the Development Rights Agreement:

All representations requiring you to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

By: _____

Shawn Thompson
CHIEF EXECUTIVE OFFICER

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the Pieology Restaurant that you will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **Releases.** The following is added to the end of Sections 13.D.(4), 13.F., 13.I., 14.C. and 16.E.(5) of the Franchise Agreement:

however, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **Renewal and Termination.** The following is added to the end of Sections 14.B and 15.B of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain 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 this Agreement.

4. **Governing Law.** The following is added to the end of Section 18.G of the Franchise Agreement:

Nothing in this Section 22.08 shall abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

5. **Consent to Jurisdiction.** The following is added to the end of Section 18.H of the Franchise Agreement:

However, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us, except in certain specified cases, from requiring litigation to be conducted outside Minnesota. Nothing in this Section 22.09 shall abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum, or remedies that the laws of the jurisdiction provide.

6. **Waiver of Punitive Damages and Jury Trial.** If required by the Minnesota Franchises Law, Section 18.I of the Franchise Agreement is deleted.

7. **Limitations of Claims.** The following is added to the end of Section 18.K of the Franchise Agreement:

However, Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than three (3) years after the cause of action accrues.

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 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 in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

FRANCHISEE

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

(IF ENTITY):

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

_____ [Name]

By: _____

Date: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

_____ [Signature]

_____ [Print Name]

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC FRANCHISE AGREEMENT
FOR USE IN NEW YORK**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the Pieology Restaurant that you will operate under the Franchise Agreement was made in the State of New York, and/or (b) you are a resident of New York and will operate the Business in New York.

2. **Releases.** The following language is added to the end of Sections 13.D.(4), 13.F., 13.I., 14.C. and 16.E.(5) of the Franchise Agreement:

provided, however, that to the extent required by Article 33 of the General Business Law of the State of New York, all rights you enjoy 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 thereunder shall remain in force; it being the intent of the proviso that the non-waiver provisions of GBL 687 and 687.5 be satisfied.

3. **Transfer by Us.** The following language is added to the end of Section 13.A. of the Franchise Agreement:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

4. **Termination by You.** The following language is added as the second sentence of Section 15.A of the Franchise Agreement:

You may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

5. **Governing Law/Consent to Jurisdiction.** The following language is added to the end of Sections 18.G and 18.H of the Franchise Agreement:

However, to the extent required by Article 33 of the General Business Law of the State of New York, this Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder.

6. **Limitation of Claims.** The following language is added to the end of Section 18.K of the Franchise Agreement:

However, to the extent required by Article 33 of the General Business Law of the State of New York, all rights 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 thereunder shall remain in force; it being the intent of this provision that the non-waiver provisions of GBL Sections 687.4 and 687.5 be satisfied.

7. **Application of Rider.** There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the State of New York. However, an offer or sale is deemed to be made in New York if you are domiciled in and the franchise will be opened in New York. We are required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement effective as of ____, 20__ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of North Dakota and the Pieology Restaurant that you will operate under the Franchise Agreement will be located in North Dakota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in North Dakota.

2. **Fees.** Based upon the franchisor’s financial condition, the North Dakota Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees to the franchisor under a franchise agreement shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement and the franchisee has commenced doing business.

3. **Releases.** The following is added to the end of Sections 13.D.(4), 13.F., 13.I., 14.C. and 16.E.(5) of the Franchise Agreement:

provided, however, that such general release shall not apply to the extent prohibited by law with respect to claims arising under the North Dakota Franchise Investment Law.

4. **Liquidated Damages Deleted.** Section 16.A. of the Franchise Agreement is hereby deleted in its entirety replaced with the following:

16.A. **Payment of Amounts Owed.** You agree to pay within fifteen (15) days after this Agreement expires or is terminated, or on any later date that the amounts due are determined, all amounts owed to us or our affiliates under this Agreement or any related agreement which then are unpaid, including without limitation all unpaid Royalties and Marketing Fund contributions and other amounts accrued up to and including the effective date of termination.

5. **Covenant Not to Compete.** The following is added to the end of Section 16.D of the Franchise Agreement:

Covenants not to compete such as those mentioned above generally are considered unenforceable in North Dakota. However, we will seek to enforce them to the extent enforceable.

