FRANCHISE DISCLOSURE DOCUMENT

CPUSA, LLC
a Delaware limited liability company
251 Little Falls Drive,
Wilmington, Delaware 19808
Tel. (011) (33) (1) 53-14-57-00
jr@amorino.com
www.amorino.com/us/

The franchisee will operate an upscale retail gelato and sorbet store or outlet offering authentic gelato, coffees, hot and cold drinks, candies, chocolates, cakes, cookies, hot chocolates, teas, waffles, crepes and other baked goods and related products or services for dine-in and take out service. The franchisee will operate under the tradename "Amorino".

The total investment necessary to begin operation of an Amorino franchise is $438,700 to $980,500 for a traditional store, $179,200 to $529,500 for a kiosk outlet, and $106,700 to $182,500 for a mobile structure outlet, excluding extension fees. This includes $50,000 to $99,500 that must be paid to us for a traditional store or a kiosk outlet, or $47,000 to $54,500 that must be paid to us for a mobile structure outlet.

We also offer area development agreements to qualified persons which give you the right to open multiple Amorino stores or outlets within a specific geographic area, according to an agreed development schedule. The fee to become an area developer depends on the number of units in the development schedule. The fee to become an area developer is $55,000 to $142,500 for three to ten units, excluding extension fees, which is paid to us upon signing the area development agreement. This fee is calculated based upon $30,000 for the first unit, and $12,500 for each additional unit which will be credited as a partial payment against the then-current initial franchise fee which will be due when you sign the lease for each additional location.

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.**

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

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

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

Issuance Date: April 24, 2025

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.
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 C 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 Amorino 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 an Amorino franchisee?	Item 20 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 agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in New York State. 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 New York State 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 your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices we or they set. These prices may be higher than prices you would obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your business.

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

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.

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EXHIBITS

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

Franchisor

The franchisor is CPUSA LLC, a Delaware limited liability company. For ease of reference, CPUSA, LLC will be referred to as “we”, “us” “CPUSA”, or “Amorino” in this document. “You” or “franchisee” means the business entity, person or persons who sign the franchise agreement as the franchisee. If the franchisee is a corporation, a limited liability company, or other entity, the term "you" does not include the entity's principals unless otherwise stated.

We do business only under our actual name and the name Amorino. Our principal business address is 251 Little Falls Drive, Wilmington, Delaware 19808. We were formed on January 8, 2020. We began selling franchises and master franchises for Amorino branded stores and other outlets for the sale of specialty gelato and sorbet and related products in August 2021. Our agent for service of process is listed in Exhibit A. We have not offered franchises in any other line of business, nor do we materially engage in any other business activities.

Affiliates, Parents and Predecessors

Two Italians, Cristiano Sereni and Paolo Benassi, founded the Amorino concept in 2002 in Paris, France, through our affiliate CPF, SAS, a French company ("CPF"), which is now owned 100% by our affiliate holding company, CPH, SAS, a French company (“CPH”), with a desire to make gelato and sorbet the way it was traditionally supposed to be made, with natural high quality ingredients and no artificial colors or flavors. CPF opened its first company-owned store in 2002 in Paris, France and franchised its first store in 2006 in Paris, France. CPF franchises about two hundred fifty Amorino Stores in eighteen different countries including France, Germany, Greece, Italy, Qatar, Luxemburg, Malta, Mexico, Morocco, Portugal, Spain, Switzerland, the United Arab Emirates, the United Kingdom, and the United States, through CPF or its affiliates.

As of the date of issuance of this disclosure document, CPH owns 50% of HCP Gelati Ltd (Master Franchisee for the United Kingdom). CPF and CPH's principal business address is 4 rue Buci, Paris, France, and they do not maintain an office in the United States. CPH also owns 100% of CP INT Ltd, a UK based company focused on development of new international markets, incorporated July 2020, with a registered address of 5 Elstree Gate, Elstree Way, Borehamwood, Hertfordshire, WD6 1JD.

Amorino's affiliate CPG, SAS, a French company ("CPG") owns the trademarks necessary to operate the franchise. CPG has granted CPUSA a license to use such trademarks to own and operate, and to grant sublicenses to franchisees and master franchisees to own and operate in accordance with their franchise agreements, retail stores to sell the goods and services covered by such trademarks. CPG's principal business address is 4 Rue de Buci, Paris 75006, France and it does not maintain an office in the United States. CPG provides certain services to Amorino and its European affiliates by maintaining and updating the Amorino website and providing graphic updates to store menu and promotion boards and other signs. CPG owns 64.35% of 11 stores in

France.

Our parent company, Amorino USA Corp., a Delaware corporation ("Amorino USA") owns 100% of us (CPUSA, LLC, a Delaware limited liability company), as well as 100% of Amorino Trading, LLC, a New York limited liability company ("Amorino Trading"), and 100% of Minus Zero4 F, LLC, a New York limited liability company ("Minus Zero4").

The parent company of Amorino USA Corp., -18° SAS, a French company ("-18°"), which is owned 100% by CPH, owns 100% of Amorino USA. Neither Amorino USA nor -18° owns or operates a business of the type to be operated by the franchisee or offers franchises of the type to be operated by the franchisee or any other type of franchises.

Up until early 2019, Minus Zero4, formed in January 2012, which was owned by CPGF Holdings, LLC, a Delaware limited liability company ("CPGF Holdings"), formed in October 2009, which was owned 51% by Amorino USA Cop., 24.5% by Luigi Caroggio, and 24.5% by Filippo Saccani, was responsible for the United States Amorino brand system, including the issuance of unit franchises, and had an exclusive license with CPG, SAS for the use of the Amorino brand in the United States. Minus Zero4 started offering Amorino franchises in December 2012, and stopped offering Amorino franchises in early 2019. As of December 31, 2023, Minus Zero4 still had franchise agreements with nine (9) unit franchisees to operate traditional Amorino brand stores located in different parts of the United States. On July 1, 2024, all of the Minus Zero4 franchise agreements were assigned by Minus Zero4 to us.

In March 2020, the owners of CPGF Holdings restructured the Amorino brand system in the United States. Specifically, CPGF Holdings transferred its ownership of Minus Zero4 and its other wholly owned affiliates to Amorino USA, including Amorino Trading, and transferred 51% of its ownership in 60UP to Amorino USA and 49% of its ownership in 60UP to Luigi Caroggio and Filippo Saccani. Caroggio and Saccani relinquished their ownership of CPGF Holdings. Caroggio and Saccani's company, FilloGigi1 LLC, a New York limited liability company, took on the management of the Store (owned by 60UP LLC) on University Place in New York City, and ownership of the Store located on Amsterdam Avenue in New York City. CPG SAS has issued a trademark license agreement to CPUSA to permit CPUSA to use the brand in the United States. Under this revised ownership, CPUSA is responsible for the issuance of Amorino franchises in the United States. We have been offering franchises for Amorino brand outlets in the United States since August 2020.

CPGF Holdings owned 100% of 60 UP, LLC, a New York limited liability company ("60UP"), up until March 2020. 60UP owned and operated a traditional Amorino store located at 60 University Place, New York, New York, up until May 12, 2021.

On May 12, 2021, Caroggio and Saccani relinquished their ownership interest in 60UP to Amorino USA, Amorino USA transferred 100% ownership of 60 UP to a franchisee, and Caroggio and Saccani's company, FilloGigi1 LLC, relinquished its management of the Store owned by 60 UP.

Amorino USA's principal business address is c/o National Corporate Research, Ltd., 615 South DuPont Highway, Dover, DE 19901. -18°'s principal business address is 13 Chemin des

Chaudronniers, 94310 Orly, Paris, France, and it does not maintain an office in the United States. The principal business address of Amorino Trading LLC and Minus Zero is 750 Lexington Avenue, New York, NY 10022.

-18° is the exclusive manufacturer and direct/indirect source of 100% of the frozen products, 100% of the consumables, and 30% of the other products, necessary for the operation of an Amorino brand Store in the System in the United States. The gelato and sorbet is shipped from Paris, in frozen, pre-measured pans of different sizes depending on the type of Store.

We have no predecessor. None of the other entities included in this Item 1 has offered franchises in any other line of business.

The Franchise We Offer

The franchisee can choose from three models of retail outlets (each, a "Store"): (1) a traditional store which has solid walls and a ceiling that would typically be located on a street front or in a mall, (2) a kiosk outlet which does not have solid built walls but a prefab structure, that could be indoors or outdoors and that might offer less items than a traditional store, or (3) a "Mobile Structure" outlet, which is a wheeled, non-motorized, but incorporating a refrigerated display and offering a limited number of items, typically located in an interior commercial space such as a shopping mall.

The franchisee will sell gelato and sorbet, coffees, hot and cold drinks, candies, chocolates, cakes, cookies, waffles, crepes and other baked goods and related products from the Store, with the exception of a Mobile Structure outlet. Only gelato and sorbet are sold at a Mobile Structure outlet. The franchisee will sell gelato and sorbet made by our affiliate -18° from raw materials and sources known for exceptional quality and traditional production, using basic natural ingredients (including seasonal fruits) and only organic eggs, with no artificial colors or flavors.

We may grant you the right to open multiple Amorino Stores within a specific geographic area according to a development schedule, by entering into an Area Development Agreement with you. The development schedule, which we will negotiate with you before you sign the Area Development Agreement, will set the number of Amorino Stores you are required to open and the date by which each is to be open. The minimum number of outlets required to be opened under the Multi-Unit Development Agreement is two, and may be higher. For the first outlet, you must sign the Franchise Agreement included in this Franchise Disclosure Document. Upon establishing each additional outlet under the development schedule in the Area Development Agreement, you will be required to sign a then-current Franchise Agreement, which may differ from the current Franchise Agreement included with this Franchise Disclosure Document.

Amorino showcases its gelato and sorbet through stores designed with a warm and cozy ambience, using warm brown colors, black marble and solid walnut wood and a sweetness associated with the word "Amorino", which means cupid in Italian.

Market and Competition

The ice cream and frozen dessert market is well established and very competitive. Amorino Stores compete with various established ice cream stores ranging from independent local stores to regional and national chain stores. Amorino Stores also compete with local stores and regional and national chain stores offering other frozen desserts such as frozen yogurt, frozen custard and water ice. In addition, Amorino Stores compete with other take-out facilities selling varieties of food and other specialty foods, and supermarkets and convenience stores offering ice cream, frozen desserts and other related products. Competitors may also include other Amorino Stores that are franchised or company-operated. Many competitors operate year-round, but others operate seasonally. Sales in the ice cream and frozen dessert industry are somewhat seasonal with higher sales generally in warmer months of the year.

Laws and Regulations Specific to the Industry

The U.S. Food and Drug Administration, or FDA, regulates the sale of various types of frozen dairy desserts that will be offered by Amorino Stores. In addition, Amorino Stores will be subject to various federal, state and local laws and regulations affecting the operation of food service establishments generally. You and the Amorino Stores will also be subject to federal and state laws establishing minimum wages, unemployment taxes and sales tax, and other working conditions and similar matters over which we have no control.

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ITEM 2
BUSINESS EXPERIENCE

Chief Concept Officer: Cristiano Sereni

Mr. Sereni has served as our Chief Concept Officer since our formation on January 8, 2020, Chief Concept Officer of our affiliate Minus Zero4 since its formation in January 2012, and Chief Concept Officer of CPGF since its formation in October 2009. Mr. Sereni co-founded with Mr. Benassi the Amorino concept in Paris, France in 2002, and has held various offices within CPF.

Chief Financial Officer: Paolo Benassi

Mr. Benassi has served as our Chief Financial Officer since our formation on January 8, 2020, Chief Financial Officer of CPGF since its formation in October 2009, and Chief Financial officer of our affiliate Minus Zero 4 since its formation in January 2012. Mr. Benassi co-founded with Mr. Sereni the Amorino concept in Paris, France in 2002, and has held various offices within CPF.

Chief Executive Officer: Erwan De Guichen

Mr. De Guichen has served as our Chief Executive Officer since December 2022. From January 2020 until December 2022, Mr. De Guichen was our Deputy CEO.

Head of U.S. Development: Jennifer Rollins

Ms. Rollins has served as our Head of U.S. Development since February 1, 2024. From August 2022 to April 2023, Ms. Rollins was Director of Franchise Development for Nothing Bundt Cakes, and from March 2020 to August 2022 she was Director of Franchise Sales for Nothing Bundt Cakes, in Addison, Texas. From March 2018 to March 2020, she was Operations & Franchise Development Growth Leader of Pizza Hut in Plano, Texas.

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ITEM 3
LITIGATION

On December 13, 2022, a franchisee located in New Orleans, Capernaum Capital, LLC, filed a lawsuit in United States District Court for the Eastern District of Louisiana, Case No. 22-5271, against Minus Zero4 F, LLC ("Minus Zero"), Amorino Trading, LLC, Filippo Saccani, and Luigi Caroggio. The lawsuit did not name CPUSA LLC as a defendant. Minus Zero4 F, LLC and Amorino Trading LLC are affiliates of CPUSA LLC in that they are all owned by Amorino USA Corp. Saccani and Caroggio are former indirect owners and officers of Minus Zero4 F, LLC. In the lawsuit, the plaintiff alleged causes of action for Rescission of the Franchise Agreement; Declaratory Judgement (against Minus Zero); Fraudulent Misrepresentation (against Minus Zero, Saccani, and Caroggio), Fraudulent Misrepresentation (against Minus Zero, Saccani, and Caroggio); Negligent Misrepresentation (against Minus Zero, Saccani, and Caroggio); Violation of the New York Franchise Sales Act (against Minus Zero, Saccani, and Caroggio); Violations of the Louisiana Unfair Trade Practices and Consumer Protection Act (against Minus Zero), Breach of Contract (against Minus Zero and Amorino Trading) and Promissory Estoppel (against Minus Zero and Amorino Trading). The Complaint sought declaratory relief, and unspecified damages. On February 16, 2023, Minus Zero4 F, LLC and Amorino Trading LLC entered into a Settlement Agreement with the plaintiff and its owners, Adekunle Aderibigbe and Abimbola Aderibigbe, under which the plaintiff franchisee agreed to dismiss the lawsuit with prejudice, the plaintiff agreed to pay Amorino Trading the full sum of monies owed in the amount of $16,906.06, the parties agreed to terminate the Franchise Agreement including the non-competition provisions of the Franchise Agreement, and the parties exchanged mutual general releases. The plaintiff made the settlement payment and the plaintiff dismissed the lawsuit with prejudice on February 24, 2023.

No other litigation is required to be disclosed in this Item.

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ITEM 4
BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

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ITEM 5
INITIAL FEES

Initial Franchise Fee

To become a franchisee, you must pay an initial franchise fee, which varies depending on whether you choose to franchise a traditional store, kiosk, or mobile outlet. The initial franchise fee for each is as follows, payable according to the following schedule:

Type of Franchise	**Initial Franchise Fee**	**Payment Schedule**
Traditional Store or Kiosk	$30,000	Upon signing the Franchise Agreement .
Mobile Structure Outlet	$30,000	Upon signing the Franchise Agreement

The initial franchise fee is not refundable.

The fees listed in this Item 5 are uniform for all prospective franchisees considering a franchise within the same period of time and are nonrefundable upon payment. However, following an increase in one or more fees, we may offer the lower fee to you for 30 days from the date an amended disclosure document with the increased fees is effective in your state. We will only offer the lower fee to you if we had delivered our prior disclosure document to you before the fee increase and you were actively considering the purchase of a franchise, in compliance with any applicable franchise sale laws or regulations.

Inventory to Begin Operating

To begin operating, you must purchase an inventory of Proprietary Products including gelato and sorbet from us or our affiliate. For a traditional Store or a kiosk outlet, you must purchase $20,000 to $69,500 in inventory to begin operating. For a mobile structure outlet, you must purchase $17,000 to $24,500 in inventory to begin operating.

Extension Fees

In the event you fail to purchase or lease an approved Franchised Location within ninety (90) days of the Effective Date of the Franchise Agreement, you must pay a fee of Three Thousand Five Hundred Dollars ($3,500) on the ninetieth (90th day), to extend the Site Selection Date by an additional one hundred eighty (180) days, for a total of two hundred seventy (270) days after the Effective Date. We have the right to terminate this Agreement if you fail to pay the $3,500 extension fee in a timely manner. However, in the event you open the Franchised business within two hundred seventy (270) days of the Effective Date of the Franchise Agreement, we will refund the Three Thousand Five Hundred Dollars ($3,500) fee.

In the event that (a) you paid the fee to extend the Site Selection Date in a timely manner, (b) you have still not purchased or leased an approved Franchised Location after two hundred seventy (270) days of the Effective Date, despite your best efforts to do so, (c) you make a written request to us for a further extension and pay an additional Six Thousand Five Hundred Dollar ($6,500) fee; and (d) you demonstrate to our satisfaction that you have been continuously and diligently looking for a Franchised Location, we may offer you at our discretion an additional extension of the Site Selection Date for up to an additional one hundred eighty (180) days, for a total of up to four hundred fifty (450) days after the Effective Date.

Initial Area Development Fee

If you sign an Area Development Agreement, we will give you the right to open multiple Stores within a specific geographic area, according to an area development schedule which we will negotiate with you. To become an Area Developer, you must pay us an initial area development fee. The initial area development fee will be equal to the sum of: a) the current initial franchise fee (for the first location) (namely $30,000), plus b) one half the current initial franchise fee (namely $12,500) times the number of additional locations provided in your area development schedule. For example, if you sign an Area Development Agreement for three locations, you must pay an initial area development fee equal to $55,000 ($30,000, plus $12,500 x 2), and if you sign an Area Development Agreement for ten locations, you must pay an initial area development fee equal to $142,500 ($30,000, plus $12,500 x 9).

When you sign each unit franchise agreement for each additional location, the $12,500 which you paid for each additional location as part of the initial area development fee will be applied as a partial credit against the then-current initial franchise fee for that location, and you must pay the difference between the then-current franchise fee and the $12,500 credit for that location, at the time you sign the lease for that location. The Initial Area Development fee is not refundable.

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ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Advertising Fee[7]	Up to 3% of annual Gross Revenue of the Store during the previous calendar year.	Quarterly	We currently do not charge the Advertising Fee but we reserve the right to charge the Advertising Fee in the future. If assessed, at the beginning of each calendar year, we will establish the percentage of your Gross Revenue which you will be required to pay to us as a contribution to our expenses for advertising, marketing and public relations initiatives.
Additional Training Fee	Up to $400 per day of training session	As incurred, if so required.	If you request additional training (or we determine based on your performance that you require additional training) in addition to the initial training described in Item 11, you shall pay for the additional training (other than additional training with respect to new products or services we require you to offer, which training shall be at our expense). You are required to pay for your own travel, lodging, dining and similar costs during any training.
Store Updates/ Refurbishing	Not to exceed $20,000 in 5 years	As incurred	Refurbishing may include redecorating, repainting, replacement of carpets or floor surfaces, or replacement of furniture and fixtures. These amounts will be payable to third parties as incurred and the limitation is measured as individual refurbishing mandates not the cost of all refurbishing obligations over a period of time.
Store Opening Promotional Fee	$5,000 for a Traditional Store and Kiosk; $3,000 for a Mobile Structure outlet	Due prior to the opening of your Store	You must provide Amorino with written evidence that you have spent these minimum amounts for appropriate expenses for the marketing and advertising of the opening of your Store

Costs for Proprietary Products to be sold in Store	10% to 30% above our wholesale cost	As incurred	You are required to purchase pre-mixed gelato and sorbet, as well as certain beverages, food products, and other ingredients which are produced or manufactured in accordance with our proprietary recipes, specifications, and/or formulas from us, our affiliate 18°, or a designated supplier.
Other Related Promotional Costs	Our actual printing costs	As incurred	You are required to participate in any loyalty programs, prize promotions, gift card programs, and/or any other such promotional campaign that the Franchisor designates. Such participation shall be at your own expense.
Interest on Late Payments	18% per year or the maximum percentage permitted by law**(6)**	Continues to accrue until paid.	Any payment or other amount owed to us under the franchise agreement or any other agreement will bear interest, compounded monthly beginning on the day after the due date.
Post-Termination Non-Compliance Delay Fee	$500	Each day of non-compliance	With respect to the de-branding requirements and other post-termination obligations, you must pay a delay fee of $500 for each day of continued non-compliance.
Nonsufficient Funds Charge	$50 for first offense; $100 for subsequent offenses within 12 months period, plus any expenses	As incurred	In addition to the charge, you must reimburse the Franchisor for costs and expenses incurred due to your nonpayment.
Reimbursement of Monies Paid by Franchisor	Our actual costs	On demand	You must reimburse us for the cost of any payments we make on your behalf.
Audit Expenses of Independent Audit Made by Us	Cost of audit, plus travel and related expenses of independent certified public accountant	Expenses as incurred; cost of audit payable upon receipt of audit report.	
Business Interruption	4% of proceeds of business	When proceeds are received.	Payable to the Franchisor when Franchisee is closed as a result of a

Proceeds Fee	interruption insurance received by franchisee		casualty or other event that is covered by your business interruption insurance policy.
Renewal Fee	25% of our then current initial franchise fee, for each five years of renewal	Thirty days before the expiration of the term of your existing agreement	Thirty days before the expiration of the term of your existing agreement, you must pay this renewal fee, and at the same time, you must sign an amendment, stipulation, or new franchise agreement reflecting the renewal term and the terms of our then current form of franchise agreement
Transfer Fee [(4)]	$1,000 plus our expenses relating to the transfer	Before effective date of transfer	In addition to the transfer fee, you must pay our expenses (including legal fees) relating to the transfer. See Item 17 for more information about restrictions and conditions of transfer.
Litigation Expenses	Our attorneys' fees, court costs, and litigation expenses	As incurred	We may recover our costs in any action to enforce or defend our rights under the franchise agreement.
Reimbursement of Taxes paid by Franchisor	Amount of taxes	As incurred	You must pay all taxes relating to your ownership and operation of the franchised business, including any sales, gross receipts, personal property, real property or excise or other tax, levy or assessment, and including any tax that may be assessed on any payments you make to us. If we pay any such taxes directly, you must reimburse us.
Indemnification	Amount of loss or damages plus costs	As incurred	You must indemnify us, our subsidiaries and affiliates and our/their respective officers, directors, managers, members, partners, shareholders, employees, and independent contractors against all claims arising from your ownership, operation, or occupation of the Store, as well as all costs, including attorney's fees, of defending against them.