6. **Arbitration.** The first paragraph of Section 18.F of the Franchise Agreement is deleted and replaced with the following:

All controversies, disputes or claims between us (and our affiliates and our and their respective owners, officers, directors, managers, agents and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, directors, managers, agents and employees, as applicable) arising out of or related to:

- (1) this Agreement or any other agreement between you and us or any provision of any of such agreements (including this Section 18.F);
- (2) our relationship with you;
- (3) the scope and validity of this Agreement or any other agreement between you and us or any provision of any of such agreements (including the scope and validity of the arbitration obligations under this Section 18.F, which you and we acknowledge is to be determined by an arbitrator and not a court); or
- (4) any System Standard

will be submitted for arbitration to JAMS (formerly Judicial Arbitration and Mediation Service). The arbitration proceedings shall be heard by one (1) arbitrator in accordance with the then existing JAMS Comprehensive Arbitration Rules and Procedures (with the Expedited Arbitration Procedures to limit discovery burdens). Arbitration proceedings shall be held at a suitable location to be chosen by the arbitrator which is within twenty- five (25) miles of our principal business address at the time that the arbitration action is filed, however, to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration proceedings will be held at a site to which we and you agree. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) will be governed by it and not by any state arbitration law.

7. **Governing Law.** The following language is added to the end of Section 18.G of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to this Agreement.

8. **Consent To Jurisdiction.** The following language is added to the end of Section 18.H of the Franchise Agreement:

However, that to the extent required by applicable law, subject to your arbitration obligation, you may bring an action in North Dakota.

9. **Waiver of Punitive Damages and Jury Trial.** To the extent required by the North Dakota Franchise Investment Law, Section 18.I of the Franchise Agreement is deleted.

10. **Limitations of Claims.** The following is added to the end of Section 18.K of the Franchise Agreement:

The time limitations set forth in this Section might be modified by the North Dakota Franchise Investment Law.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement effective as of ____, 20__ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of Rhode Island and the Pieology Restaurant that you will operate under the Franchise Agreement will be located in Rhode Island; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Rhode Island.

2. **Governing Law.** The following language is added to the end of Section 18.G of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act. Section 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.”

3. **Consent to Jurisdiction.** The following language is added to the end of Section 18.H of the Franchise Agreement:

However, subject to your arbitration obligation, to the extent required by applicable law, you may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

FRANCHISEE

(IF ENTITY):

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

[Name]

By: _____

Date: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR USE IN VIRGINIA**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Rider (the “**Franchise Agreement**”). This Rider is part of the Franchise Agreement.

2. The parties wish to modify the Franchise Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree that to amend the Franchise Agreement as follows:

Notwithstanding anything to the contrary set forth in the Franchise Agreement, and in particular Section 5.A thereof, Franchisee shall pay the Initial Franchise Fee to Company when Company has fulfilled its initial obligations to Franchisee and Franchisee’s Pieology Restaurant opens to the public.

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 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 in connection with the franchise.

Except as set forth herein, the Franchise Agreement shall be valid and enforceable between the parties in accordance with its terms.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 202__

**RIDER TO THE PIEOLOGY FRANCHISE, LLC
DEVELOPMENT RIGHTS AGREEMENT
FOR USE IN VIRGINIA**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Development Rights Agreement (defined below), by and between **Pieology Franchise, LLC**, a Delaware limited liability company with its principal business address at 18101 Von Karman, Suite #1100, Irvine, CA 92612 (“**we**,” “**us**” or “**our**”), and _____, a _____, whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Development Rights Agreement that has been signed at the same time as the signing of this Rider (the “**Development Rights Agreement**”). This Rider is part of the Development Rights Agreement.

2. The parties wish to modify the Development Rights Agreement, upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties agree that to amend the Development Rights Agreement as follows:

Notwithstanding anything to the contrary set forth in the Development Rights Agreement, and in particular Section 6 thereof, Franchisee shall pay the Development Fee to Company when Company has fulfilled its initial obligations to Franchisee and Franchisee’s Pieology Restaurant opens to the public.

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 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 in connection with the franchise.

Except as set forth herein, the Development Rights Agreement shall be valid and enforceable between the parties in accordance with its terms.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

FRANCHISEE

(IF ENTITY):

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

[Name]

By: _____

Date: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 202__

RIDER TO THE PIEOLOGY FRANCHISE, LLC FRANCHISE AGREEMENT FOR USE IN WASHINGTON

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 franchise 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 franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee 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 a franchisee 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 a franchisee, 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 a franchisee 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 franchise 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 a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20_____.

FRANCHISOR

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

Date: _____

FRANCHISEE

(IF ENTITY):

_____ [Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

_____ [Signature]

_____ [Print Name]

_____ [Signature]

_____ [Print Name]

Date: _____, 202__

RIDER TO THE PIEOLOGY FRANCHISE, LLC DEVELOPMENT RIGHTS AGREEMENT FOR USE IN WASHINGTON

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 franchise 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 franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee 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 a franchisee 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 a franchisee, 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 a franchisee 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 franchise 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 a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____
20_____.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

FRANCHISOR

DEVELOPER

PIEOLOGY FRANCHISE, LLC
a Delaware limited liability company

(IF ENTITY):

By: _____
Shawn Thompson
CHIEF EXECUTIVE OFFICER

[Name]

By: _____

Date: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____, 202__

Exhibit K

Representations and Acknowledgment Statement

NEW YORK REPRESENTATIONS PAGE

THE FRANCHISOR REPRESENTS THAT THIS PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

PIEOLOGY FRANCHISE, LLC
REPRESENTATIONS AND ACKNOWLEDGMENT STATEMENT

The purpose of this Statement is to demonstrate to Pieology Franchise, LLC (“Franchisor”) that each person signing below (“I,” “me” or “my”), whether acting individually or on behalf of any legal entity established to acquire the franchise rights, (a) fully understands that the purchase of a PIEOLOGY RESTAURANT franchise is a significant long-term commitment, complete with its associated risks.

In that regard, I represent to Franchisor and acknowledge that:

<p>I understand that buying a franchise is not a guarantee of success. Purchasing or establishing any business is risky, and the success or failure of the franchise is subject to many variables over which Franchisor has no control such as my skills and abilities (and those of my partners, officers, employees), the time my associates and I devote to the business, competition, interest rates, the economy, inflation, operation costs, location, lease terms, the market place generally and other economic and business factors. I am aware of and am willing to undertake these business risks. I understand that the success or failure of my business will depend primarily upon my efforts and not those of Franchisor.</p>	<p>INITIAL:</p>
<p>I received a copy of the FDD, including the Franchise Agreement, at least 14 calendar days (10 business days in Michigan) before I executed the Franchise Agreement. I understand that all of my rights and responsibilities and those of Franchisor in connection with the franchise are set forth in these documents and only in these documents. I acknowledge that I have had the opportunity to personally and carefully review these documents and have, in fact, done so. I have been advised to have professionals (such as lawyers and accountants) review the documents for me and to have them help me understand these documents. I have also been advised to consult with other franchisees regarding the risks associated with the purchase of the franchise.</p>	<p>INITIAL:</p>
<p>Neither the Franchisor nor any of its officers, employees or agents (including any franchise broker) has made a statement, promise or assurance to me concerning any matter related to the franchise (including those regarding advertising, marketing, training, support service or assistance provided by Franchisor) that is contrary to, or different from, the information contained in the FDD.</p>	<p>INITIAL:</p>
<p>I have made my own independent determination as to whether I have the capital necessary to fund the business and my living expenses, particularly during the start-up phase.</p>	<p>INITIAL:</p>
<p>In order to obtain and retain customers for my Restaurant, I must (among other things) make consistent marketing and promotional efforts, and maintain a high level of customer service and strict adherence to the Franchise System and Franchisor’s System Standards, and I am committed to doing so.</p>	<p>INITIAL:</p>

<p>I have no knowledge of any representations made about the Pieology Restaurant franchise opportunity by Franchisor, Franchisor’s affiliates or any of Franchisor’s officers, directors, owners or agents that are contrary to the statements made in Franchisor’s Franchise Disclosure Document or to the terms and conditions of the Franchise Agreement.</p>	<p>INITIAL:</p>
<p>In all of Franchisor’s dealings with me, Franchisor’s owners, officers, employees and agents act only in a representative, and not in an individual, capacity and that business dealings between any of them and me as a result of this Agreement are only between me and Franchisor.</p>	<p>INITIAL:</p>
<p align="center"><u>SPECIAL REPRESENTATION REGARDING RECEIPT OF FINANCIAL INFORMATION</u></p> <p align="center">PLEASE READ THE FOLLOWING QUESTION CAREFULLY. THEN SELECT YES OR NO AND PLACE YOUR INITIALS WHERE INDICATED.</p> <p>Have you received any information from the Franchisor or any of its officers, employees, or agents (including any franchise broker) concerning actual, average, projected or forecasted sales, revenues, income, profits, or earnings of the franchise business (including any statement, promise or assurance concerning the likelihood of success) other than information contained in the FDD?</p> <p align="center"> <input type="checkbox"/> Yes <input type="checkbox"/> No (INITIAL HERE: _____) </p> <p>If you selected “Yes,” please describe the information you received on the lines below:</p> <p>_____</p> <p>_____</p> <p>_____</p>	
<p>Any information I have acquired from other Pieology Restaurant franchisees regarding their sales, profits or cash flows is not information obtained from Franchisor, and Franchisor makes no representation about that information’s accuracy.</p>	<p>INITIAL:</p>
<p>All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.</p>	<p>INITIAL:</p>