Explanatory Notes

1. In certain cases, we may require you to purchase our imported Products at a higher price, to help pay for transportation costs, import duties, and the operating and financial costs to manage a local inventory of such products and the related logistical needs.

2. Except as specifically noted above, all fees are imposed by and payable to us. We reserve the right to make payments to third parties in the event that you have failed to meet your responsibility to pay your obligations to third parties, and then to seek reimbursement from you in addition to fees, costs, and interest that may accrue. All fees are non-refundable.

3. The fees listed in this Item 6 are imposed by and payable to us, unless otherwise indicated. All fees are non-refundable. All fees are uniformly imposed and collected.

4. As more fully described in Item 17 of this disclosure document, you may assign or transfer the franchise with our prior written consent. We may refuse consent to an assignment otherwise permissible unless all fees are paid to us.

5. We reserve the right to require you to make safety-related improvements or replacements at any time, or such improvements as may be required by law.

6. The maximum interest rate in California is 10% annually.

7. At the present time, we do not charge a royalty fee or an advertising fee. We reserve the right to charge an advertising fee in the future up to 3% of annual Gross Revenue of the Store during the previous calendar year. “Gross Revenue” means the total revenue derived from the sale of goods or services minus: (a) sales tax, (b) The selling price of any goods returned by customers or the price charged for any services provided to customers to the extent you give any credit, discount, refund or similar allowance, but an exchange of merchandise does not result in an exclusion except to the extent of any accompanying credit, discount, refund or other allowance given to the customer; (c) Items returned to their source for credit or other allowance; (d) Amounts or credits received on claims for loss or damage to merchandise or other assets of your Amorino store, but not for claims for loss of business under your business interruption insurance; (e) Sales of equipment, trade fixtures or similar property not constituting merchandise of your store; (f) Transfers of merchandise to or from other Amorino facilities when those transfers are made only for the convenient operation of the concerned facilities; and (g) gift certificates or similar vouchers until they are redeemed at your store.

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ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT FOR TRADITIONAL STORE

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise fee: Traditional Store(Note 9)	$30,000	Lump Sum	Upon signing the Franchise Agreement .	Us
Architect's Fees, Engineer's Fees, Permits	$15,000 to $45,000	As Arranged between you and applicable third party	As incurred	Your Architect(Note 10), Engineer(Note 10), Relevant Entity requiring the Permits
Legal Fees (lease negotiation, zoning and township/ municipality matters)	$3,000 to $12,000	As Arranged between you and applicable third party	As incurred	Your Attorney(Note 10)
Real Property: Lease Security Deposit and any required utility deposits(Note 2), (Note 5)	$5,000 to $45,000	Lump Sum	Upon signing the lease and upon contracting with relevant utility company	Landlord; Utility Company
Leasehold Improvements: Construction; Remodeling, Alterations and Decorating Expenses(Note 3)	$140,000 to $400,000	As Arranged between you and applicable third party	As incurred	Third Party Contractor(Note 10)
Furniture, Equipment, Casework, and	$125,000 to $195,000(Note 1)	As Arranged between	Prior to opening the Store	Approved Supplier(Note 11)

Restaurant Supplies(Note 1), (Note 4) (Note 11)		you and applicable third party		
Freight, Duties, Storage and Delivery	$10,000 to $15,000(Note 12)	As Arranged between you and applicable third party	Prior to opening the Store	Approved Supplier
P.O.S. Systems(Note 1), (Note 4)	$1,500 to $2,500(Note 1)	As Arranged between you and applicable third party	Prior to opening the Store	Approved Supplier(Note 11)
Inventory to begin Operating(Note 1), (Note 14)	$20,000 to $69,500 (Note 1), (Note 14)	As Arranged between you and applicable third party	Upon placing first order	Our affiliate -18 or an approved Supplier(Note 11)
Signage(Note 4)	$15,000 to $30,000(Note 1)	As Arranged between you and applicable third party	Prior to opening the Store	Approved Supplier(Note 11)
Store Opening Promotional Fee	$5,000	Lump Sum	The date of the opening of your Store	Third party vendors
Store Opening Assistance / Initial Training	$4,200 - $6,500	As incurred	Travel, lodging, dining and similar costs for franchisee to attend ten days initial training in Paris, France.	Third party vendors
Additional funds — 3 Monhs(Note 6)	$65,000 to $125,000	As Arranged between you and applicable third party	As incurred	Landlord; Utility Company; Approved Supplier(Note 11)
Total Estimated Initial Investment(Note 7), (Note 8), (Note 9)	$438,700 to $980,500			

YOUR ESTIMATED INITIAL INVESTMENT FOR KIOSK OUTLET

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise fee(Note 9)	$30,000	Lump Sum	If you are going to lease the premises, 50% is due when you sign the franchise agreement, and the balance when you sign your lease for your location. If you own the premises or have already signed the lease, 100% is due at signing of franchise agreement.	Us
Architect's Fees, Engineer's Fees, Permits	$3,500 to $5,000	As Arranged	As incurred	Your Architect(Note 10), Engineer (Note 10), Relevant Entity requiring the Permits
Legal Fees (lease negotiation, zoning and township/ municipality matters)	$3,000 to $12,000	As Arranged	As incurred	Your Attorney(Note 10)
Real Property: Lease Security Deposit and any required utility deposits(Note 2), (Note 5)	$5,000 to $60,000	Lump Sum	Upon signing the lease and upon contracting with the relevant utility company	Landlord; Utility Company
Leasehold Improvements: Construction; Remodeling, Alterations and Decorating Expenses(Note 3)	$5,000 to $100,000	As Arranged	As incurred	Third Party Contractor(Note 10)
Furniture, Equipment, Casework, and	$60,000 to $150,000(Note 1)	As Arranged	Prior to opening the Store	Approved Supplier(Note

Restaurant Supplies(Note 1), (Note 4) (Note 11)				11)
Freight, Duties, Storage and Delivery (Note 12)	$10,000 to $15,000	As Arranged between you and applicable third party	Prior to opening the Store	Approved Supplier
P.O.S. Systems(Note 1), (Note 4)	$1,500 to $2,500(Note 1)	As Arranged	Prior to opening the Store	Approved Supplier(Note 11)
Inventory to begin operating(Note 1), (Note 14)	$20,000 to $69,500(Note 1), (Note 14)	As Arranged	Upon placing first order.	Our affiliate - 18 or an approved Supplier(Note 11)
Signage(Note 4)	$5,000 to $20,000(Note 1)	As Arranged	Prior to opening the Store	Approved Supplier(Note 11)
Store Opening Promotional Fee	Up to $5,000	Lump Sum	The date of the opening of your Store.	Third party vendors
Store Opening Assistance / Initial Training	$4,200 - $6,500	As incurred	Travel, lodging, dining and similar costs for franchisee to attend ten days initial training in Paris, France.	Third party vendors
Additional funds - 3 months(Note 6)	$27,000 to $54,000	As Arranged between you and applicable third party	As incurred	Landlord; Utility Company; Approved
Total Estimated Initial Investment (Note 7), (Note 8), (Note 9)	$179,200 to $529,500			

YOUR ESTIMATED INITIAL INVESTMENT FOR MOBILE STRUCTURE OUTLET

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise fee(Note 9)	$30,000	Lump Sum	If you are going to lease the premises, 50% is due when you sign the franchise agreement, and the balance when you sign your lease for your location. If you own the premises or have already signed the lease, 100% is due at signing of franchise agreement.	Us
Architect's Fees, Engineer's Fees, Permits	$1,500 to $5,000	As Arranged	As incurred	Your Architect(Note10), Engineer(Note 10), Relevant Entity requiring the Permits
Legal Fees (lease negotiation, zoning and township/ municipality matters)	$3,000 to $6,000	As Arranged	As incurred	Your Attorney(Note 10)
Amorino Mobile unit purchase price(Note 1), (Note 13)	$15,000 to $46,000(Note 1), (Note 13)	As Arranged	As incurred	Third Party Contractor (Note 10)
Real Property: Lease Security Deposit and any required utility deposits(Note 2), (Note 5)	$3,000 to $8,000	Lump Sum	Upon signing the lease and upon contracting with relevant utility company	Landlord; Utility Company
Equipment, Restaurant	$7,500 to	As Arranged	Prior to opening the	Approved

Supplies(Note 1), (Note 4) (Note 11)	$10,000(Note 1)		Store	Supplies(Note 11)
P.O.S. Systems (Note 1), (Note 4)	$1,500(Note 1)	As Arranged	Prior to opening the Store	Approved Supplier(Note 11)
Inventory to begin operating(Note 1), (Note 14)	$17,000 to $24,500(Note 1), (Note 14)	As Arranged	Upon placing first order.	Our affiliate -18 or an approved Supplier(Note 1)
Store Opening Promotional Fee	$3,000	Lump Sum	The date of the opening of your Store.	Third party vendors
Store Opening Assistance / Initial Training	$4,200 - $6,500	As incurred	Travel, lodging, dining and similar costs for franchisee to attend ten days initial training in Paris, France.	Third party vendors
Additional funds - 3 months(Note 6)	$21,000 to $42,000	As Arranged between you and applicable third party	As incurred	Landlord; Utility Company; Approved Supplier(Note 11)
Total Estimated Initial Investment	$106,700 to $182,500			

Explanatory Notes to Charts Above

1. Many of the products and services you will be required to purchase might be from providers located in Europe. Accordingly, you will be billed for such products and services in Euros. The amounts set forth above are based on converting Euros to dollars using a currency rate of 1 Euro = 1.04 US Dollars. Such amounts will be subject to change based on currency exchange rate fluctuations.

2. For any of the Store types, you must own a location approved by us or you must lease a location approved by us. Whether you own or lease, you must improve, construct, remodel and decorate the space to our specifications. These estimates assume that your location will be a leased, unimproved, unfinished retail store-type unit. A Traditional Store typically occupies 500 to 1,500 square feet of commercial space. A Kiosk Outlet typically occupies 100 to 500 square feet of commercial space. These POS types typically are located on a major thoroughfare, or in or adjacent to a retail strip mall or shopping center, or in an urban storefront. A Mobile Structure outlet typically occupies 60 to 100 square feet of commercial space, and is typically located within an

enclosed shopping mall, college campus, or other closed market environment. Your lease is subject to our approval and must contain certain terms we require, as described in your franchise agreement. Rents may range from $20.00 to $200.00 per square foot per year, depending upon factors such as size, condition and location of the leased premises. Your rent will generally be a fixed base rent plus common maintenance, taxes and insurance. However, some leases will be on a "gross basis" which would typically include all common maintenance, taxes and insurance. Your lease may also provide for percentage rent, which will be a percentage of your sales at the Store.

3. Construction, build-out, fit-out, and modification costs can vary significantly depending on the initial condition of the leased space, whether or not the landlord will contribute to your build-out costs, zoning requirements, potential requirement for fire sprinkler systems, soundproofing requirements, the local market of qualified builders, and unforeseen contingencies that arise during the construction process. We recommend that you consult with a professional architect, the township or municipality with jurisdiction over your leased space, and obtain written quotations from several builders before entering into a franchise agreement with us. The estimates above include a general contractor's fee (generally equal to 10% to 15% of total construction costs), contractor's insurance, materials and supplies, tools, labor and subcontractor fees, and other cost to construct leasehold improvements conforming to our standards.

4. Furniture, fixtures, and equipment include tables, chairs, freezers, display cases, serving equipment, all interior design elements, interior and exterior signage, and the POS System as described in Item 11. All furniture and most fixtures are imported from Italy, France or Mexico and invoices will be billed in Euros or Mexican Pesos. The amounts shown here will vary depending on the currency exchange rates. These costs do not include the costs of air conditioning equipment. For air conditioning equipment, you must either choose a ducted or a ductless system. The ducted system consists of an air handler located somewhere in the premises with duct work that distributes air around the store. The air handler requires fresh air to operate properly. Prices and size of the unit may vary depending on the manufacturer and the size of the space. Prices may vary between $15,000 and $50,000 with installation included. The ductless system consists of ductless terminal units attached to the wall. Prices depend on the manufacturer and number of units needed to cool specific space sizes and could range between $10,000 and $50,000 installation included. We require that you prepare and offer for sale all items that we designate to be the Store's standard menu, which will be specific to your type of Store. The menu for a Mobile outlet is substantially reduced as compared to the menus for a Traditional Store and a Kiosk Store. We also require that you perform and provide all standard services we designate from time to time. If any special or additional equipment or fixtures are needed to provide those services or menu items, you must acquire that equipment or fixture, the cost of which may be significant. The following are specific examples of special or additional equipment or fixtures:

- Gelato Display Case: The minimum size gelato display required to operate a Store currently consists of one Sintesi Clabo G12 UL unit approved for the US market to carry up to 16 ice cream flavors. Price currently is $25,000 to $32,000 depending on length, excluding delivery and installation.

- Freezer: Two freezers for the storage of gelato and other frozen products at “serving” temperature (8 Fahrenheit or -13 Celsius). We recommend the freezer manufacturer

TURBO AIR PRO 26 F and a stock amount of around 300 Liter per freezer (60 x 5 Liter pans). Price currently does not exceed $3,900 each.

- Bas Relief Amorino Angel Sculpture for decoration of the Store (50 x 40 x 70 cm). Price currently does not exceed $3,600.00.

5. Security deposits generally will be required by utilities, your landlord, and equipment lessors. Amounts will vary depending on the provisions of your real property lease and your equipment leases, the requirements of the applicable utilities, and your credit rating.

6. This item estimates your additional funds for a three-month period. These figures include payroll, rent, utilities, telephone, legal/accounting expenses, local advertising, materials and supplies, but do not include any draw or salary for you. This does not take into consideration any revenue derived during the first three months of operation. Franchisor relied upon the experience of its franchisees and the information provided by its franchisees in formulating this estimate.

7. The above estimates do not take into consideration any revenue derived during the first 3 months of operation. The above estimates do not include managerial salaries or any payment to you. These estimates also do not take into account (i) finance payments or charges, interest and related costs you may incur if any portion for the initial investment is financed, or (ii) the costs of a security system, which we estimate will cost between $100 and $150 per month to lease. These amounts are the minimum recommended levels to cover operating expenses, including your employees' salaries for three months. Additional working capital may be required if sales are low or fixed costs are high. We relied on the experience of our affiliates and franchisees in compiling these working capital estimates.

8. We have relied on our own experience in this business and the experience of our affiliates in this industry to compile these estimates and on information we have obtained from our company-owned Store, and from any franchises that may be in existence as of the date that you receive this disclosure document.

9. All of the fees paid to us are non-refundable. Other fees are not refundable. We do not offer direct or indirect financing for any item. Financing may be available for all or a portion of your purchases from third party lenders. The estimated amounts in the tables above do not include any finance charges, interest or other fees a third-party lender may charge you in connection with such financing.

10. If you are not able to locate an architect or engineer with substantial experience and reasonable prices, then we may require you to contract with architects and engineers designated by us, at prices and on payment terms pre-negotiated by us. Fees paid to third parties, such as your architect, engineer, attorney, landlord and third-party vendors, may or may not be refundable, depending on the arrangement you make with such third parties.

11. You must purchase all furniture, equipment, casework, and restaurant supplies from our approved third-party vendor/supplier, and if we so require, you must maintain a preventative

maintenance agreement with the applicable manufacturer(s) for the term of the franchise agreement. At this time, we do not have any preventive maintenance agreement with any local third-party vendor or supplier.

12. Estimated freight, import duties, storage, delivery and all other logistic costs for equipment, decoration, and furniture required to open a Traditional, Kiosk or Mobile location, which are to be sourced by franchisees from European vendors. The above estimates do not include any sales tax, use tax, gross receipts tax, excise tax, or other similar tax. To investigate these costs, you may contact us and we will put you in touch with the appropriate suppliers.

13. The Mobile Structure unit could be imported from Europe and the invoice will be in Euros. For example, currently the ex-factory price of an Apecar mobile unit is around Euro 28,800, or $34,560. The amount shown in the chart is in dollars, which amount will vary depending on the currency exchange rate at the time of purchase. You are required to sell the Mobile unit to Amorino or its assignee upon the termination or expiration of your franchise agreement, for an amount based on a schedule set forth in the franchise agreement.

14. Inventory estimate is for the first three months of operations. Prices do not include cost of transportation, taxes, duties, broker fees, warehousing or delivery, when applicable.

The following chart provides an estimate of your estimated initial investment for an Area Development Agreement, in addition to the estimated initial investment for each Store:

Area Development Agreement

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Area Development Franchise Fee: Traditional Store (for 3 to ten locations)	$55,000 to $142,500	Lump Sum	At signing of Area Development Agreement	Us

Explanatory notes to Area Development Agreement chart above:

1. You must pay the Initial Area Development Franchise Fee with you before you sign the Area Development Agreement. The initial area development fee will be equal to the sum of a) the current initial franchise fee (for the first location) (namely $30,000), plus b) one half the current initial franchise fee (namely $12,500) times the number of additional locations provided in your area development schedule. For example, if you sign an Area Development Agreement for three locations, you must pay an initial area development fee equal to $55,000 ($30,000, plus $12,500

x 2). When you sign each unit franchise agreement for each additional location, the $12,500 which you paid for each additional location as part of the initial area development fee will be applied as a credit against the then-current initial franchise fee for that location, and you must pay the difference between the then-current franchise fee and the $12,500 credit for that location, at the time you sign the lease for that location.

2. This estimate assumes that you will not require separate office space to operate the area development business. Typically, the area development business will initially be operated from your home, and then, after you have opened your first Store, the area development business will be operated in the office space of one of your Stores.

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ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases of Goods and Services from Approved or Designated Suppliers

You must purchase all furniture, equipment, casework, and restaurant supplies from our approved third-party vendor, and/or our affiliates Amorino Trading or -18°. If we so require, you must maintain a maintenance agreement with the applicable manufacturers for the term of the franchise.

We may from time to time inspect and evaluate the facilities and products of any approved supplier and revoke its general approval of particular products or suppliers when we determine, in our sole discretion, that such products or suppliers no longer meet our standards. We will provide the Store with written notice of such revocation, at which time (or at the time set forth in the notice) the Store must stop selling any disapproved products and stop purchasing any products from any disapproved supplier.

Each Store must purchase and maintain an inventory of Proprietary Products as needed to meet reasonably anticipated consumer demand. A Store must purchase our gelato and sorbet from us, from our affiliate Amorino Trading, from our affiliate -18°, or from a producer, manufacturer, distributor or supplier designated or approved by us. You must purchase all products which bear any of our trademarks solely and exclusively from us or our affiliate -18° or from a producer, manufacturer, distributor or supplier we designate or approve. Amorino Trading and -18 are suppliers in which our officers owns an interest.

We may specify (i) certain beverages, food products and other ingredients, which are produced or manufactured according to our trade secrets, proprietary recipes, specifications and/or formulas, (ii) products which bear our trademarks, and (iii) certain packaging, POS Systems, computer hardware, software, modems and peripheral equipment or other products, supplies, services and equipment. You may buy these items only from us or from our designated suppliers (which may, in the future, include -18° or any of our affiliates). If the Store purchase any items from us or one of our affiliates, we or they may derive profits from these purchases.

You must spend a minimum of .5% of your annual gross revenue on seasonal and holiday decorations to be displayed in and around your Store, which decorations must comply our standards. You must provide us with evidence of the money you have paid to third parties for these decorations.

We estimate that, for your Store, you will be required to purchase 100% of your consumables, and 30% of your other purchases, from our affiliates, Amorino Trading or -18.

In the future, we may change and designate different approved suppliers, and we may require every Store to purchase from different approved suppliers. We do not allow a Store to suggest alternative suppliers, and for that reason, there is no procedure for a Store to propose, or for us to approve, different alternative suppliers. We do not provide material benefits (including, for example, renewal or granting additional franchises) to a franchisee based on the franchisee's purchase of particular products or services or use of designated or approved suppliers.

We may designate certain non-proprietary food products, beverages, ingredients, fixtures, furnishings, equipment, uniforms, supplies, paper goods, menus, packaging, forms, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Proprietary Products, which a Store may or must use or sell at the Store. A Store may use, offer or sell only those non-proprietary products that we expressly authorize and may purchase them from (i) us, our affiliate Amorino Trading, or our affiliate -18°, or (ii) suppliers we designate. Our officers own interests in the affiliated companies that supply goods or services to our franchise system, including Amorino Trading and -18. If one of our other affiliates becomes a supplier in the future, our officers may own interests in that affiliate, as applicable. A Store must purchase the POS computer from Square or any other vendor selling hardware compatible with Square software. See Item 11 for more information about computer hardware and software requirements.

There are no purchasing or distribution cooperatives currently in existence for the required purchases from our affiliate -18° or from Amorino Trading or from any other approved third-party vendors. We do not currently have or negotiate any purchase arrangements with suppliers for the benefit of franchisees. In the future, Amorino and its affiliates may negotiate purchase arrangements with suppliers for the System's benefit and may derive revenue or obtain rebates, bulk pricing discounts or allowances for their own account from approved or designated suppliers if rebates or other considerations become available because of the Store's purchases of products or services.
We may but are not obligated to conduct advertising for your Store. We do not currently advertise in the United States; however, you must purchase from us or our approved supplier all promotional materials designated by us to promote the sale of new and featured products. We may elect to utilize various local, regional, and/or national media campaigns in the future which may include radio, television, magazine, newspaper, and internet advertising campaigns.

Franchised Location and Lease

You must acquire a site for the Store that meets our site selection criteria and that we approve. If your Store occupies the space according to a commercial lease, the lease must contain terms that we specify in the Franchise Agreement, which terms are described in Item 11. Although we do require that the lease for your Store contain certain terms, we do not otherwise control or have any affiliation with your landlord. When the Store signs the Franchise Agreement, we will mutually agree on a site selection date which will be the date by which you must have secured a location and signed a lease. You must construct, equip and improve the Store in compliance with our current design standards and trade dress. The Store must purchase and install, at your expense, all millwork and customized seating, fixtures, furnishings, equipment (including a point-of-sale cash register system), decor, and signs from an approved third-party supplier. The kiosk locations shall be constructed in accordance with our current design standards.

Insurance

You must obtain and maintain insurance policies protecting you, and us and such additional insureds as we may require from time to time, on a primary non-contributory basis. The insurance must be underwritten by insurers licensed and admitted to write coverage in the state in which the Store is located and with a rating of "A" or better.

Such insurance policies shall include, at the minimum, the following policies: (a) “all risk” or “special” property insurance covering all real and personal property and equipment on a replacement costs basis, including business interruption and extra expense insurance; (b) comprehensive commercial general liability insurance in an amount of not less than the following combined single limits: $2,000,000 general aggregate, $2,000,000 products/completed operations aggregate, $1,000,000 each occurrence, $1,000,000 personal and advertising injury, $50,000 fire damage legal liability, and $5,000 medical expense limit (any one person); (c) employers liability coverage in an amount not less than $500,000 per accident for bodily injury by accident, $500,000 policy limit for bodily injury by disease, and $500,000 per employee for bodily injury by disease; (d) business automobile liability coverage, including coverage of owned, non-owned, rented or hired vehicles with coverage in amounts not less than $1,000,000 combined single limit; (e) workers' compensation insurance for statutory limits, and (f) commercial umbrella coverage in an amount of not less than $4,000,000 each occurrence (bodily injury and property damage) and $4,000,000 general aggregate.

At least 10 days before you are required to carry insurance, and after that at least 30 days before the expiration of any policy, you must deliver to us certificates of insurance evidencing the proper types and minimum amounts of required coverage, and evidence of the waiver. If you fail to maintain the required insurance, we or our designee may obtain the insurance for you and charge and demand reimbursement of the premium costs and costs of acquiring the insurance. Each year Amorino may unilaterally modify the insurance minimum coverage requirements which may include an increase to the minimum coverage requirements to reflect changes in inflation or as market conditions warrant.

Revenue Derived from Franchisee Purchases

Our affiliates derive revenue from franchisee purchases to the extent that franchisees purchase products or services from our affiliates. In 2024, our affiliates derived $5,826,042.57 in revenue from the sale of products and supplies to franchisees. Our total revenue for 2024 was $37,241, none of which was from required purchases and leases. The price which you must pay for the required products including the gelato is marked up from the wholesale price. Although we do not charge a royalty, we markup the cost of the products which you must purchase from us or our affiliates so that our owners may derive revenue that would otherwise be charged as a royalty based on sales.

We require that you purchase many products related to the initial establishment of your Store and your ongoing operations (including the gelato and sorbet itself) from our affiliate -18°, which is the 100% owner of Amorino USA, and from our affiliate Amorino Trading, LLC, which is 100% owned by Amorino USA. Examples of the items we require you to purchase from our affiliate -18° include: furniture, fixtures, signage, lighting, equipment, restaurant supplies, uniforms, decorations, ingredients and products to be sold at your Store.

For a traditional store, we estimate that approximately 40% to 60% of your expenditures for purchases (excluding costs relating to your real estate lease) in establishing your Store and approximately 20% to 40% of your total annual operating expenses (excluding costs relating to your real estate lease) on an ongoing basis will be for goods and services which are subject to sourcing restrictions (that is, for which suppliers must be approved by us, or which must meet our standards or specifications). Many of such expenditures are to be made to our affiliates -18° and/or Amorino Trading, LLC.

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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 in other items of this disclosure document.

Obligation	Section in Franchise Agreement	Section in Area Development Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 4.A and 4.B	Section 6.1	Items 8, 11 and 12
b. Pre-opening purchases/leases	Section 4.0	Section 2.1	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Sections 4.C, 5.A and 5.B	Sections 2.1 and 6.1	Items 7 and 11
d. Initial and ongoing training	Section 7	Sections 6.3 and 7.3 (b)	Item 5, 6, 7 and 11
e. Opening	Section 5	Sections 2.1 and 9.3	Items 5, 6, 7 and 11
f. Fees	Data Sheet to franchise agreement, and Sections 6, 12.B and 15.B	Sections 3.2 (k), 4.4 5.1, 5.2, 6.3, 7.3 (b), 7.6, 12.14 and Schedule A	Items 5, 6 and 7
g. Compliance with standards and policies/Operating Manual	Sections 8 and 10	Sections 6.3 and 12.4	Item 11
h. Trademarks and proprietary information	Sections 9 and 11	Sections 3.2 (a), (c), (d), (e), (f), (g), (l), 8.2 (1), (2)	Items 13 and 14
i. Restrictions on products/services offered	Sections 1.A, 8.D, 8.E and 8.F	Sections 3.2(a), (c), (d), (g), (j), 8.1 and 8.2 (3)	Items 8, 11 and 16
j. Warranty and customer service requirements	Not applicable; no obligation is imposed	Not applicable; no obligation	Not applicable; no obligation is imposed

		is imposed	
k. Territorial development and sales quotas	Not applicable; no obligation is imposed	Not applicable; no obligation is imposed	Not applicable; no obligation is imposed
l. Ongoing product/ service purchases	Section 8.F	Section 3.2	Items 7 and 8
m. Maintenance, appearance, and remodeling requirements	Sections 2.C(1), 4.0 and 8.E	Section 2.2	Items 7, 8 and 11
n. Insurance	Section 14.B	Not applicable; no obligation is imposed	Items 7 and 8
o. Advertising	Section 12	Not applicable; no obligation is imposed	Items 6, 7, 8 and 11
p. Indemnification	Section 14.0	Section 12.1 and 12.2	Items 6 and 13
q. Owner's participation/ management/ staffing	Sections 7.A, 8.B and 8.0	Section 6.3	Item 15
r. Records and Reports	Section 13	Sections 10.1 (b), 12.1 and 12.15	Items 6 and 11
s. Inspections and Audits	Sections 8.1 and 13	Section 10.1 (b)	Items 6 and 11
t. Transfer	Section 15	Sections 7.3, 7.4, 7.5, 7.6 and 9.1	Item 17
u. Renewal	Sections 2.B and 2.0	Section 4.2	Item 17
v. Post-termination obligations	Sections 17 and 18.D	Section 8.2	Item 17
w.Non-competition covenants	Sections 18.0 and 18.D	Section 8.3 and 8.4	Item 17
x. Dispute resolution	Section 22	Sections 11.2 and 11.3	Item 17
y. Other (describe)	Not applicable	Not applicable	Not applicable

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ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your promissory notes, mortgages, leases or other obligations.

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

Except as listed below, Amorino is not required to provide you with any assistance.

(1) Amorino's pre-opening obligations to you:

(a) Selection of Site for the Store

When you sign the franchise agreement, we will mutually agree upon the site selection area in which you can propose the location for your store. (Franchise Agreement, Section 4.A).

Before you open your Store, we will expend time and effort and incur expenses as reasonably required to inspect a site you propose to lease or purchase for your Store. When you sign the franchise agreement, we will mutually agree upon a site selection area in which you can propose the location for your store. For each site you propose, we will review all the information you provide us in order to evaluate the location, including demographic characteristics, traffic patterns, parking, character of the neighborhood, information on other area businesses, and information on the lease terms or purchase price for the proposed site. We agree not to unreasonably delay our review and notice of approval or disapproval of the proposed site and lease terms. (Franchise Agreement, Sections 4.A and 4.B).

We consider various objective and subjective factors, as well as our business experience, in reviewing your proposed initial location and any potential new locations. Approval of the location is at our sole discretion.

Amorino will approve or refuse to approve a proposed site within thirty (30) days after the receipt of all information that Amorino may reasonably require in connection with its evaluation of your proposed location. (Franchise Agreement, Section 4.A)

You must identify a location to serve as your franchised location for the Store by the date set forth in the franchise agreement or we have the right to terminate the franchise agreement. (Franchise Agreement, Section 16(A)(8)).

(b) Lease Requirements

Amorino does not intend to own the premises and lease it to you; rather, Amorino requires you to lease the premises from a landlord unrelated to Amorino or to purchase the premises. Amorino will not be a party to the lease and will have no liability under the lease, unless and until the lease is assumed by Amorino. (Franchise Agreement, Section 4.B(2)) You must submit the lease to us for our approval before it is signed and it must contain the following provisions:

- The premises shall be used only as an Amorino franchise, and for no other purpose whatsoever.
- The landlord must consent to your use of the Proprietary Marks, signs, interior and

exterior decor, furnishings, fixtures, items, color schemes, plans, specifications, and related components that Amorino may require.

- The lease shall permit assignment by you only in connection with a sale of the Store that is approved by us or to Amorino or its designee.
- Neither the landlord nor you shall amend or modify the lease, or renew or extend the term of the lease, without our prior written consent.
- Amorino (or another party we designate) shall have the ability to take possession of the premises and operate the Store in the event of your default under the lease or this Agreement, or the expiration or termination of this Agreement.
- Amorino shall have the right to enter the premises (announced or unannounced) to perform quality assurance inspections, to make any modifications we deem necessary to protect the franchise system and the Proprietary Marks, to cure any default under this Agreement or the lease, and to ensure compliance with any other obligations you have under this Agreement.
- The landlord must agree to furnish Amorino with copies of any notice sent to you pertaining to the lease or the premises at the same time that such notice is given to you. If such notice is a notice of default, Amorino must have a reasonable time period to cure the default and assume the lease in its name or in the name of its designee.

(Franchise Agreement, Section 4.B)

(c) Approvals

You are solely responsible for obtaining all government approvals, zoning classifications or approvals, permits, business or other licenses, and clearances related to the opening and operation of the Store, including any such approvals relating to access, signage and fire code compliance.

(d) Development and Design Advice

We shall provide advisory assistance in connection with the development of the Store. (Franchise Agreement, Sections 4.C) You shall submit to us for prior approval all construction plans, site plans and blueprints for the location we approve. (Franchise Agreement, Sections 4.C) You shall construct and build out the Store according to Amorino's standards and specifications for design, decor and layout as described in our “Shop Design & Layout Guidelines.” (Franchise Agreement, Sections 4.C)

(e) Furniture, Fixtures and Equipment Advice

Before you open your Store, we will provide you with the written specifications for the initial and replacement supplies, equipment, and exterior and interior signs required for the Store. (Franchise Agreement, Sections 4.C(1)-(2)) You will be responsible for purchasing such items to equip the Store according to Amorino's requirements for fixtures, furnishings, equipment, interior and exterior signage, artwork and graphics. If we have selected approved vendors and suppliers from whom we require or recommend you purchase such items, we will provide you names of such suppliers. (Franchise Agreement, Sections 4.C(2)). In many cases we require you to purchase such items from our affiliate -18° or Amorino Trading. We do not directly deliver or install the equipment, but we may help coordinate the delivery and the installation of most furniture, fixtures, and equipment. We will not help coordinate the delivery and installation of any equipment which we have not authorized you to purchase and install.

(f) Training and On-Site Assistance

Before you open your Store, we will provide an initial training program for ten days at our Paris, Franchise headquarters, as further described in this Item below, and we will send one or more individuals to provide you with five consecutive days of on-site training and store opening assistance at the location for your Store. (Franchise Agreement, Sections 7.A and 7.C). You will be responsible for all travel, lodging, dining and similar costs for the individual who provides such assistance at your Store, as well as for any trainees who attend the training. We do not have a fixed schedule for offering initial training programs to new franchisees, rather, we provide the initial training on as as-needed basis, as we sign up new franchisees. We will provide you with the initial training program after you sign the franchise agreement and at least one month before your scheduled opening.

If you sign an area development agreement: a) we only provide you with the Paris ten-day initial training for your first location; and b) we only provide you with the on-site five-day training at your first, second and third stores but not for any additional stores. (Franchise Agreement, Section 7(A); Area Development Agreement, Section 6.1).

At your request (or if we require based on your performance), we will provide additional store opening assistance, for a per diem fee and reimbursement of all travel, lodging, dining and similar costs for the individual(s) providing such additional assistance. (Franchise Agreement, Sections 7.G)

(g) Other Pre-Opening Advice

We will provide such other pre-opening consultation and advice as we deem appropriate, such as advice with regard to employee recruiting, selection, and training, purchasing and inventory control. (Franchise Agreement, Section 3.A, 3.B and 7.C)

(h) Promotional Advertising

Before you open your store, as previously described in Item 5, you must spend your Store Opening Promotional Fee to promote the opening of your Store as we deem appropriate. (Franchise Agreement, Section 12.B)

(i) Before you open your Store, you must acquire the point of sale cash registers, computer systems, equipment and software we require, with such extended warranties as we may require. You shall not use any other software or methods whatsoever to accomplish any of these functions, nor shall you collect or derive any revenue whatsoever that is not collected and recorded through our software system. Our software system is internet-based, and we require you to establish and maintain a reliable primary broadband internet connection and a backup internet connection at your Store. The internet connection is to be used for software updates and downloading purposes, and to allow us to monitor your sales and revenue.

(2) Typical Length of Time

We estimate that it will be approximately six to twelve months between the signing of the franchise agreement and the opening of your Store. This period may vary depending upon the availability of sites in a particular area and the location and condition of the site.

(3) Amorino's Obligations to you During the Operation of the Franchise:

During your operation of your Store, we will provide the following services:

(a) Following the opening of your Store, Amorino may provide such additional assistance, consultation and advice as it deems appropriate in connection with your ongoing ownership and operation of the Store and compliance with the franchise system, such as with respect to new product development and implementation, advertising, marketing and such other matters as Amorino deems appropriate. (Franchise Agreement, Sections 3, 7.D, 7.F, 8.1 and 12) Such assistance, consultation and advice may take the form of meetings, conferences, on-site visits, electronic or printed materials, or such other form as Amorino deems appropriate. We shall provide you with a set of specifications for you to utilize the franchise system in the operation of the Store. (Franchise Agreement, Section 3.C)

(b) We will communicate information to you about our approved and designated suppliers. (Franchise Agreement, Sections 4.C(2), 8.E and 8.F)

(c) We will communicate information to you about suggested pricing for products or services offered for sale, which may include maximum, minimum or other retail pricing requirements to the extent permitted by law. (Franchise Agreement, Section 8(K))

(d) We shall use commercially reasonable efforts to maintain high standards of quality, appearance and professionalism of the franchise system. (Franchise Agreement, Section 3.C)

To that end, we shall have the right to enter upon the Store premises during regular business hours to make quality assurance inspections. (Franchise Agreement, Section 8.I.(1)) Such inspections may be announced or unannounced. Amorino may inspect the premises, and evaluate personnel, products and services as it deems advisable to maintain the quality of the franchise system and to confirm that the Store is in compliance with the franchise agreement. (Franchise Agreement, Section 8.I.(1)) As part of any such evaluation, you shall allow Amorino to obtain samples of ingredients, products and supplies, without charge, to test for quality assurance purposes.

Amorino also may inspect Stores by using mystery shoppers posing as normal customers (or other means of evaluations by customers). (Franchise Agreement, Section 8.I.(2)) Such mystery shoppers take notes on every aspect of their experience and provide reports to Amorino. Amorino uses the reports to maintain the quality of the franchise system and to help determine your ongoing compliance with the franchise agreement. (Franchise Agreement, Section

8.1.(2)) At its discretion, Amorino may decide to use the results of these reports to determine your eligibility for discounts on products you are required to purchase from its affiliates. (Franchise Agreement, Section 8.1.(2))

(4) Advertising Program

We may but are not obligated to conduct advertising for you. (Franchise Agreement, Sections 12.C, 12.D, 12.E). We currently do not collect or charge an advertising fee. We currently advertise on social media in the United States. We may elect to utilize various local, regional, and/or national media campaigns in the future which may include radio, television, magazine, newspaper, and internet advertising campaigns.

We do not currently produce advertising materials; however you must purchase from us or our approved supplier all promotional materials designated by us to promote the sale of new and featured products. (Franchise Agreement, Section 12.C) You are required to participate in any loyalty programs, prize promotions, gift card programs, and/or any other such promotional campaign that we designate. Such participation shall be at your own expense. (Franchise Agreement, Section 12.D).

You may develop your own advertising and marketing materials, at your own expense, subject to such requirements or recommendations that are set forth in our current operating manual and subject to our prior approval. We will review samples of the proposed advertising and marketing materials that you submit and will use good faith efforts to accept or reject such materials within fifteen (15) days from the date we receive them. (Franchise Agreement, Section 12.A) Advertising and marketing materials shall not be used until they are approved, and we have the right to disapprove of materials that were previously approved. (Franchise Agreement, Section 12.A)

(a) We will list your Store location, phone number and opening hours on our website. You are not permitted to establish your own website or to establish or use any electronic media which advertises your Store or references the Amorino name without our written consent. (Franchise Agreement, Section 9(E)).