FRANCHISEE:

Sign here if you are taking the franchise as an

INDIVIDUAL(S)

(Note: use these blocks if you are an individual or a partnership but the partnership is not a separate legal entity)

Signature
Print Name: _____
Date: _____

Sign here if you are taking the franchise as a
**CORPORATION, LIMITED LIABILITY
COMPANY OR PARTNERSHIP**

Print Name of Legal Entity

By: _____
Signature

Print Name:

Title: _____
Date: _____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, 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
California	April 11, 2024
Hawaii	March 29, 2024
Illinois	<i>pending</i>
Indiana	April 30, 2024
Maryland	<i>pending</i>
Michigan	April 10, 2024
Minnesota	<i>pending</i>
New York	<i>pending</i>
North Dakota	May 13, 2024
Rhode Island	October 4, 2023
Virginia	<i>pending</i>
Wisconsin	April 10, 2024

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 seller-assisted marketing plans.

Exhibit L – 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 Pieology Franchise, 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, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Pieology Franchise, 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 appropriate state agency identified in Exhibit A.

The franchisor is Pieology Franchise, LLC located at 18101 Von Karman, Suite 1100, Irvine, CA 92612. Its telephone number is (949) 674-3844.

The franchise sellers for this offering are:

Shawn Thompson at 18101 Von Karman, Suite #1100, Irvine, CA 92612, (949) 674-3844.

Other: _____.

Issuance Date: March 29, 2024

Pieology authorizes the respective state agents identified on Exhibit A to receive service of process for it in the particular states. I received a disclosure document from Pieology Franchise, LLC dated as of March 29, 2024 that included the following Exhibits:

Exhibit A	State Administrators/Agent for Service of Process
Exhibit B	Franchise Agreement
Exhibit C	Electronic Funds Transfer Agreement
Exhibit D	Lease Rider
Exhibit E	Development Rights Agreement
Exhibit F	Table of Contents for Operations Manual
Exhibit G	Financial Statements
Exhibit H	Form of General Release
Exhibit I	List of Franchisees
Exhibit J	State Addenda/Riders
Exhibit K	Representations and Acknowledgment Statement

Date

Prospective Franchisee [Print Name]

(Date, Sign, and Return to Us)

Prospective Franchisee [Signature]

After signing and dating the Receipt, you may return it to us (to the attention of Caitlin Kendellen) by sending us the original via overnight delivery or regular mail to our address above or by emailing a scanned copy to ckendellen@pieology.com.

Exhibit L – 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 Pieology Franchise, 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, the franchisor or an affiliate in connection with the proposed franchise sale.

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If Pieology Franchise, 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 appropriate state agency identified in Exhibit C.

The franchisor is Pieology Franchise, LLC located at 18101 Von Karman, Suite #1100, Irvine, CA 92612. Its telephone number is (949) 674-3844.

The franchise sellers for this offering are:

Shawn Thompson at 18101 Von Karman, Suite #1100, Irvine, CA 92612, (949) 674-3844.

Other: _____.

Issuance Date: March 29, 2024

Pieology authorizes the respective state agents identified on Exhibit C to receive service of process for it in the particular states. I received a disclosure document from Pieology Franchise, LLC dated as of March 29, 2024 that included the following Exhibits:

Exhibit A	State Administrators/Agent for Service of Process
Exhibit B	Franchise Agreement
Exhibit C	Electronic Funds Transfer Agreement
Exhibit D	Lease Rider
Exhibit E	Development Rights Agreement
Exhibit F	Table of Contents for Operations Manual
Exhibit G	Financial Statements
Exhibit H	Form of General Release
Exhibit I	List of Franchisees
Exhibit J	State Addenda/Riders
Exhibit K	Representations and Acknowledgment Statement

Date

Prospective Franchisee [Print Name]

*(Date, Sign, and Keep for Your Own
Records)*

Prospective Franchisee [Signature]