(b) Store Opening Promotional Fee - You will be required to spend certain minimum amounts, prior to the opening of your Store, to advertise and promote the opening of your Store, as explained in Item 6. You must spend at least $5,000 for a Traditional Store or Kiosk or $3,000 for a Mobile outlet. (Franchise Agreement, Section 12.B) You must spend this amount, and provide us with written evidence that you have spent this money on appropriate expenses, before you open your Store. (Franchise Agreement, Section 12.B)

(c) Advertising – Although we do not currently charge an advertising fee, we have the right to charge an advertising fee in the future. If we charge an advertising fee, we will establish a percentage up to three percent (3%) of your annual Gross Revenue which you will be required to pay to us for our advertising, marketing and public relations initiatives in a manner approved by us. The money will be used to support and pay for advertising, marketing and promotion efforts we designate, and associated creative and administrative expenses. Any company-owned stores will not be required to contribute money for these initiatives. All franchised stores may not be required to contribute on an equal basis to these initiatives. If we establish an advertising fund, then you may obtain an unaudited accounting of the advertising fund by making a written request to us, in which case we will provide you with the unaudited accounting of the advertising fund for the prior fiscal year six months after the end of the fiscal year. We will not be required to spend any amount from these monies on advertising or promotions in your area. We have the sole right to determine how to spend contributions to the fund, or any funds from any other advertising program, and the sole authority to determine the selection of the advertising materials and programs, provided, however, that we will make a good faith effort to expend such funds in the general best interests of the System on a national or regional basis. Additionally, it is understood that any national, regional, or local advertising effort may not equitably reach all markets. (Franchise Agreement, Section 12.C).

(d) If Amorino requires you to spend such amounts directly, then you shall provide proof of such expenditure according to Amorino's required procedures. (Franchise Agreement, Section 12.C)

(e) Cooperatives - We do not have the power to require any advertising cooperatives or advertising councils to be formed, changed, dissolved, or merged and there is no provision in the franchise agreement for advertising cooperatives or advertising councils.

(5) <u>Computer Systems</u>

You must purchase, install, and maintain an electronic point of sale cash register and computer system that we have approved to record sales and transaction data and to act as your credit card merchant. Currently, the Square POS system (the "POS System") is the only system we have approved. You will use the POS System as a cash register system and a daily sales reporting system. You must connect the POS System to the internet via a third-party network. We will have the right to independently access all information recorded by the POS System. We may require you update or replace the POS System, at such frequency as we determine. There is no contractual limitation on the frequency or cost of these obligations.

The approximate cost to purchase the POS System, Computer System, computer software and hardware is approximately $1,200 to $2,500. You are required to pay a fee for the use of the point of sale software and for the credit card merchant service performed by Square. The fee is currently 2.6% + $0.04 (per transaction) of all payments made by your customers with credit cards and debit cards plus up to $30 per month system fee. (Franchise Agreement, Section 13.B). There are no annual costs for any optional or required maintenance updating, upgrading or support contracts for the point of sale or computer systems.

You must install any other hardware or software for the operation of the Store that we may require in the future, including any enhancements, additions, substitutions, modifications, and upgrades. There is no contractual limitation on the frequency or cost of these obligations. We may also require you to license from us, or from others we designate, any computer software we develop or acquire for use by Amorino Stores.

We shall have the right to access information stored on your computer system related to the operation of the Store, from a remote location, without the need for consent, at the times and in the manner as we shall require, in our sole discretion. Franchisor's unlimited access to the franchisees' data might increase the risk of violation of applicable privacy laws and result in the disclosure of franchisees' sensitive client/customer, employee, or company information resulting from cyber security events and/or data breaches.

(6) Operating Manual

Before you open your Store, we will give you access to our current operating manual (the "Manual"). (Franchise Agreement, Section 3.D) The table of contents of the Manual is attached to this Disclosure Document as Exhibit D. The Manual contains a total of 239 pages.

(7) Training

The following is a summary of our training:

Item 11 Table

TRAINING PROGRAM

Subject	**Hours of Classroom Training**	**Hours of On-The-Job Training**	**Location (Note 1)**
Presentation of the "Operating Manual"	4-5		
Presentation of Amorino concept and product assortment	1	3-4	
Everything about Gelato and Amorino flavors	4	4-5	
How to use the cash register		4-5	
Hygiene and cleaning procedures		4-5	
Managing Gelato according to traceability and cold chain requirements	1	2-3	
Store opening and closing	2	2-3	
Receiving a delivery	1	2-3	
Training on cafeteria, and if relevant, other products included but not limited to waffles, crepes, frappè and	1	3-4	
How to use the Amorino software (Statistics, Stock, Settings…)		4-5	
How to place orders on Amorino order entry website		4-5	

How to implement and manage the logistic infrastructure and procedures involved within bringing products and consumable dry goods from overseas factory/s to the point	2	2-3	
How to track gross margin by product category	2-3		
Selling techniques	2	2-3	
How to set up your shop for the first opening	2	2-3	
Total	22-24	38-51	

Note 1: Within a reasonable time after you sign a franchise agreement, generally no later than four weeks before the opening of your Store, we will provide initial training that must be completed to our satisfaction. (Franchise Agreement, Sections 7.A and 7.C) As described in Item 15, you must cause the individual owner who will operate the Store (or your manager, if applicable) and up to one additional employee to attend such programs.

The first ten days of the initial training program will be held at our Paris, France, headquarters. (Franchise Agreement, Section 7.A) We will provide this training, the instructors, and other materials without charge, except that you are responsible for you and your manager's travel and lodging expenses. (Franchise Agreement, Sections 3.D and 7.A)
We will provide an additional five consecutive days of initial training at your store, to prepare for and assist in the grand opening of your Store. All of the grand opening training will be "hands-on", on-the-job training. (Franchise Agreement, Section 7.C)

If you sign an area development agreement: a) we only provide you with the Paris ten-day initial training for your first location; and b) we only provide you with the on-site five-day training at your first, second and third stores but not for any additional stores. (Franchise Agreement, Section 7(A); Area Development Agreement, Section 6.1).

From time to time, we may require additional training related to new products or services that we require your Store to sell or provide. We will provide such additional training related to new required products or services free of charge. (Franchise Agreement, Section 7.F)

You may request (or if we determine your performance in operating your Store so requires, we may require you to attend) additional training other than the initial training and other than training related to new products and services that we require your Store to offer. (Franchise Agreement, Section 7.G) Any such additional training will be at your expense. The current cost of such training sessions is up to $400 per day. Topics of such additional training currently include shop management, making of cafeteria, and specific training on certain products. Depending on the specific training session, we may hold such training at our designated regional training Store or at your Store.

If you open additional Stores, you must undergo the same initial training described above for each new Store.

Each instructor will have spent at least 1 year working as an Amorino Trainer or in an

Amorino point of sale retail location and will be knowledgeable about all three types of Amorino stores and all operational aspects of the business. The Head of CPF's Operations Department, Clementine Paultel, will coordinate the training program. Mrs. Paultel has been in this position since January 2023 and was previously Amorino's Head of Digital & Activation from February 2021 to December 2022. Prior to joining Amorino, Mrs. Paultel was Head of Innovation for Costa Coffee from August 2017 to August 2019.

You must pay all transportation costs, food, lodging and similar costs incurred to attend any of the initial training sessions and any additional training sessions, including such costs for our instructors to provide training at the location of your Store.

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ITEM 12
TERRITORY

Protected Area Under an Individual Franchise Agreement

You may operate the Store only at the location approved by us. When you sign the franchise agreement, we will mutually agree upon a site selection area in which you can propose the location for your store. You must identify a location to serve as your franchised location for the Store by a date set forth in the franchise agreement. For any proposed site you identify, and in addition to completing a "Project Proposal" Form and "Key Elements" File, you must supply us with a description of the location in the form we specify and any other information we may reasonably require in order to evaluate the location, including demographic characteristics, traffic patterns, parking, character of the neighborhood, information on other area businesses, and information on the lease terms or purchase price for the proposed site. You must also advise us of any time periods within which the lessor of the proposed location requires a response, comments on and/or acceptance of the lease.

The location must be within the site selection area identified in the franchise agreement, meet Amorino's then-current site selection criteria, and be approved by us. We agree not to unreasonably delay our review and approval or disapproval of the proposed site and lease terms. We consider various objective and subjective factors, as well as our business experience, in reviewing your proposed initial location and any potential new locations. Approval of locations is at our sole discretion. You shall submit to us for prior approval all construction plans, site plans and blueprints for the location we approve.

Once we approve your location, you will have the exclusive right to operate the Store at such location in a territory to be identified as the "Protected Area".

The Protected Area is exclusive in that, during the term of the franchise agreement, we will not own or operate, or license or grant anyone else the right to own or operate, an Amorino store, kiosk outlet, mobile outlet or other retail outlet under the Proprietary Marks within the Protected Area.

If you operate the Store in an enclosed shopping mall, your Protected Area will be the exterior boundaries of such mall.

Otherwise, your Protected Area will be described in terms of a radius surrounding the Store, which will vary depending on the type of location (such as whether your Store is located in an urban or suburban environment).

We will determine the size of the Protected Area for each franchise on a case by case basis, but in no event will the minimum Protected Area for a non-mall location be less than four blocks radius in an urban location and one-half mile radius in a non-urban location.

You may not locate or relocate your Store outside of your Protected Area, and once the site for your Store has been identified and approved, you will not be permitted to locate or relocate your Store anywhere else without our prior written approval. These limitations apply to all types of Stores, including the Mobile outlets.

Provided that you are in material compliance with this Agreement and any other agreements with Amorino or its Affiliates, we will not unreasonably condition or delay our consent to your request to relocate your Store in the event that your lease expires or terminates through no fault of your own or the premises is destroyed or damaged by fire, flood or other force majeure event, provided that none of the foregoing events results from your negligence or misconduct. You must comply with the same requirements to select, lease, construct, design and open a new location that you did in connection with the initial location: provided, however, that the Store must be open for business at the new location within 180 days of closing at the previous location. You are solely responsible for all relocation costs and expenses.

Under the franchise agreement, we do not grant to you any options or rights of first refusal or similar rights to acquire additional franchises or territories. In the future, however, we may decide to offer you, in our sole discretion, the option to acquire additional franchises outside your Protected Area or the option to open new Stores within your Protected Area. We will not, however, permit you to acquire any additional franchise in an area that infringes upon the territory or Protected Area of another franchisee.

Under the franchise agreement, we do not require you to achieve certain sales volume or market penetration to maintain the exclusivity of your Protected Area. We can revoke the exclusivity of your Protected Area upon the occurrence of any events that would give rise to our right to terminate the franchise agreement. There are no other circumstances that would permit us to modify your territorial rights under the franchise agreement. From time to time, we may require additional training related to new products or services that we require your Store to sell or provide. We will provide such additional training related to new required products or services free of charge.

Territory Under an Area Development Agreement

If you sign an Area Development Agreement, we will grant you the exclusive right to open multiple Stores within a specified geographic area according to an area development schedule.

Your territory will generally be defined by state, county or city boundaries, zip codes, or fixed geographical boundaries such as rivers, streets or highways. There is no specific minimum or maximum size of geographic area that we will grant you as the area development territory.

For the development schedule, we will specify the number of Stores that you must open by the agreed dates. You must remain in compliance with all signed Store franchise agreements to retain your territory rights. If you do not comply with the development schedule, or if any of your franchises is terminated for any reason, we will have the right to terminate the Area Development Agreement, and you will lose your exclusive rights under the Area Development Agreement to open additional Stores in your Area Development territory. Under the Area Development Agreement, you have no options, rights or first refusal, or similar rights to acquire additional geographic area to increase your territory size under the Area Development Agreement.

The area development territory is exclusive in that, during the term of the Area Development Agreement, we will not franchise or license others, and we will not directly or indirectly develop, own, lease, construct or operate, an Amorino Store, kiosk outlet, mobile outlet or other retail outlet under the Proprietary Marks in the geographic area covered by your area development territory.

We may offer similar or dissimilar services or products in your area development territory through alternative channels of distribution.

The Franchisor will not receive compensation from the Franchisee for soliciting or accepting orders within the Franchisee's territory.

Our Rights to Use Other Channels of Distribution Within the Territory

We retain and reserve all other rights to the Proprietary Marks, including the right to own and operate and to grant others the right to own and operate Amorino stores outside the Protected Area, regardless of their proximity to the Protected Area.

We also reserve the right to distribute products identified by the Proprietary Marks through alternative channels of distribution such as grocery stores, supermarkets, convenience stores, specialty stores, restaurants, and via mail order, catalog sales, and the Internet, or to grant others such right, within your Protected Territory and your area development territory (if applicable) using our principal trademarks or using trademarks other than those that you will use, and you will not receive any compensation for our solicitation and acceptance of such orders and sales through such alternative channels of distribution inside your Protected Territory and your area development territory (if applicable). You will have no right to sell, or solicit or accept orders for, any Proprietary Products or any Amorino Products or services outside your Protected Area in any manner including alternative channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, other than directly from the location of your Store.

You may be permitted (if approved by Amorino in writing) or required to solicit sales of services or products offered by your Store via the Internet through the use of online search engine listings or other online advertisements, but only in connection with advertising for the services and products to be provided at or from your Store and not via mail order, remote delivery or any other alternative channel of distribution. We must approve all advertising and promotional plans and materials in advance.

Our Affiliate's Business

Our affiliate 60UP owned and operated a traditional Amorino store in New York, New York until it was sold to a franchisee in May 2021.

We have not to date established nor do we have any presently formulated plans or policy to establish other franchises or company-owned stores providing products similar to the Proprietary Products under a trade name or trademark other than the Proprietary Marks or to provide such other products through alternative channels of distribution, but we reserve the right to establish (or grant to others the right to establish) other or similar businesses at some future date or to provide such similar products through alternative channels of distribution.

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ITEM 13
TRADEMARKS

Under the Franchise Agreement, we grant you the right to use certain proprietary marks (the "Proprietary Marks") in the operation of your master franchise business and the sale of Amorino Stores in your Territory.

Amorino's affiliate CPG, SAS, a French company ("CPG"), has registered the stylized design mark shown below on the Principal Register of the United States Patent and Trademark Office on August 7, 2012, with the registration number 4185053. All required affidavits have been filed. The registration is not yet due for renewal. CPG intends to renew the registration and file all appropriate affidavits for the mark at the times required by law.

CPG has also registered the word mark "AMORINO" on the Principal Register of the United States Patent and Trademark Office on September 12, 2006, with the registration number 3142393. All required affidavits have been filed. The registration was renewed on December 20, 2014. CPG intends to renew the registration and file all appropriate affidavits for the mark at the times required by law.

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or any court, nor are there any pending infringement, opposition or cancellation proceedings, involving the Proprietary Marks that affect the ownership, use or licensing of the Proprietary Marks in any state.

There is no pending material federal or state court litigation regarding Amorino's use or ownership rights in a trademark.

In early 2020, CPG granted us a license to use the above trademarks to own and operate, and to grant sublicenses to franchisees to own and operate in accordance with their franchise agreements, retail stores to sell the goods and services covered by such trademarks. Such license is for a twenty-year term, after which period the parties agree to meet to discuss conditions for renewal.

Other than the limitation on duration of the license set forth in the license agreement, there are no agreements currently in effect that significantly limit our right to use or license the use of the Proprietary Marks in any manner material to the franchise.

You must follow our rules when you use the Proprietary Marks. You are prohibited from using any Proprietary Mark as part of any business entity name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed by us to you). In addition, you may not use any Proprietary Mark in selling any unauthorized service or in any other manner we have not explicitly authorized in writing. You may not, in any way, alter our Proprietary Marks in color, proportions, or by adding, deleting, or modifying the Proprietary Marks in any way.

You must immediately notify us of any infringement of or challenge to your use of any Proprietary Mark. We will have sole discretion to take whatever action we deem appropriate to protect the Proprietary Marks. Under the Franchise Agreement, we have the right to control any litigation or administrative proceeding with respect to the Proprietary Marks. We will indemnify and defend you against claims arising from your authorized use of the Proprietary Marks.

You must notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to any of the Proprietary Marks licensed to you.

If we decide that you should modify or discontinue your use of any Proprietary Mark and/or use one or more additional or substitute Proprietary Marks, you must comply with this decision. We are not obligated by the franchise agreement or otherwise to protect any or all rights that you have to use our Proprietary Marks or to protect you against claims of infringements or unfair competition arising out of your use of the Proprietary Marks.

The Franchise Agreement does not provide for you to receive compensation for tangible costs of changing any Proprietary Mark. Any and all improvements that you make to any Proprietary Mark or to any Proprietary Product shall belong to us or CPG.

Under the Franchise Agreement, you agree not to contest, directly or indirectly, our ownership, title, right or interest in its Proprietary Marks, trade secrets, methods, procedures and advertising techniques that are part of our business or to contest our sole right to register, use or license others to use these Proprietary Marks, trade secrets, methods, procedures and techniques.

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ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We do not own any rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications that are material to the franchise. There are no current material determinations of the United States Patent and Trademark Office, the United States Copyright Office, or any court regarding any patent or copyright which affect the Store, nor is there any such material proceeding pending in the United States Patent Office or any court.

We claim copyright protection of our plans and designs, the Manual, other manuals and procedures, written materials, software information system features and source code, curriculums, and photos and videos and related materials. The foregoing items may not have been registered with the United States Registrar of Copyrights; however, the foregoing items are considered proprietary and confidential, are considered our property, and may be used by you only as provided in the franchise agreement.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. There are no agreements in effect which significantly limit our right to use or license the copyrighted materials. Finally, there are no infringing uses or patent or copyright infringement actually known to us which could materially affect you or your use of the copyrighted materials in any state.

The franchise agreement provides that if you, your employees, or any of your principals develop any new concept, process or improvement in the operation or promotion of the Store, you will promptly notify Amorino and provide Amorino with all necessary related information, without compensation. Any such concept, process or improvement shall become Amorino's sole property and Amorino shall be the sole owner of all related patents, patent applications, and other intellectual property rights.

We are not required by any agreement to protect or defend copyrights. You are not entitled to any compensation if we require you to modify or discontinue using the subject matter covered by any patent or copyright. The Franchise Agreement provides that you acknowledge that your entire knowledge of the operation of the business, including the specifications, standards and operating procedures for the Stores, is derived from information we disclose to you and that all this information is confidential and our trade secret. You agree in the Franchise Agreement to maintain the absolute confidentiality of all information that we deem to be our confidential information (including, without limitation, trade secrets, know-how and elements of the franchise system, and all information contained in the Manual) that you receive from us or learn as a franchisee during and after the term of the franchise.

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ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

One of your individual owners must directly supervise the Store on-site. If the franchisee is an individual, general partnership, limited liability company, or corporation, such supervisor should be the individual franchisee or the individual member, partner, or stockholder who owns a controlling interest in the franchisee. If the franchisee is a business entity, the on-premises supervisor must have more than a fifty percent equity interest in the franchisee's business.

Such supervisor must successfully complete our initial training program and must devote full time and efforts to the management and operation of the Store on a daily basis, except that an owner of a Mobile outlet is not required to devote full time to day to day supervision of the Mobile outlet.

If you operate multiple Amorino Stores, or if such supervisor is unable to devote his or her full time and efforts to the management and operation of the Store then, in addition to such supervisor, you must select an individual to serve as your manager. Any manager (or replacement manager) shall be subject to our prior approval and determination that he or she meets the qualifications for the position. We do not require the manager (or any replacement manager) to own any interest in the franchisee, but he or she must complete our initial training program to our satisfaction prior to assuming any management responsibilities at your Store. The manager must devote his or her full time and efforts to the operation and management of your Store, and may not engage in any other business or activity that would require substantial management responsibility or time commitment.

We require that you or, if you are a business entity, each of your owners sign a personal guaranty in a form acceptable to us, to guaranty your performance under the franchise agreement and any other related agreements. Your spouse is not required to sign the personal guaranty unless your spouse is also an owner of your business entity.

We will require each individual who attends our initial training program (or any supplemental training program), including the supervisor and manager, to sign a confidentiality and non-compete agreement in a form acceptable to us.

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ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all of the products and services that we authorize in our Manual and other written notices to you. We may add, eliminate and change the authorized products and services from time to time, and you must comply with all directives (which may require purchasing and installing additional equipment) in connection with such products and services. There are no limits on our right to make these changes.

We may, on occasion, require you to test market products and/or services at your Store. You must cooperate with us in conducting these test marketing programs and must comply with all rules and regulations that we establish.

All sales must be for retail consumption only and you may not engage in wholesale sales of any kind through any channels of distribution without our prior written consent. You may not sell Proprietary Products through any means of distribution other than from the Store unless we expressly authorize in writing. We have the right to establish maximum, minimum or other retail pricing requirements to the extent permitted by law.

You are prohibited from offering or selling products or services that we have not authorized and from using the franchised store for any purpose other than the operation of the franchised business. You may not operate any co-branding or other marketing system without our prior written consent, which may be withheld in our sole discretion.

No gaming machines are permitted in your Store without our prior written consent.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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.

THE FRANCHISE RELATIONSHIP

Franchise Agreement

Provision	Section in franchise agreement	Summary (Franchise Agreement)
a. Length of the franchise term	Data Sheet to franchise agreement and Section 2 of the franchise agreement	Traditional Store: On the 10th anniversary of your Store opening to the public, but no later than 11 years after the effective date of your franchise agreement. Kiosk or Mobile Store: On the 5th anniversary of your Store opening to the public, but no later than 6 years after the effect date of your franchise agreement.
b. Renewal or extension of the term	Sections 2.B and 2.0 of the franchise agreement	2 consecutive 5-year renewal periods, if you meet certain requirements.
c. Requirements for franchisee to renew or extend	Sections 2.B & 2.0 of the franchise agreement	To renew for an additional 5-year renewal period, you must meet the following requirements: give written notice to us of your request to renew, have substantially complied with the terms and conditions throughout the term, are not in default on the renewal date and the date notice is given, provide evidence of your right to occupy the Store premises through the renewal date and we have the same rights to occupy the premises as during the initial term, pay the renewal fee, you complete any training we require, sign a general release, sign the then-current form of the franchise agreement or an amendment to reflect any new terms, have any guarantor of your obligations under the franchise agreement reaffirm their guarantee, and renovate your Store to the extent we require to bring the Store into conformity with our then-current standards. The then-current form of franchise agreement may have materially different terms and conditions from your original franchise agreement.
d. Termination by franchisee	Section 16.G	You may terminate the term of the Franchise Agreement if you are not currently in material breach of the Franchise Agreement or any other agreement between us and (ii) we materially breach the Franchise Agreement and fail to cure such breach within one hundred twenty (120) days (or such other reasonable time if additional time is required to cure such breach) after

		written notice is delivered to us.
e. Termination by franchisor without cause	Not applicable.	Not applicable.
f. Termination by franchisor with cause	Section 16 of the franchise agreement	We can terminate the franchise agreement if you commit any one of a list of violations set forth in the franchise agreement, or if you default under any other agreement between you and either us or any of our affiliates. If you are in breach of any agreement with us or any of our affiliates, we have the right to suspend any obligations by us or our affiliates, including providing products or services, until the breach is cured. Some violations are capable of being cured and some cannot be cured. We can also terminate if an approved transfer is not completed within a certain period of time following your death or permanent incapacity.
g. "Cause" defined - curable defaults	Section 16.B of the franchise agreement	We may terminate for any default, other than a default for the reasons listed in Section 16.A, that is capable of being cured and the default has not been cured within 20 days of notice of default.
h. "Cause" defined – non-curable defaults	Section 16.A of the franchise agreement	We may terminate by giving you notice of termination upon certain event, without any opportunity to cure: Your failure to make any payment due under the franchise agreement within 30 days of its due date; insolvency; voluntary bankruptcy; involuntary bankruptcy not dismissed within 30 days; general assignment for creditors, receivership, dissolution of your business entity; if execution is levied your business or property; foreclosure, levy and sale of assets of franchised business; failure to acquire a site by the site selection date; failure to complete initial training by opening date; failure to open Store by opening date; abandonment of the franchised business; loss of necessary permits and approvals to operate the franchised business; loss of right to occupy the Store premises; conviction of a felony or certain other crimes; unapproved transfers; repeated defaults, even if cured; misrepresentations in franchise application; knowingly understating your sales; knowingly maintaining false books or records; failure to make any payment when due to Amorino or any of its affiliates or approved suppliers, offering for sale or selling unauthorized products or services; violation of confidentiality and non-competition covenants; purchase or sale of gelato, sorbet, gelato macarons, or restricted dry goods which you purchased or obtained from an unapproved supplier; within any rolling 12-month period, your failure to pass two or more quality assurance inspections and or your failure to participate in any advertising or marketing

		programs.
i. Franchisee's obligations on termination/non-renewal	Sections 17 and 18.D of the franchise agreement	Immediately cease operating the Store, cease use of franchise system and Proprietary Marks, cancel assumed or equivalent name registrations containing the Proprietary Marks or the name "Amorino", cease to use and at our option, assign to us your rights to telephone numbers, email addresses, internet websites or webpages, make certain necessary modifications to premises and de-identify the premises completely of any association with Amorino, hide all physical aspects of the brand inside and outside the premises. In particular, any visible signage, recognizable artwork or decor must be dismantled, return any proprietary information relating to the franchised business, and comply with all post termination covenants (such as covenant not to compete) set forth in franchise agreement.
j. Assignment of contract by franchisor	Section 15.A of the franchise agreement	No restrictions on our right to assign, provided the assignee is capable of performing and assumes our obligations under the franchise agreement.
k. "Transfer" by franchisee - defined	Sections 15.B, 15.C and 15.D of the franchise agreement	Includes transfer of interest in agreement as well as transfer of ownership by business entity franchisee
l. Franchisor approval of transfer by franchisee	Sections 15.B, 15.C and 15.D of the franchise agreement	If you are an individual, you may transfer without our consent to a business entity formed solely to operate the franchised business by providing certain documentation and paying a $1,000 fee (plus reimbursement of our reasonable expenses). Other transfers require our prior written consent and compliance with certain conditions.
m. Conditions for franchisor approval of transfer	Section 15.D and 15.H of the franchise agreement	Should we not elect to exercise our right of first refusal, or should such right of first refusal be inapplicable, you do not have the right to submit a request for consent, and we are not obligated to even entertain or consider such a request, unless you demonstrate that:(i) that the assignee demonstrate that they have the skills, qualifications and economic resources necessary, in our judgment, reasonably exercised, to own and operate the Stores contemplated by the franchise agreement and by all other agreements between the us and such assignee, and all agreements proposed to be assigned to such assignee;(ii) that the assignee expressly assumes in writing for our benefit all of your rights and obligations under the franchise agreement and all franchise agreements executed pursuant hereto;(iii)

		that the assignee shall have completed our training program to our satisfaction, exercised in good faith;(iv) that as of the date of any such assignment, the assignor shall have fully complied with all of its obligations to us, whether under the area development agreement or any other agreement, arrangement or understanding with us;(v) that assignee, if then a franchisee of us, is not then in default of any of his obligations to us; (vi) that you provide a general release to us, our owners, officers, directors, and affiliates; (vii) that the assignee shall pay to us a transfer fee which is reasonably required to cover our expenses relating to said assignment, and a training fee; provided however that we shall waive such training fee if the assignment is to an existing franchisee.
n. Franchisor's right of first refusal to acquire franchisee's business	Not applicable.	(a) You must deliver to us a written notice clearly and unambiguously setting forth all of the terms and conditions of the proposed assignment and all available information concerning the proposed assignee. (b) Within thirty (30) days after our receipt of such notice (or if we shall request additional information, within thirty (30) days after receipt of such additional information), we may either consent or withhold consent to such assignment. (c) If we shall elect not to exercise our right of first refusal and shall consent to such assignment, you shall be free to assign the agreement to such proposed assignee on the terms and conditions specified in said notice.
o. Franchisor's option to purchase franchisee's business	Section 17.C of the franchise agreement	Upon termination or expiration of the agreement, we have the option to purchase any or all of the Store's tangible assets at the lesser of depreciated book value or fair market value. In addition, if you operate a Mobile Store, you must sell the Mobile unit back to us or our assignee upon termination or expiration of the agreement, at the prices set forth in a depreciation schedule.
p. Death or disability of franchisee	Sections 15.E and 16.C of the franchise Agreement	Upon the death or permanent incapacity of any person with an interest in the franchisee, such interest must be transferred to a third party approved by us within 6 months following the death or incapacity. We have the right to terminate the agreement if an approved transfer is not completed within the designated period of time.
q. Non-competition covenants during the term of the franchise	Section 18.0 of the franchise agreement	Neither you nor your operating owners may (directly or indirectly) own, maintain, advise, operate, engage in, be employed by, make loans to, or have any interest in or relationship or association with any ice cream business at any location within the U.S., its territories or commonwealths, or any other country, province, state or geographic area in which we or our affiliates have used, sought registration of or

		registered the Proprietary Marks or similar marks or operate or license others to operate a business under the Proprietary Marks or similar marks; nor may you divert any present or prospective customer of ours to a competitor; employ or solicit management employees of ours or our affiliates.
r. Non-competition covenants after the franchise is terminated or expires	Section 18.D of the franchise agreement	During a two-year uninterrupted period after the expiration or termination, neither you, nor any officer, director, shareholder or general partner or limited partner of a corporate or partnership franchisee, shall: (1) Divert or attempt to divert any present or prospective customer or supplier of any Amorino Store to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the proprietary marks and the system. (2) Employ or seek to employ any person who is or has been within the previous 30 days employed by Amorino or an Affiliate of Amorino as a salaried managerial employee, or otherwise directly or indirectly induce such person to leave his or her employment. (3) Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with, any business that engages in the production or sale at retail or wholesale of gelato or other ice cream maintenance, and any other products or services offered by your Store or proposed to be offered by your Store or offered by Amorino stores, at any location within the United States, its territories or commonwealths, or any other country, province, state or geographic area that (i) is, or is intended to be, located at the acquisition of any of your former stores; (ii) within the former protected area of any of your stores (or, if there was no protected area, within a three-mile radius of the store); (iii) within a three-mile radius of any other store operating under the system and proprietary marks in existence or under development at the time of such expiration, termination or transfer; or (iv) anywhere within your former territory.
s. Modification of the agreement	Section 21.B of the franchise agreement	Modifications must be in writing and signed by both parties. Waivers must be in writing and executed by the party to be charged.
t. Integration/merger clause	Section 21.A of the franchise	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be

	agreement	enforceable.
u. Dispute resolution by arbitration or mediation	Section 22 of the Franchise Agreement	In the event of any dispute arising out of or in connection with the franchise agreement or the relationship of the parties, including without limitation any claim related to termination or expiration of the franchise agreement and any claim for damages and/or compensation related thereto, the parties agree to submit the matter to mediation under the American Arbitration Association Commercial Mediation Rules. If the mediation is not successful, any controversy, claim, cause of action or dispute arising out of, or relating to any of your stores or the franchise agreement, including, but not limited to (i) any claim by you, or any person in privity with or claiming through, on behalf of or in the right of you, concerning the entry into, performance under, or termination of, the franchise agreement or any other agreement entered into by us, or our subsidiaries or affiliates, and you, (ii) any claim against a past or present employee, officer, director or agent of us, (iii) any claim of breach of the franchise agreement, and (iv) any claims arising under state or federal laws, shall be submitted to final and binding arbitration as the sole and exclusive remedy for any such controversy or dispute.
v. Choice of forum	Section 22 of the franchise agreement	Subject to applicable state law, except for our right to obtain injunctive relief in any appropriate jurisdiction, any dispute arising out of the franchise agreement or our relationship shall first be submitted to mediation, and if it is not resolved in mediation, then it shall be submitted to arbitration, under the rules of the American Arbitration Association, to take place in New York County, New York.
w. Choice of law	Section 22.A of the franchise agreement	Subject to applicable state law, governed by Delaware law. If we move our headquarters, we may choose to have the law of the new state apply by giving you notice within 6 months following our move.

Area Development Agreement

Provision	Section in Area Development Agreement	Summary (Area Development Agreement)
a. Length of the franchise term	Section 4.1 of the area development agreement	The term commences on the effective date of the Area Development Agreement and, unless sooner terminated or extended, continues for a period of five years.
b. Renewal or extension of the term	Section 4.2 and 4.3 of the area development agreement	Within 60 days before the end of the term, if we shall determine that further development of your territory is desirable, we will notify you in writing of our determination to develop additional stores in your territory and our proposed schedule for such development over a five-year term. We will provide you with a copy of our then-current form of development agreement, with the proposed schedule, The new area development agreement may contain materially different terms and conditions from the original area development agreement. Subject to certain conditions, you shall have the option to undertake the additional development which we have set forth in our notice.
c. Requirements for franchisee to renew or extend	Section 4.5 of the area development agreement	Renewal means the right to open additional locations in your designated area development territory. To obtain the right to additional development, you must meet the following requirements: (a) you must have fully performed all of your obligations under the area development agreement and all other agreements between you and us; (b) you must have demonstrated to us your financial capacity to perform the additional development obligations in the new area development agreement; (c) at expiration of the term, you must continue to operate in your territory, not less than the aggregate number of stores required by the minimum development obligation as set forth in the area development agreement; (d) you must sign our then-current form of area development agreement, which may contain materially different terms than our current area development agreement, and (e) you shall not have already received the right to enter into two additional five-year development terms.
d. Termination by franchisee	Section 9.5 of the area development agreement.	You may terminate the term of the area development agreement if you are not currently in material breach of the area development agreement or any other agreement between us and (ii) we materially breach the area development agreement and fail to cure such breach within one hundred twenty (120) days

		(or such other reasonable time if additional time is required to cure such breach) after written notice is delivered to us.
e. Termination by franchisor without cause	Section 9.2.	The area development agreement may be terminated in the event of a material breach by you of an individual Franchise Agreement or any other agreement between us and you, upon the notice, if any, specified in the Franchise Agreement or other agreement. Termination of the area development agreement itself does not permit Franchisor to also terminate a Developer's single unit Franchise Agreement.
f. Termination by franchisor with cause	Section 9.1	The area development agreement can be terminated by us for cause without notice or opportunity to cure, in the event that you materially breach the area development agreement. The area development agreement may also be terminated for cause in the event of a material breach by you of an individual Franchise Agreement or any other agreement between you and us.
g. "Cause" defined - curable defaults	Section 9.2 of the area development agreement	The area development agreement may be terminated in the event of a material breach by you of an individual Franchise Agreement or any other agreement between us and you, upon the notice, if any, specified in the Franchise Agreement or other agreement.
h. "Cause" defined – non-curable defaults	Section 9.1 of the area development agreement	The area development agreement can be terminated by us for cause without notice or opportunity to cure, in the event that you materially breach the area development agreement. Material breach includes, among other things, the following: (a) Any attempt by you to sell, assign, transfer or encumber in whole or in part any or all rights and obligations under the area development agreement, in violation of the terms of the agreement, or without the written consent required. (b) your failure to meet the minimum development obligations within the periods set forth in the area development agreement.
i. Franchisee's obligations on termination/non-renewal	Section 8.2 and 9.4 of the area development agreement	During a two-year uninterrupted period after the expiration or termination of the area development agreement, for any reason, neither you, nor any officer, director, shareholder or general partner or limited partner of a corporate or partnership franchisee, shall: (1) Divert or attempt to divert any present or prospective customer or supplier of any Amorino store to any competitor, (2) Employ or seek to employ any person who is or has been within the previous 30 days employed by Amorino or an affiliate of Amorino as a salaried managerial employee,

		(3) Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with, any business that engages in the production or sale at retail or wholesale of gelato or other ice cream maintenance, and any other products or services offered by your store or proposed to be offered by your Store or offered by Amorino Stores, at any location within the United States, its territories or other commonwealths, or any other country, province, state or geographic area that is further described in Section 8.2 of the area development agreement. You shall have no further right to construct, equip, own, open or operate additional Stores which are not, at the time of such termination or expiration, the subject of a then existing franchise agreement between you and us, and we may ourselves, equip, open, own or operate, or license others to construct, equip, open, own or operate Stores in your territory, except as provided in any franchise agreement executed pursuant to the area development agreement.
j. Assignment of contract by franchisor	Section 7.1 of the area development agreement	We shall have the right to assign the area development agreement, or any of its rights and privileges to any other person, firm or corporation without your prior consents.
k. "Transfer" by franchisee - defined	Section 7.3 of the area development agreement	Neither your interest in the area development agreement, nor any of your rights or privileges shall be assigned or transferred, voluntarily or involuntarily, in whole or in part, by operation of law or otherwise, in any manner, without our prior written consent, which may be withheld for any reason or for no reason
l. Franchisor approval of transfer by franchisee	Section 7.4 of the area development agreement	Except as expressly provided in Section 7.3 of the area development agreement, any assignment of the area development agreement, or any interest therein, shall be subject to our right of first refusal with respect thereto. Our right of first refusal shall be exercised in the following manner described in Section 7.4 of the area development agreement
m. Conditions for franchisor approval of transfer	Section 7.3 of the area development agreement	Should we not elect to exercise our right of first refusal, or should such right of first refusal be inapplicable, you do not have the right to submit a request for consent, and we are not obligated to even entertain or consider such a request, unless you demonstrate that:(i) that the assignee demonstrate that they have the skills, qualifications and economic resources necessary, in our judgment, reasonably exercised, to own and operate the stores contemplated by the area development agreement, and by all other agreements between the us and such assignee, and all

		agreements proposed to be assigned to such assignee;(ii) that the assignee expressly assumes in writing for our benefit all of your rights and obligations under the area development agreement and all franchise agreements executed pursuant hereto;(iii) that the assignee shall have completed our training program to our satisfaction, exercised in good faith; (iv) that as of the date of any such assignment, the assignor shall have fully complied with all of its obligations to us, whether under the area development agreement or any other agreement, arrangement or understanding with us;(v) that assignee, if then a franchisee of us, is not then in default of any of his obligations to us; (vi) that you provide a general release to us, our owners, officers, directors, and affiliates; (vii) that the assignee shall pay to us a transfer fee which is reasonably required to cover our expenses relating to said assignment, and a training fee; provided however that we shall waive such training fee if the assignment is to an existing franchisee.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 7.4 of the area development agreement	(a) You must deliver to us a written notice clearly and unambiguously setting forth all of the terms and conditions of the proposed assignment and all available information concerning the proposed assignee. (b) Within thirty (30) days after our receipt of such notice (or if we shall request additional information, within thirty (30) days after receipt of such additional information), we may either consent or withhold consent to such assignment. (c) If we shall elect not to exercise our right of first refusal and shall consent to such assignment, you shall be free to assign the area development agreement to such proposed assignee on the terms and conditions specified in said notice.
o. Franchisor's option to purchase franchisee's business	Not applicable.	Not applicable.
p. Death or disability of franchisee	Not applicable.	Not applicable.
q. Non-competition covenants during the term of the franchise	Section 8.1 of the area development agreement	Neither you, nor any officer, director shareholder, or general partner or limited partner of a corporate or partnership franchisee, shall either directly or indirectly, own, operate, advise, be employed by, or have any interest in any business that engages in the production or sale at retail or wholesale of gelato or other ice cream products, or any other products or services offered by any of your stores or proposed to be offered by any of your stores or offered by Amorino Stores,

		anywhere, whether within or outside your territory.
r. Non-competition covenants after the franchise is terminated or expires	Section 8.2 of the area development agreement	During a two-year uninterrupted period after the expiration or termination, neither you, nor any officer, director, shareholder or general partner or limited partner of a corporate or partnership franchisee, shall: (1) Divert or attempt to divert any present or prospective customer or supplier of any Amorino Store to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the proprietary marks and the system. (2) Employ or seek to employ any person who is or has been within the previous 30 days employed by Amorino or an Affiliate of Amorino as a salaried managerial employee, or otherwise directly or indirectly induce such person to leave his or her employment. (3) Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with, any business that engages in the production or sale at retail or wholesale of gelato or other ice cream maintenance, and any other products or services offered by your Store or proposed to be offered by your Store or offered by Amorino stores, at any location within the United States, its territories or commonwealths, or any other country, province, state or geographic area that (i) is, or is intended to be, located at the acquisition of any of your former stores; (ii) within the former protected area of any of your stores (or, if there was no protected area, within a three-mile radius of the store); (iii) within a three-mile radius of any other store operating under the system and proprietary marks in existence or under development at the time of such expiration, termination or transfer; or (iv) anywhere within your former territory.
s. Modification of the agreement	Section 12.9 of the area development agreement	The area development agreement cannot be modified or changed except by written instrument signed by all of the parties.
t. Integration/merger clause	Section 12.9 of the area development agreement	Only the terms of the area development agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and area development agreement may not be enforceable.
u. Dispute	Sections 11.2	In the event of any dispute arising out of or in connection with

resolution by arbitration or mediation	and 11.3 of the area development agreement	the area development agreement or the relationship of the parties, including without limitation any claim related to termination or expiration of the area development agreement and any claim for damages and/or compensation related thereto, the parties agree to submit the matter to mediation under the American Arbitration Association Commercial Mediation Rules. If the mediation is not successful, any controversy, claim, cause of action or dispute arising out of, or relating to any of your stores or the area development agreement, including, but not limited to (i) any claim by you, or any person in privity with or claiming through, on behalf of or in the right of you, concerning the entry into, performance under, or termination of, the area development agreement or any other agreement entered into by us, or our subsidiaries or affiliates, and you, (ii) any claim against a past or present employee, officer, director or agent of us, (iii) any claim of breach of the area development agreement, and (iv) any claims arising under state or federal laws, shall be submitted to final and binding arbitration as the sole and exclusive remedy for any such controversy or dispute.
v. Choice of forum	Sections 11.2 and 11.3 of the area development agreement	Except for our right to obtain injunctive relief in any appropriate jurisdiction, any dispute arising out of the franchise agreement or our relationship shall first be submitted to mediation, and if it is not resolved in mediation, then it shall be submitted to arbitration, under the rules of the American Arbitration Association, to take place in New York County, New York (subject to applicable State law).
w. Choice of law	Section 11.1 of the area development agreement	Governed by Delaware law. If we move our headquarters, we may choose to have the law of the new state apply by giving you notice within 6 months following our move (subject to applicable State law).

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ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote the franchise name or symbol. No public figure has been given or promised any compensation or benefit arising from (1) the use of the public figure in the franchise name or symbol or any other manner, or (2) from the endorsement or recommendation of the franchise to perspective franchisees. No public figure is involved in management or control of Amorino, nor has any public figure invested in Amorino.

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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.

Part I: 2023 and 2024 Revenue Figures. Includes Franchisee Stores Average Net Revenues and Growth in Average Net Revenues during the Measurement Period

Calendar Year	No. of included stores	Average Net Revenues	% Growth in Average Net Revenues	No. and % of Stores Above/ Below Average	Median	High Net Revenues	Low Net Revenue
2023	16	$1,080,663	n/a	Above: 9 (56.25%) Below: 7 (43.75%)	$654, 324	$1,976,741	$426,553
2024	18	$1,091,622	+1.02%	Above: 6 (33.33%) Below: 12 (66.67%	$951,872	$2,389,639	$540,712

For 2023, this summary includes all 16 Stores which were operating the entire year. For 2024, this summary includes all 18 Stores which were operating the entire year.

Part II: 2023 Cost Breakdown. Includes 2023 Average Net Revenues, COGS, Gross Margin, Payroll, Occupancy, Advertising, Other (fees, etc.), Interest, Depreciation and Amort., Net income, and EBITDA.

2023 P&L Category	Average $	%	No. of Stores Above/Below	Median	
				$	%
Net Revenues	**$1,080,683**		9/16	**$654,324**	
COGS	$345, 170	31.9%	10/16	$208,165	31.8%
Average Gross Margin	**$735, 463**	68.1%	9/16	**$446,159**	68.2%

Payroll	$265,289	24.5%	9/16	$93,334	14.3%
Occupancy	$138,706	12.8%	10/16	$89,196	13.6%
Marketing & Advertising	$3,226	0.3%	9/16	$3,183	0.5%
Other Expenses	$158, 849	14.7%	9/16	$122,926	18.8%
Interest Expense	$8, 183	0.8%	10/16	$16,827	2.6%
Depreciation & Amort.	$19, 551	1.8%	10/16	0	0.0%
Taxes	$7,155	0.7%	10/16	$626	0.1%
Total Expense	**$600, 959**	**55.6%**	**9/16**	**$326,093**	**49.8%**
Net Income	**134, 504**	12.4%	9/16	**$120,067**	18.3%
Add backs to Net Income to Calculate EBITDA:					
Interest Expense	$8, 183		10/16	$16,827	2.6%
Depreciation & Amort.	$19, 551		10/16	0	0.0%
Taxes	$7, 155		10/16	$626	0.1%
EBITDA	**$169, 393**		15.7%	**$137,520**	21.0%

Notes to Part II

1. "Net Revenues" includes all revenues generated from all business conducted at or from a store during the Calendar Year, including amounts received from the sale of food items. "Net Revenues" does not include the amount of any applicable sales tax imposed by any federal, state, municipal or other governmental authority if such taxes are stated separately when the customer is charged, and franchisee pays such amounts as and when due to the appropriate taxing authority. Also excluded from Net Revenues are the amount of any documented refunds, chargebacks, credits and allowances given to customers in good faith pursuant to our standard procedures for issuing such refunds. The "Average Net Revenues" is determined by taking the sum of included franchisees Net Revenues and dividing it by the number of stores. For the 2023 Calendar Year, the high Net Revenues reported to us was $1,972,908 and the low was $424,199. For the 2024 Calendar Year, the high Net Revenues reported to us was $2,389,639, and the low was $540,712.

2. "COGS" is defined as all direct costs including gelato, other products, and dry goods costs. The average presented above is determined by taking the sum of included franchisees costs of goods sold and dividing it by the number of stores. The percentage was determined by dividing the average COGS by Average Net Revenues.

3. "Average Gross Margin" is defined as Average Net Revenues less Total Average Cost of Goods Sold. The percentage was determined by dividing the Average Gross Profit by Average Net Revenues.

4. "Payroll" is defined as the cost of hourly employees, management labor, and manager salary or bonus payments, but does not include owner salary or draw. The average presented above is determined by taking the sum of Included Franchisees' Labor Costs and dividing by the number of stores. The percentage was determined by dividing the average Labor Cost by Average Net Revenues.

5. "Occupancy" is defined as all charges imposed under the lease agreements, including base rent, percentage rent, and common area maintenance charges. The average presented above is determined by taking the sum of included franchisees Occupancy costs and dividing by the number of stores. The percentage was determined by dividing the average Occupancy cost by Average Net Revenues.

6. "Advertising" is defined as the cost of local store marketing efforts. The average presented above is determined by taking the sum of included franchisees Advertising costs and dividing by the number of stores. The percentage was determined by dividing the Advertising costs by Average Net Revenues.

7. "Other Expenses" is defined as the sum of other operational costs to operate a store, including but not limited to utility costs, repair and maintenance costs, bank fees, legal and professional services, external services, and other expenses.

8. "Interest Expense" is defined as financing charges for any outside bank loans being paid by the franchisee to their lender of choice. The average presented above is determined by taking the sum of Included Franchisees' Interest Expense and dividing by 236. The percentage was determined by dividing the average Interest Expense by Average Net Revenues.

General Notes to Item 19

A. The analysis does not contain complete information regarding costs associated with starting and operating a store. The data presented in Part I for 2024 is for established stores open and operating a minimum of 12 months as of December 31, 2024. The data presented in Part I and Part II for 2023 is for established stores open and operating a minimum of 12 months as of December 31, 2023. We do not make any financial performance representations regarding stores operating as a non-traditional location.

B. The figures included do not include certain costs associated with the establishment and operation of a store, including initial franchise fees, build-out and equipment costs, technology and other store costs able to be capitalized. The above figure also excludes training and living expenses. There may be other costs and other expenses not identified in this Item 19. You should conduct an independent investigation of the costs and expenses you will incur in operating your store. Franchisees listed in the disclosure document may be one source of that information.

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

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of 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 our chief executive officer Erwan De Guichen at 251 Little Falls Drive, Wilmington, Delaware 19808, or by telephone at (011) (33) (1) 53-14-57-00, or by email at usa@amorino.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Unit Systemwide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	2022	13	16	+3
	2023	16	18	+2
	2024	18	22	+4
Company Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total	2022	13	16	+3
	2023	16	18	+2
	2024	18	22	+4

* The "franchised" figures in this Table include Stores franchised by us or our affiliate Minus Zero4.

Item 20 Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor or its affiliates)
For Years 2022 to 2024

	Year	Number of Transfers
Totals	2022	0
	2023	0
	2024	0

Item 20 Table No. 3
Status of Franchised Outlets*
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor**	Ceased Operations - Other Reasons	Outlets at End of the Year
California	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2022	0	1	0	0	0	0	1

Florida	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Georgia	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Illinois	2022	0	2	0	0	0	0	2
	2023	2	1	0	0	0	0	3
	2024	3	1	0	0	0	0	4
Louisiana	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Maryland	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Massachusetts	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Michigan	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Nevada	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
New York	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	0	0	4
	2024	4	0	0	0	0	0	4
North Carolina	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Texas	2022	3	1	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	1	0	0	0	0	5
Virginia	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Totals	2022	13	4	0	0	0	1	16
	2023	16	2	0	0	0	0	18
	2024	18	4	0	0	0	0	22

* The “franchised outlets” in this Table are Stores franchised by us or our affiliate Minus Zero4.

**Stores “reacquired by franchisor” were acquired by our affiliates, FilloGigi1 or SMB96.

Item 20 Table No. 4
Status of Company-Owned Outlets

For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
California	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
New York	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
Totals	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

* The "company owned" outlets in this Table are the Stores owned by our affiliates, 60UP, SMB96, and FilloGigi1 LLC.

Item 20 Table No. 5
Projected New Franchised Outlets as of 12/31/2024

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Arkansas	0	1	0
California	0	0	0
Florida	0	1	0
Illinois	0	1	0
Indiana	1	1	0
Louisiana	0	0	0
Maryland	0	0	0
Massachusetts	0	0	0
New York	0	0	0
North Carolina	0	0	0
Pennsylvania	1	1	0
Texas	2	3	0
Virginia	1	1	0
Washington D.C.	1	1	0
Total	6	10	0

We do not currently have a franchisee advisory council or association. There are no trademark-specific franchisee organizations associated with the franchise being offered in this Disclosure Document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Amorino. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Contact Information for Current Franchisees:

The following are the names of all current franchisees and their address and telephone number as of December 31, 2024. The franchisee locations which were not yet open as of December 31, 2024 are indicated with an asterik ("*"). The franchisees which are also area developers are indicated with "(AD")".

California:

Name	Address	Telephone
Dennis Franklin	338 Grant Avenue San Francisco, CA 94108	(415) 740-4939

Florida:

Name	Address	Telephone
German Rodriguez	2223 N Westshore Blvd Suite K215, Tampa, FL 33607	(817) 709-8941

Georgia:

Name	Address	Telephone
German Rodriguez (AD)	Lenox Mall 3393 Peachtree Road Atlanta, GA 30305	(817) 709-8941
German Rodriguez(AD)	Southern Post Roswell, GA 30305	(817) 709-8941

Illinois:

Name	Address	Telephone
Christopher Roldan(AD)	5 Woodfield Mall Schaumburg, IL 60173	(331) 806-7867

Christopher Roldan(AD)	38 S Michigan Ave Chicago, IL 60603	(331) 806-7867
Christopher Roldan(AD)	5220 Fashion Outlets Way Rosemont, Illinois 60018	(331) 806-7867
Christopher Roldan(AD)	818 W Fulton Market West Loop, IL 60607	(331) 806-7867
Christopher Roldan(AD)	1961 Chain Bridge Rd Tysons, VA 22102	(331) 806-7867

Indiana:

Name	Address	Telephone
Salah and Moony Abci	Keystone Mall Indianapolis, IN	(317)516-9250

Massachusetts:

Name	Address	Telephone
Lea Sasportes(AD)	249 Newbury Street, Unit 2, Boston, MA 02116	(617) 953-9682
Lea Sasportes(AD)	50 JFK Street., Cambridge, MA 02138	(617) 953-9682

Michigan:

Name	Address	Telephone
Mark Sawall/Sawall Health Foods	2965 Oakland Dr., Kalamazoo, MI 49008	(269) 330-2231

New York:

Name	Address	Telephone
Luigi Caroggio	414 Amsterdam Avenue, New York, New York 10024	(929) 392-6899
Gil Vani(AD)	60 University Place, New York, NY 10003	(212) 445-0101
Gil Vani(AD)	721 8th Avenue, New York, NY 10036	(212) 445-0101
Gil Vani(AD)	44 West 63rd Street New York, NY 10023	(212) 445-0101

North Carolina:

Name	Address	Telephone
Verinder K. Judge	137 E. Davie Street, Raleigh, North Carolina 27601	(919) 239-4411

Texas:

Name	Address	Telephone
Nathalie Debbouzzi(AD)	4444 Westheimer Road, Unit C150, Houston, Texas 77027	(346) 319-2194
Nathalie Debbouzzi (AD)	5085 Westheimer Rd Kl 19, Houston, TX 77056,	(346) 319-2194
*Nathalie Debbouzzi(AD)	Town & Country Houston, TX	(346) 319-2194
German Rodriguez(AD)	5188 Monahans Avenue Fort Worth, TX 76109	(817) 709-8941
German Rodriguez(AD)	7700 Windrose Ave, G157 Legacy West, Plano, TX 75024	(817) 709-8941
German Rodriguez (AD)	8413 Preston Center Plaza Dallas, TX 75024	(817) 709-8941
*German Rodriguez(AD)	San Antonio Riverwalk, TX	(817) 709-8941

Pennsylvania:

Name	Address	Telephone
Christopher Roldan(AD)	King of Prussia, PA 1100 S Hays Street	(331) 806-7867

Virginia

Christopher Roldan(AD)	1100 S. Hayes Street Arlington, VA 22202	(331) 806-7867

Washington D.C.

Christopher Roldan(AD)	1200 34th NW ST Washington, DC 20007	(331) 806-7867

The franchisee locations with signed agreements that were not yet open as of December 31, 2024, are marked with an asterik "*" The franchisees who are also area developers are marked with "(AD)".

The following are the former franchisees that had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or has not communicated with the franchisor within 10 weeks of the disclosure document issuance date:

None.

No franchisees have signed confidentiality clauses during the last three fiscal years that restrict their ability to speak with you about their franchised business.

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ITEM 21
FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit C are our audited financial statements as of December 31, 2024.

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ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this disclosure document:

Exhibit B: Franchise Agreement and Area Development Agreement and related agreements

Exhibit E: Representations and Acknowledgement Statement

Exhibit F: Form of Consent and Release

Exhibit G: State Addenda and Agreement Riders

ITEM 23
RECEIPTS

The receipts are attached as the last two pages of this disclosure document.

EXHIBIT A
STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

STATE FRANCHISE ADMINISTRATORS
AND AGENTS FOR SERVICES OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We might not be registered to sell franchises in all of these states.

CALIFORNIA

Department of Financial Protection and
Innovation (DFPI):
Toll Free: 1 (866) 275-2677

320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500

651 Bannon Street, Suite 300
Sacramento, CA 95811
(866) 275-2677

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 610-2093

One Sansome Street, Suite 600
San Francisco, California 94104
(415) 972-8565

DELAWARE

Agent for Service of Process

CSC
251 Little Falls Drive
Wilmington, Delaware 19808

MARYLAND

State administrator:

Office of the Attorney General
Securities Division

HAWAII

Business Registration Division Department of
Commerce and Consumer Affairs
P.O. Box 40 Honolulu, Hawaii 96810
(808) 586-2722

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

Indiana Secretary of State
Securities Division, E-Ill
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

NORTH DAKOTA

North Dakota Securities Department
600 East Boulevard, Fifth Floor
Bismarck, North Dakota 58505
(701) 328-4712

OREGON

Dept of Business and Consumer Services
Division of Finance and Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4387

200 St. Paul Place
Baltimore, Maryland 21202

Agent for Service of Process

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

MICHIGAN

Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48933
(517) 373-7177

MINNESOTA

Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101
(651) 296-6328

NEW YORK

State administrator:
New York State Department of Law
Investment Protection Bureau
28 Liberty Street 21st Floor
New York, New York 10005
(212) 416-8222

Agent for Service of Process:
Secretary of State
99 Washington Avenue
Albany, NY

RHODE ISLAND

Division of Securities
233 Richmond Street, Suite 232
Providence, Rhode Island 02903
(401) 222-3048

SOUTH DAKOTA

South Dakota Department of Revenue and Regulation
Division of Securities
445 E. Capitol
Pierre, South Dakota 57501
(605) 773-4823

VIRGINIA

State administrator:
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, VA 23219
(804) 371-9051

WASHINGTON

Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(360) 902-8760

WISCONSIN

Wisconsin Department of Financial Institutions
Division of Securities
345 West Washington Avenue, 4th Floor
Madison, Wisconsin 53703
(608) 266-1064

EXHIBIT B

FRANCHISE AGREEMENT
AND AREA DEVELOPMENT AGREEMENT

DATA SHEET

This Data Sheet provides some of the agreed terms and data which are incorporated into the Franchise Agreement.

FRANCHISOR INFORMATION:	
1. FRANCHISOR:	
A . TYPE OF ENTITY:	
B . STATE OF FORMATION:	
2. ADDRESS FOR NOTICES:	
3. TELEPHONE NUMBER:	
4. FACSIMILE NUMBER:	
5. E-MAIL ADDRESS:	
FRANCHISEE INFORMATION:	
1. NAME OF FRANCHISEE(S):	
2. IF FRANCHISEE IS OTHER THAN AN INDIVIDUAL:	
A . TYPE OF ENTITY:	
B . STATE OF FORMATION:	
C . NAME, ADDRESS, AND PERCENTAGE OWNERSHIP OF ALL PRINCIPALS OF FRANCHISEE (IF FRANCHISEE IS NOT AN INDIVIDUAL PERSON):	
3. ADDRESS FOR NOTICES:	

4. TELEPHONE NUMBER:	
5. FACSIMILE NUMBER:	
6. E-MAIL ADDRESS:	
FRANCHISED BUSINESS INFORMATION:	
EFFECTIVE DATE:	
SITE SELECTION AREA:	
SITE SELECTION DATE	Ninety Days (90) after the Effective Date, unless extended under the terms of this Franchise Agreement
OPENING DATE	One Hundred Eighty (180) days after the Site Selection Date
INITIAL FRANCHISE FEE: (check box next to type of retail store or outlet you will franchise)	❑ Traditional Store or Kiosk: $_________________________ Payable when you sign the Franchise Agreement. ❑ Mobile Structure Outlet: $________________ Payable when you sign the Franchise Agreement.
STORE OPENING PROMOTIONAL FEE:	Traditional Store or Kiosk: $5,000 Mobile Outlet: $3,000 You must spend the applicable amount on appropriate promotional and advertising expenses and provide the Franchisor with written evidence of what you have done, before the opening.
ADVERTISING FEE:	Up to three percent (3%) of Gross Revenue of the Store
DECORATIONS FEE:	Minimum 0.5% of Gross Revenue of the Store
DEVELOPMENT FEE:	Only applicable to Traditional Stores or Kiosks and only applicable if required by Franchisor. ❑ Fee Not Required ❑ Fee of $____________Required (not to exceed $9,000)

TRANSFER FEE:	$1,000, plus our reasonable expenses relating to the transfer. Franchisee shall also reimburse Franchisor for Franchisor's reasonable costs and expenses incurred in facilitating the transfer (including legal fees).	
RENEWAL FEE:	25% of the then current initial franchise fee for each five years of renewal.	
SCHEDULED EXPIRATION DATE:	Traditional Store: Kiosk or Mobile Outlet: :	On the 10th anniversary of the Store opening, but no later than 11 years from the Effective Date. On the 5th anniversary of the point of sale opening, but no later than 6 years from the Effective Date.

[remainder of page intentionally blank; signature page to follow]

The undersigned acknowledge and agree that this Data Sheet constitutes part of the Franchise Agreement between the undersigned parties dated as of the date set forth below.

FRANCHISOR:	FRANCHISEE:
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________
Date: ______________________	Date: ______________________

AMORINO
FRANCHISE AGREEMENT

TABLE OF CONTENTS

<u>Attachments</u>

CPUSA, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is made and entered into as of the Effective Date reflected in the Data Sheet (the "Effective Date") by and between CPUSA LLC, a Delaware limited liability company ("Amorino", "Franchisor", "we" or "our"), and the franchisee identified in the Data Sheet (referred to in this Agreement as "you" or "Franchisee"). If more than one individual or Business Entity (as defined in Section 21.F) is identified in the Data Sheet as the franchisee, then the terms "you" or "Franchisee" will refer to all such individuals or Business Entities.

Any capitalized term not defined in the body of this Agreement shall have the meaning set forth in Section 21.F below.

BACKGROUND

A. Amorino has a license to use and to sublicense the use of a unique and uniform method and concept relating to the establishment and operation of upscale stores, kiosk outlets, and mobile outlets to offer authentic, high quality gelato and sorbet and related products and services for dine-in consumption and take-out service in a clean, hospitable and sophisticated environment associated with the mark "Amorino" (the "System").

B. The System's unique characteristics include products, recipes and menu items which incorporate Amorino's trade secrets and proprietary information and which may change from time to time at Amorino's discretion and as provided in this Agreement (the "Proprietary Products"); distinctive interior and exterior design and signage, decor, color scheme, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; procedures for inventory and management control; and training and assistance. Amorino's license grants it the exclusive right to open Stores in your Protected Area. Amorino warrants that during the term of this Agreement none of Amorino's affiliates will open, or permit others to open, in your Protected Area outlets substantially similar to those you establish pursuant to this Agreement.

C. The System is identified by means of certain proprietary trademarks, trade names, service marks, logotypes, trade styles, commercial symbols, emblems, and indicia of origin, including the mark "Amorino" and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated by Amorino in writing for use in connection with the System (collectively, the "Proprietary Marks"), together with certain copyrights, advertising and promotional materials and practices, training materials, product packaging, operations manuals, including the Manual, and other works of authorship which are owned by Amorino and fixed in a tangible medium of expression (collectively, the "Copyrighted Materials").

D. You desire to enter into the business of operating a traditional store, kiosk outlet, or mobile outlet as identified in the Data Sheet (as so identified, the "Store") in the Protected Area (as defined below) to sell gelato and sorbet and related products under the System and Proprietary Marks (the "Franchised Business"), and Amorino desires to grant you such rights, all upon the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises made in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. GRANT

A. Grant.

(1) Subject to the terms and conditions contained in this Agreement, Amorino grants to you the right to use the System, the Proprietary Marks and the Copyrighted Materials solely in connection with the operation of the Franchised Business, and you accept this right and agree to undertake the obligation to use the System, the Proprietary Marks and the Copyrighted Materials solely in connection with the operation of the Franchised Business.

(2) The franchise granted to you under this Agreement includes only the right (a) to use the System, the Proprietary Marks and the Copyrighted Materials in connection with the retail sale of authorized products at the Store location to be identified as the "Franchised Location" in a written addendum to this Agreement substantially in the form of addendum attached as Attachment A (the "Form of Addendum"); and (b) to use the Proprietary Marks and the Copyrighted Materials to operate, advertise and promote the Store in accordance with the terms set by us. The location identified in such addendum as the "Franchised Location" shall be the "Franchised Location" for all purposes under this Agreement.

(3) We do not grant to you any right to (a) sublicense the use of the System, the Proprietary Marks or the Copyrighted Materials, (b) cobrand with another franchise or concept, (c) provide off or on-site catering services without Amorino's prior written consent, (d) deliver or ship Proprietary Products or other Amorino Goods and Services (as defined in Section 8.D below), regardless of the destination, without Amorino's prior written consent, or (e) distribute Amorino products through wholesale channels, such as supermarkets, convenience stores or other retailers, or through food service providers such as restaurants or airlines.

B. Protected Area.

(1) Amorino grants to you the exclusive right to operate the Franchised Business at the Franchised Location in the territory to be identified as the "Protected Area" in an addendum substantially similar to the Form of Addendum (the "Protected Area"). The territory identified in such addendum as the "Protected Area" shall be the "Protected Area" for all purposes under this Agreement. During the term of this Agreement, Amorino shall not own or operate, or license or grant anyone else the right to own or operate, an Amorino Store, kiosk outlet, mobile outlet or other retail outlet under the Proprietary Marks within the Protected Area.

(2) You acknowledge and agree that the franchise granted to you under this Agreement is nonexclusive outside of the Protected Area and that you may not operate in any way or sell any Proprietary Products or other Amorino Goods and Services outside the Protected Area if the area is reserved exclusively by Amorino or by another franchisee or such sale is otherwise in violation of this Agreement.

(3) You further acknowledge that exclusivity of the Protected Area can be revoked upon the occurrence of any of the events which would give rise to our right to terminate this Agreement and your franchise as set forth in Section 16 of this Agreement.

C. Reservation of Rights. Amorino retains and reserves to itself all other rights in and to the Proprietary Marks including the exclusive right to own and operate, and to grant others the right to own and operate, Amorino stores, kiosks and mobile outlets outside the Protected Area, regardless of their proximity to the Protected Area; and the right to distribute Proprietary Products and other Amorino Goods and Services through alternative channels of distribution such as grocery stores, supermarkets, convenience stores, specialty stores, restaurants, both within and outside the Protected Area, and via mail order, catalog sales and/or the Internet for delivery to customers, both within and outside the Protected Area.

D. Right to Operate Businesses Under Different Proprietary Marks. Nothing in this Agreement prohibits or restricts Amorino from (a) owning, acquiring, establishing, operating, or granting franchise rights for one or more other businesses under a different trademark or service mark (i.e., a mark other than Amorino).

2. TERM; RENEWAL

A. Term. The term of this Agreement shall begin on the Effective Date and shall expire, unless earlier terminated, on the Scheduled Expiration Date described in the Data Sheet unless otherwise restricted by law, regardless of the date on which the Store opens to the public for business.

B. Renewal Terms. You may renew your franchise rights for two additional consecutive five-year terms, provided that this Agreement has not been validly terminated for any reason prior to the expiration of the then-current term, and provided you:

(1) give us written notice of your intent to renew the franchise at least three months (but no more than six months) prior to expiration of the initial or current renewal term;

(2) are not in Default of this Agreement (on the date you give notice of renewal or on the date that the new term will commence) and no event has occurred and is continuing which by the giving of notice or the expiration of any cure period would constitute a Default under this Agreement, or any successor franchise agreement (as applicable) and have substantially complied with the terms and conditions of this Agreement or any successor franchise agreement (as applicable) throughout the term;

(3) complete any training we require and complete the renovations and updates to the Store described in Section 2.C(1);

(4) no later than 30 days prior to the expiration of the current term, sign, and have each person who has guaranteed your obligations under this Agreement sign, a general release in a form satisfactory to us, of Amorino and our subsidiaries and Affiliates and our/their respective officers, directors, managers, members, shareholders, and partners in our/their corporate and individual capacities;

(5) no later than 30 days prior to the expiration of the current term, (a) pay a renewal fee equal to twenty five percent (25%) of our then current initial franchise fee for each five years of renewal, at the same time that you (b) sign an amendment to this Agreement to reflect any new terms of our then-current form of franchise agreement, or at our option, sign the then-current form of franchise agreement or an agreement stipulating renewal of this Agreement;

(6) no later than 30 days prior to the expiration of the current term, have each person who has guaranteed your obligations under this Agreement sign a renewal or reaffirmation of such guarantee in form satisfactory to us; and

(7) no later than 30 days prior to the expiration of the current term, provide evidence that you have a valid and existing lease to occupy the Store premises for the length of the renewal term and that we retain the same rights under the Lease that we had during the initial term to occupy the premises under a collateral assignment of Lease.

C. Provisions Governing Renewal. The following provisions will govern any renewal term:

(1) You must make any improvements that Amorino deems necessary to bring the Store into conformity with Amorino's then-current standards for its franchisees. No later than 180 days prior to expiration of the current term, Amorino will give you a list of all necessary renovations, upgrades, and new or replacement furniture, fixtures, and equipment that must be purchased or installed, however failure to timely provide such list shall not be a waiver of Amorino's right to require that such improvements or upgrades be made. As a condition of your renewal, you must perform such work and replace such furniture, fixtures and equipment prior to expiration of the then-current term.

(2) At least 60 days before the expiration of the current term, we will deliver to you a copy of our then-current franchise agreement or an applicable amendment which will govern the renewal term. The terms of such franchise agreement may be materially different from the terms of this Agreement including different or higher fees.

(3) Amorino may extend any of the deadlines set forth above in Section 2.B or this Section 2.0 in its sole discretion. Amorino's failure to strictly comply with the time periods shall not be a waiver of any of Amorino's rights related to the extension.

(4) In the event you continue operating the Franchised Business following the expiration or termination of this Agreement without renewing your franchise rights in accordance with Section 2.B, such arrangement will be considered an extension of this Agreement during that period of time but shall be subject to termination at the sole discretion of Amorino. In addition, you and any guarantor of your obligations under this Agreement agree to indemnify Amorino in the event that such operation causes any cost, expense, liability or damage to you or Amorino. The inclusion in this Agreement of this Section 2.C(4) shall not be construed in any way as our giving you permission to continue operations after expiration or termination of this Agreement.

3. OUR SERVICES

A. Training. We shall provide you with initial training prior to the opening of the Store, and shall provide additional training as we deem appropriate. Training is further described in Section 7.

B. Advisory Assistance. We shall provide initial and continuing advisory assistance in the operation of the Store as we deem appropriate, as further described in Sections 7.C and 7.D.

C. System Specifications. We shall provide you with a set of specifications for you to utilize the System in the operation of the Store. We shall use commercially reasonable efforts to maintain high standards of quality, appearance and professionalism of the System.

D. Manual. We shall provide you with one copy of the Manual, as further described in Section 10.B.

4. SITE SELECTION; LEASE; CONSTRUCTION

A. Site Selection.

(1) You must identify and acquire (by ownership or by lease) a location approved by us to serve as the Franchised Location for the Store within ninety (90) days of the Effective Date ("Site Selection Date"). The Franchised Location must be within the Site Selection Area identified in the Data Sheet, meet Amorino's then-current site selection criteria, and be approved by Amorino. You acknowledge that although Amorino must approve the location, selection of the location to be the Franchised Location is your responsibility and Amorino's approval of the location that you select is not a guaranty, representation or assurance by Amorino that the Store will achieve a certain sales volume or level of profitability at such location.

(2) For any proposed site you identify, you must supply us with a description of the location in the form we specify and any other information we may reasonably require in order to evaluate the location, including demographic characteristics, traffic patterns, parking, character of the neighborhood, information on other area businesses, and information on the Lease terms or purchase price for the proposed site. You will also advise us of any time periods within which the lessor of the proposed location requires a response, comments on and/or acceptance of the lease.

(3) Amorino will approve or refuse to approve a proposed site within 30 days after the receipt of all information that Amorino may reasonably require in connection with its evaluation of your proposed location. Amorino's failure to provide notification within this time period shall not be considered either approval or disapproval, but rather should be considered an extension of the thirty (30) day period until a decision is communicated by Amorino. However, notwithstanding the above, we agree not to unreasonably delay our review and approval or disapproval of the proposed site and lease terms.

(4) Upon your selection and our approval of the Franchised Location, you and

we shall execute an addendum to memorialize the location of the Franchised Location, as described in Section 1.A(2).

B. Lease.

(1) If you will occupy the Franchised Location under a lease (the "Lease"), regardless of whether or not the landlord is a related party or a third-party landlord, Amorino shall have the right to approve the Lease terms, and the Lease may not be signed by you until it has been reviewed and approved by Amorino. You acknowledge and agree that Amorino's approval of a Lease does not mean that the economic terms of the Lease are favorable; it means only that the Lease contains the Lease terms that Amorino requires.

(2) The Lease must contain certain provisions that we reasonably require, including the following terms:

a. The premises shall be used only as an Amorino franchise, and for no other purpose whatsoever.

b. The landlord must consent to your use of the Proprietary Marks, signs, interior and exterior decor, furnishings, fixtures, items, color schemes, plans, specifications, and related components of the System that Amorino may require.

c. The Lease shall permit assignment by you only in connection with a sale of the Franchised Business that is approved by us or to Amorino or its designee.

d. An acknowledgement by the landlord and you that Amorino shall not be a party to the Lease and will have no liability under the Lease, unless and until the Lease is assumed by Amorino.

e. Neither the landlord nor you shall amend or modify the Lease, or renew or extend the term of the Lease, without our prior written consent.

f. Amorino (or another party we designate) shall have the ability to take possession of the premises and operate the Franchised Business without having to first receive landlord's consent, in the event of your default under the Lease or this Agreement, or the expiration or termination of this Agreement.

g. Amorino shall have the right to enter the premises (announced or unannounced) to perform quality assurance inspections, to make any modifications we deem necessary to protect the System and the Proprietary Marks, to cure any default under this Agreement or the Lease, and to ensure compliance with any other obligations you have under this Agreement.

(3) You agree to use commercially reasonable efforts to have your lessor agree to the Collateral Assignment of Lease in substantially the form attached as Attachment D and to advise us what steps you have taken in that regard. If you are not successful in having that document signed, you agree that we may contact your prospective lessor to attempt to have the documents signed or to have the lessor agree to it as we may modify. No such modifications

will cause you to be exposed to any expense or liability other than what is already in your lease or in this Franchise Agreement.

(4) The Lease and the Collateral Lease Assignment, if one is obtained, must be fully signed on or before the Site Selection Date, and you shall provide to Amorino a fully executed copy of the Lease within 10 days after its execution.

C. Store Design and Construction.

(1) Prior to construction, you shall provide for our prior review and approval all construction plans, site plans and blueprints for the Franchised Location. You shall construct and build out the Store according to Amorino's standards and specifications for design, decor and layout (as specified in the Shop Design & Layout Guidelines), and shall equip the Store according to Amorino's requirements for fixtures, furnishings, equipment, interior and exterior signage, artwork and graphics. We will provide you with the written specifications for the initial and replacement supplies, equipment, and exterior and interior signs required for the Store.

(2) You shall appoint one person as the Project Manager who is responsible for the management and monitoring of the construction of the Store.

(3) We may have an approved supplier for any purchases of products or services and may obtain revenue from you and make a profit in doing so. We will provide you information about any suppliers that you are required to use. We may specify that certain fixtures, furnishings and equipment be purchased from specified vendors, or we may permit you to purchase such items from other vendors so long as the specific components and brands we specify are purchased. If you propose to purchase or lease any item of equipment, furnishings or fixtures not previously approved by us as meeting our specifications, you must first notify us and we may require that you provide photographs, drawings, specifications and/or other information to determine compliance with our specifications. We will advise you within a reasonable time whether the proposed equipment, furnishings or fixtures comply with our standards and specifications.

(4) You are solely responsible for obtaining all government approvals, zoning classifications or approvals, permits, business or other licenses, and clearances related to the opening and operation of the Store (collectively, "Approvals"), including any Approvals relating to access, signage and fire code compliance. Prior to the Opening Date (as defined below), you must certify in writing that you have obtained all Approvals.

(5) During construction, you must maintain general liability and property damage insurance of the type and with the limits Amorino requires, which insurance must protect you, Amorino, and its Affiliates, as additional insureds under the policy, provides contractual indemnification coverage, and your and their respective partners, members, shareholders, directors, managers, officers, agents, and employees. Such policy or policies shall be written by an insurer or insurers acceptable to Amorino and shall contain a waiver of subrogation in favor of Amorino and its Affiliates, and their respective partners, members, shareholders, directors, managers, officers, agents, and employees. Declaration pages for such

policy evidencing such coverage shall be provided to Amorino prior to construction.

(6) You shall notify Amorino in writing when construction begins, and provide reports on the progress of construction on a weekly basis, or more frequently if required by Amorino. Amorino and its designees have the right to inspect the site at all reasonable times.

(7) We reserve the right to require you to make safety-related improvements or replacements at any time at your expense, or to make such other improvements as may be required by law.

(7) If you operate a Mobile Structure outlet you are required to purchase your Mobile outlet from a third party specified by us at the current purchase price.

D. Extension for Site Selection

(1) In the event you fail to purchase or lease an approved Franchised Location within ninety (90) days of the Effective Date, as required by Section 4(A) of this Agreement, we will charge you a fee of Three Thousand Five Hundred Dollars ($3,500) on the ninetieth (90th day), to extend the Site Selection Date by an additional one hundred eighty (180) days, for a total of two hundred seventy (270) days after the Effective Date. We have the right to terminate this Agreement if you fail to pay the $3,500 extension fee in a timely manner. However, in the event you open the Franchised business within two hundred seventy (270) days of the Effective Date of the Franchise Agreement, we will refund the Three Thousand Five Hundred Dollars ($3,500) fee.

(2) In the event that (a) you paid the fee to extend the Site Selection Date in a timely manner under Section 4(D)(1), (b) you have still not purchased or leased an approved Franchised Location after two hundred seventy (270) days of the Effective Date, despite your best efforts to do so, (c) you make a written request for a further extension and pay an additional Six Thousand Five Hundred Dollar ($6,500) fee; and (d) you demonstrate to our satisfaction that you have been continuously and diligently looking for a Franchised Location, we may offer you at our discretion an additional extension of the Site Selection Date up to an additional one hundred eighty (180) days, for a total of up to four hundred fifty (450) days after the Effective Date.

E. Relocation. You may relocate the Store only with Amorino's prior written consent. Provided that you are in material compliance with this Agreement and any other agreements with Amorino or its Affiliates, we will not unreasonably condition or delay our consent in the event that your Lease expires or terminates through no fault of your own or the premises is destroyed or damaged by a Force Majeure Event. You must comply with the same requirements set forth in this Agreement to select, lease, construct, design and open a new location that you did in connection with the initial location; provided, however, that the Store must be open for business at the new location within 90 days of closing at the previous location. You may request an extension of time for relocation, up to a maximum cumulative additional 90 days. You are solely responsible for all relocation costs and expenses.

5. OPENING

A. Opening Date. You must build out the Store in conformance with our specifications and open the Franchised Business within one hundred eighty days after you have purchased or leased an approved Franchise Location. ("Opening Date"). If you fail to complete the build out and open the Franchise Business within this time frame, we may terminate this Agreement without refunding any fees to you.

B. Amorino Consent and Conditions to Opening. Our prior written consent is required for the opening of the Store. Prior to our giving such consent, the following conditions must be met:

(1) you have paid all amounts owed to Amorino under this Agreement as of the Opening Date;

(2) the Store has been designed, constructed and equipped according to Amorino's standards and specifications;

(3) you have completed the initial training program to our satisfaction;

(4) you have provided us with a signed electronic funds transfer authorization described in Section 6.M by no later than the Site Selection Date;

(5) you have provided us with the required policy of insurance as described in Section 14.B;

(6) Each Principal shall have delivered to Amorino a guaranty in the form attached hereto as Attachment B; and

(7) you are otherwise in compliance under this Agreement.

6. FEES

A. Initial Franchise Fee. Upon execution of this Agreement, you shall pay us an initial franchise fee in the amount and according to the payment schedule specified in the Data Sheet, with the amount of such fee based on the type of Store you will open (i.e., traditional store, kiosk outlet, or mobile outlet). The initial franchise fee, when paid, shall be deemed fully earned by Amorino and is not refundable.

B. Store Opening Promotional Fee. In connection with the opening of your Store, you must spend the required amount of money on appropriate marketing and advertising the opening of your Store, in the manner described in Section 12.B.

C. Advertising Fee. In each calendar year during the term of this Agreement, we can require you to spend up to the percentage of your Gross Revenue specified in the Data Sheet, for advertising, marketing and public relations initiatives, as further described in Section 12.C. "Gross Revenue" means all cash collected, or other consideration received, for the sale of all products and services of any nature rendered or sold at or from or as a result of the Store and/or otherwise related to the Franchised Business, whether such products are sold or services are performed at the Franchised Location or elsewhere, and all other income of every kind and nature related to the Franchised Business, less any authorized discounts (collectively, "Gross Revenue"). Revenue collected from customers in the form of sales tax, federal, state, county, or city taxes, excise tax, or other similar tax collected from customers that you owe to governmental entities must be reported to us, but is excluded from Gross Revenue for the purpose of computing the royalty fee. In addition to taxes, as described in the previous sentence, the following may also be deducted from Gross Revenue: (a) The selling price of any goods returned by customers or the price charged for any services provided to customers to the extent you give any credit, discount, refund or similar allowance but an exchange of merchandise does not result in an exclusion except to the extent of any accompanying credit, discount, refund or other allowance given to the customer; (b) Items returned to their source for credit or other allowance; (c) Amounts or credits received on claims for loss or damage to merchandise or other assets of your Amorino store but not for claims for loss of business under your business interruption insurance; (d) Sales of equipment, trade fixtures or similar property not constituting merchandise of your store; (e) Transfers of merchandise to or from other Amorino facilities when those transfers are made only for the convenient operation of the concerned facilities; (f) gift certificates or similar vouchers until they are redeemed at your store. You agree to pay the Advertising Fee on a monthly basis, within 10 days of the end of each month during the term of this Agreement, with the first Advertising Fee payment due ten days after the first month (full or partial) that your Store is open.

D. Decorations Fee. In each calendar year during the term of this Agreement, you are required to spend at least 0.5% of your Gross Revenue on seasonal and holiday decorations to be displayed in and around the Store, which decorations must comply with the standards we set forth by Amorino.

E. Development Fee. If you are opening a Traditional Store and if so specified in the Data Sheet, we may require you to pay a development fee in the amount set forth in the Data Sheet, for services to be provided by us or a consulting firm designated by us to assist you in managing the selection and development of the Store. If we require you to pay such fee, half of the fee is due when you sign this Agreement, and the other half is due on the Site Selection Date. Such fee is to be paid to us on behalf of the consultant and is nonrefundable upon payment.

F. Transfer Fee. In connection with a transfer of the Franchised Business, you must pay the applicable transfer fee in accordance with Section 15.

G. Other Payments to Amorino. In addition to all other payments provided in this Agreement, you agree to pay promptly when due any and all:

(1) Amounts advanced by Amorino or any of its Affiliates, or which Amorino or any of its Affiliates has paid, or which Amorino or any of its Affiliates becomes obligated to pay, on your behalf for any reason whatsoever;

(2) Amounts due to Amorino relating to your participation in marketing programs that we may require pursuant to Section 12; and

(3) Amounts due to Amorino for any reason, including on account of

purchases of Proprietary Products, supplies or services relating to the Franchised Business.

I. Payment of Taxes. You shall promptly pay when due any and all taxes levied or assessed by any tax authority relating to the Franchised Business, goods and services provided by Amorino under this Agreement, fees paid to Amorino under this Agreement, or otherwise relating to your ownership and operation of the Store, including sales taxes, use taxes, personal property taxes, real property taxes, and excise taxes. To the extent any such taxes are required by law to be collected from you and paid over by Amorino or any of its Affiliates to a taxing authority (a) on account of revenue from the sale of all products and services related to the Franchised Business and all other income of any kind related to the Franchised Business, or (b) on account of the initial franchise fee or any other fee paid by you to Amorino or its Affiliates, then Amorino may elect in its discretion to collect the amount of such taxes from you and promptly pay the tax collections to the appropriate tax authority; provided, however, that unless Amorino so elects, it shall be your responsibility to pay all such taxes directly to the appropriate tax authority. To the extent that we or any of our Affiliates must pay any such taxes to any tax authority and have not received or collected the amount of such taxes from you prior to the date such taxes are due, we or any of our Affiliates may elect to pay such taxes and you shall reimburse us or such Affiliate in accordance with Section 6. Nothing in this subsection, or elsewhere, shall require you to pay or reimburse us or our Affiliates, for our or their income or other taxes of a similar nature.

J. Third Party Payments. You agree to pay when due any and all payments or fees payable to third parties (including any Affiliates of Amorino) such as vendors, suppliers, lenders, and lessors in connection with your operation of the Store, including amounts payable on account of rent, taxes (as further described in Section 6), indebtedness incurred by you in operating the Store, furnishings, fixtures or equipment, Proprietary Products you may purchase, and any other items required to operate the Store.

K. No Withholding or Set-Off Rights. You may not set off, deduct or otherwise withhold any fees or other amounts due to Amorino under this Agreement on grounds of alleged nonperformance by Amorino of any of its obligations or for any other reason.

L. Payment Terms. All payments required by this Agreement shall be paid by the date we specify as the due date for such payment (the "Due Date"). If the Due Date falls on a date that is not a Business Day, then payment shall be due on the next Business Day following the Due Date.

M. Operating Account; Electronic Fund Transfer. You shall maintain one operating account to make all payments required by this Agreement, and shall participate in Amorino's then-current electronic funds transfer program authorizing Amorino to use a pre-authorized bank draft system for the operating account. You agree to: (a) make sufficient funds available in the operating account no later than the Due Date for any required payments; and (b) perform such acts and sign and deliver such documents as are necessary to accomplish payment to Amorino by electronic funds transfer, including signing and delivering appropriate pre-authorized draft forms designated by Amorino as necessary to initiate debit and/or credit the operating account. You acknowledge that notwithstanding the provisions of this Section 6, we have the right, in our sole discretion, to require you to pay any amounts owed to us under this Agreement by another method, and you agree to comply with our payment instructions and procedures that we specify in the writing (including as may be specified in the Manual).

N. Payment Procedures. Amorino shall determine the amount of the payments due to Amorino under this Agreement and shall provide notice to you (each a "Fee Notice") stating the applicable fees due and the Due Date. If you disagree with the amount set forth in the Fee Notice, you may dispute such amount within three Business Days following your receipt of the Fee Notice by providing Amorino written notice of such disagreement together with relevant supporting evidence. Your failure to provide timely written notice of your disagreement shall be irrevocable confirmation of the accuracy of the Fee Notice and obligation to pay. On each Due Date, Amorino will transfer from your operating account the undisputed amount of fees reflected in the Fee Notice.

O. Interest; Nonsufficient Funds Charge. Any payments not received by Amorino by the Due Date will accrue interest at the rate of eighteen percent (18%) per annum or the maximum lawful interest rate permitted by the jurisdiction in which the Store operates, whichever is lower. Our right to receive such interest shall be in addition to any other rights or remedies we may have with respect to late or unpaid payments under this Agreement. You shall be responsible for and bear the cost of any returned, stop payment or insufficient funds fees or any similar or related fees charged by any financial institutions or any electronic funds transfer network, including paying to Amorino a nonsufficient funds charge in the amount of $50 (which will increase to $100 for any second or more nonsufficient funds charge during any rolling 12 month period) and reimburse Amorino for all other expenses that it incurs on account of such nonsufficient funds.

P. Partial Payments; Application of Payments. If you pay less than the amount due, your payment will be considered a partial payment on account of the amount owed. Amorino may accept such payment as a partial payment, irrespective of any endorsement or other statement by you that the payment constitutes full payment. Amorino's acceptance of any partial payment will not be considered a waiver of any of its right to demand or receive full payment, and you hereby waive any defense in this regard. Amorino may apply your payments to any amount owed to Amorino by you, in its sole and reasonable discretion, regardless of any designation that accompanies the payment.

Q. Collection Costs and Expenses. You agree to reimburse us for, and to pay on demand, all costs and expenses that we may incur to enforce the terms of this Agreement, including the cost of collecting any monies that you may owe to us under this Agreement. Such costs and expenses include reasonable collection agency fees, court costs, expert witness fees, discovery costs and reasonable attorneys' fees and costs, together with interest charges on all of the foregoing.

7. TRAINING AND ASSISTANCE

A. Initial Training. Prior to opening the Store for business, your Supervising Principal or Manager must attend and complete to our satisfaction our initial training program. The first ten days of the initial training program will take place at our Paris, France headquarters. Your Supervising Principal and your Manager (or if you have no Manager, another employee) must attend Amorino's initial training program. Amorino shall provide and pay only for the training instructors, facilities and materials. You will be responsible for all other costs and expenses of complying with Amorino's training requirements, including salary, travel, lodging, and dining costs for all of your employees who participate in the training. If you sign an area development agreement: a) we only provide you with the Paris ten-day initial training for your first location; and b) we only provide you with the on-site five-day training at your first, second and third stores but not for any additional stores.

B. Training with Respect to Additional Stores. If you are opening more than one Amorino Store simultaneously, your Supervising Principal and a Manager for each location must attend the initial training. If you already operate an Amorino Store, Amorino in its sole discretion shall determine whether to require you to undergo the initial training program or any subsequent training program prior to the opening of any additional store.

C. Store Opening Assistance.

(1) Amorino will provide you the services of on-site trainers to assist you on-site for five consecutive days, which shall conclude your initial training. These trainers will help you organize the Store prior to the opening and direct the operations of the Store during the opening. Your Supervising Principal and your Manager (if you have one) must be on-site during this period of time. Such training will be at no additional charge, but you will be required to make arrangements and pay for our trainers' travel, lodging, dining and related expenses.

(2) If you already operate an Amorino Store, Amorino in its sole discretion shall determine whether it is necessary to provide on-site assistance in advance of your opening your second or subsequent Store.

(3) Amorino shall provide such additional consultation and advice prior to the opening of your Store as it deems appropriate, such as with respect to the construction, design, furnishings, fixtures, equipment, specifications, employees, purchasing, inventory control, and such other matters as Amorino deems appropriate.

D. Post-Opening Assistance. Following the opening of your Store, Amorino shall provide such additional assistance, consultation and advice as it deems appropriate in connection with your ongoing ownership and operation of the Store and compliance with the System, such as with respect to new product development and implementation, advertising, marketing and such other matters as Amorino deems appropriate. Such assistance, consultation and advice may take the form of meetings, conferences, on-site visits, electronic or printed materials, or such other form as Amorino deems appropriate.

E. Employee Training. You shall implement a training program for all employees in accordance with the training standards and specifications we prescribe from time to time. You agree not to employ any person who fails or refuses to complete such a training program. You shall be responsible for all expenses relating to the training of the Store's employees.

F. Training Related to New Products. From time to time, Amorino may introduce new products or services and run training sessions related to such products or services at one of our franchised Stores or at your Store. All products and services that exist at the time of your Store opening shall not be considered to be new products giving rise to the need for free training sessions. Your Supervising Principal and your Manager (if you have one) must attend these training sessions. Such training sessions will be provided free of charge, but you will be responsible for all expenses related to the attendance by your Supervising Principal and your Manager, such as travel, dining and related expenses. Such training sessions will generally be completed within one (1) day so no overnight lodging would typically be required.

G. Additional Training. From time to time, you may request, or Amorino may require (based on your performance under this Agreement) that your Supervising Principal or Manager or certain designated employees attend additional courses, seminars, and other training programs (any of the foregoing, the "Additional Training"). You agree to cause such individuals to attend the Additional Training and to pay Amorino for the reasonable cost of providing the Additional Training (currently up to $400 per day) and to pay all related costs and expenses, including salary, travel, lodging, and dining costs for all individuals who participate in the training.

8. OPERATION OF THE FRANCHISED BUSINESS

A. General Operating Requirements. You understand and acknowledge that every detail of the System is essential to maintain and enhance the goodwill associated with the Proprietary Marks and the integrity of the brand. Accordingly, you agree to operate the Franchised Business according to Amorino's operating methods, standards, and specifications, including as set forth in the Manual.

B. Supervising Principal; Manager.

(1) One of your individual Principals must directly supervise the Store and its daily operations, on-site (the "Supervising Principal"). Mobile Outlets shall not be required to have daily on-site supervision by a Supervising Principal but, Mobile Outlets must still have a Supervising Principal (or a Manager as permitted in (2) below, primarily responsible for the operations of the Store. If you are a Business Entity, the Supervising Principal should be the individual Principal who owns a controlling interest in Franchisee. The Supervising Principal shall have full control over day-to-day Store management and operations. The Supervising Principal must attend and successfully complete Amorino's initial training program and all additional training that Amorino requires, to Amorino's satisfaction. Except as may be permitted under subsection (2) below, and except where such obligations are inconsistent with the on-site daily supervision exception for Mobile Outlets, the Supervising Principal shall devote his or her full time efforts to Store operations, and shall not engage in any other business or Activity, directly or indirectly, that requires substantial management responsibility or time commitment. Amorino shall have approved the Supervising Principal as meeting its then-current qualifications for such position.

(2) If you operate more than one Amorino Store, or if the Supervising Principal will not devote full time efforts to the management and operation of the Store governed by this Agreement then, in addition to the Supervising Principal, you must appoint an individual to serve as the Manager, who must be approved in advance by us and who must complete to our satisfaction our initial training and any other additional training that we may require. The

Manager shall have full control over, and devote his or her full-time efforts to, day-to-day management and operation of the Store. The Manager shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitment. If the Manager ceases to serve in, or no longer qualifies for, such position, you shall designate another qualified person to serve as the Manager within 30 days after the date the prior Manager ceases to serve or no longer qualifies to serve. Any proposed replacement Manager must be approved in advance by us and must complete to our satisfaction our initial training and any other additional training that we may require.

C. Employee Policy; Uniforms and Employee Appearance. You shall maintain a competent, conscientious, and trained staff, and shall take such steps as are necessary to ensure that your employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as Amorino may establish from time to time in the Manual or otherwise in writing. You shall cause all employees, while working at the Store, to: (a) wear uniforms of such color, design, and other specifications as Amorino may designate from time to time, and (b) present a neat and clean appearance. In no case shall any of your employees wear his or her Amorino uniform while working for you at any location other than the Franchised Business.

D. Authorized Products and Services.

(1) You must offer and sell all products that Amorino authorizes and provide such services that Amorino has approved. We may add, eliminate and change the authorized products and services, in our sole discretion, and you must comply with all directives we provide to you (which may require purchasing and installing additional equipment) in connection with such products and services. You may not sell any products or offer any services that we do not approve in advance. All sales must be for retail consumption only and you may not engage in wholesale sales of any kind through any channels of distribution without our prior consent. You may not sell any products through any means of distribution other than from the Store unless we expressly authorize in writing.

(2) You shall prepare, package, and serve all menu items in accordance with Amorino's recipes, standards and procedures for preparation, presentation and service as communicated to you from time to time via the Manual or other written directives. Such standards and procedures may include adherence to recipes (including use of prescribed ingredients and prescribed measure of ingredients), use of certain packaging and other items bearing the Proprietary Marks, packaging procedures, inventory and product holding times and other standards for displaying products for sale.

(3) We may, on occasion, require you to test market products and/or services at your Store. You must cooperate with us in conducting these test marketing programs and must comply with all rules and regulations that we establish. Such testing may require that you purchase new products and market such new products or services. You agree to provide us timely reports and test results for all such programs.

(4) You may not use the Store for any purpose other than the operation of the Franchised Business. You may not operate any co-branding or other marketing system without

our prior written consent, which may be withheld in our sole discretion.

(5) If you have the opportunity to provide Amorino goods or services at special events in your Protected Area, such as at fairs, sporting events, exhibitions, charity events, concerts, conventions and the like, you agree to notify us of the opportunity. If you desire to participate in any such event or events, you must notify us of the type and location of the event, the nature of your proposed participation and any other information we reasonably request. We will have a reasonable time to consider and grant or deny your request or we may elect to undertake the participation ourselves.

E. Purchase Requirements. You shall purchase and install, at your expense, all fixtures, furnishings, equipment, decor, signs, and other items as Amorino may reasonably direct; and shall refrain from installing or permitting to be installed on or about the Store premises any fixtures, furnishings, equipment, decor, signs, vending or game machines or other items not approved for use by Amorino. Many of such items are required to be purchased from our Affiliate -18° SAS, a French company ("-18°") and/or from our Affiliate Amorino Trading, LLC. In addition, you shall purchase and use only ingredients, containers, packaging materials, and supplies as conform to Amorino's standards and specifications; and shall purchase, use, offer and/or promote the pre-mixed ice cream, beverages, food products and other ingredients which are produced or manufactured in accordance with Amorino's proprietary recipes, specifications and/or formulas or which Amorino designates from time to time as "Proprietary Products". Such items are required to be purchased from us, our Affiliate -18°, our Affiliate Amorino Trading, LLC, or such other supplier as we may designate in writing to you.

F. Purchases from Designated Sources. Amorino and its Affiliates may act as suppliers of goods, services, products, and/or supplies to be purchased by you, including but not limited to the Proprietary Products ("Amorino Goods and Services"), and may designate themselves as the sole suppliers of any such Amorino Goods and Services. You shall purchase your requirements of Amorino Goods and Services from Amorino or its designated sources. Such goods and services shall be made available for purchase at such prices as determined from time to time, and according to the supplier's then-current purchase terms and conditions. You shall purchase all other products, equipment (including refrigerators, freezers and blenders), supplies and materials used or sold by the Franchised Business, including the Proprietary Products, solely from suppliers (including Amorino, or its Affiliates, and manufacturers, wholesalers, and distributors) who demonstrate, to Amorino's continuing reasonable satisfaction, the ability to meet Amorino's reasonable standards and specifications for such items, who possess adequate quality controls and capacity to supply your needs promptly and reliably, and who have been approved by Amorino in the Manual or otherwise in writing and not thereafter disapproved. You are required to purchase the majority of the Amorino Goods and Services from our Affiliate -18° and our Affiliate Amorino Trading, LLC. You may purchase Amorino Goods and Services only from suppliers designated by Amorino and who may be Affiliates of Amorino. You acknowledge and agree that Amorino and its Affiliates may negotiate purchase arrangements with suppliers for your benefit and may derive revenue or obtain rebates, bulk pricing discounts or allowances for their own account from approved or designated suppliers if rebates or other considerations become available because of your purchases of products or services. Amorino may from time to time re-inspect and re-evaluate the facilities and products of any approved supplier and revoke its general approval of particular products or suppliers when

Amorino determines, in its sole discretion, that such products or suppliers no longer meet Amorino's standards or for other business reasons. Upon receipt of written notice of such revocation, you shall cease to sell any disapproved products and cease to purchase from any disapproved supplier.

G. Franchised Location.

(1) You shall maintain the Store (including adjacent public areas) in a clean, orderly condition and in excellent repair and in accordance with Amorino's standards. You shall, at your expense, make such additions, alterations, repairs, and replacements under this Agreement as may be required for that purpose, including such periodic repainting, repairing, and replacing of obsolete or deteriorated signs, furnishings, fixtures, equipment, and decor as Amorino may reasonably direct. In addition with respect to the equipment you must execute and renew any preventative maintenance agreements Amorino, or our designated supplier require in order to insure consistent quality control and health code compliance.

(2) Upon Amorino's request, you shall install and maintain at the Franchised Business interactive point of sale multi-media equipment, devices, and facilities Amorino requires, including approved music systems, Wi-Fi and other wireless internet and communications systems, and interactive displays, including plasma or LCD screens.

(3) You shall not cause or permit gaming machines to be installed or maintained at the Franchised Location.

(4) You shall refrain from installing any fixtures or furnishings not approved by Amorino. You shall purchase and install, at your expense, all fixtures, furnishings, equipment, decor, signs, and other items as Amorino may reasonably direct from time to time in the Manual or otherwise in writing in accordance with Amorino's standards and specifications.

(5) You shall make such alterations as may be necessary to reflect new product offerings and marketing incentives, including updating or replacement of menu boards and the purchase and use of new interior signage.

(6) At Amorino's request, but not more often than once every 60 months, you shall refurbish the Franchised Location (other than all Mobile stores), at your own expense, to conform to the building design, trade dress, color schemes, and presentation of the Proprietary Marks in a manner consistent with the then-current public image for new or remodeled Amorino Stores in the System.

H. Days and Hours of Operation. You shall operate the Store continuously on such days and during such hours as are required by the shopping center or other commercial development in which the Store is located, or such hours and days as required by your Lease, but in any event not less than the days and hours that Amorino may specify in the Manual or in other written directives.

I. Quality Assurance Inspections; Testing.

(1) Amorino shall have the right to enter upon the Store premises during regular business hours to make quality assurance inspections. Such inspections may be announced or unannounced. Amorino may inspect the premises, evaluate personnel, products and services as it deems advisable to maintain the quality of the System and to confirm that the Store is in compliance with the System and this Agreement. As part of any such evaluation, you shall allow Amorino to obtain samples of ingredients, products and supplies, without charge, to test for quality assurance purposes.

(2) Amorino also inspects all stores as often as monthly by using mystery shoppers posing as normal customers. Such mystery shoppers take notes on every aspect of their experience and provide reports to Amorino. Amorino uses such reports to maintain the quality of the System and to help determine your ongoing compliance with this Agreement. At its discretion, Amorino may also use such reports to determine if your Store is eligible to receive discounts on products you are required to purchase from Amorino's Affiliates.

J. Modifications. You shall not modify the Store or make any changes to the System without Amorino's express prior written consent. At your own expense, you shall make such alterations, additions, or modifications to the Store as Amorino may reasonably require, within such reasonable time period set by Amorino. Such refurbishing may include redecorating, repainting, replacement of carpets or floor surfaces, or replacement of furniture and fixtures. Notwithstanding the foregoing, other than in connection with the opening of the Store, or to comply with changes in laws or local ordinances, Amorino shall not require any refurbishing to the Store that are expected to cost more than $20,000, exclusive of local contractor expenses payable to third parties, more frequently than once every five years.

K. Pricing. All pricing for products or services offered for sale shall be established by Amorino (except as prohibited by law). We have the right to establish maximum, minimum or other retail pricing requirements to the extent permitted by law.

L. Intranet/Extranet System. Amorino may, at its option, establish and maintain a computer network through which members of the Amorino franchise network may communicate and through which Amorino may disseminate Confidential Information. Amorino will have no obligation to establish or to maintain the network. Amorino may establish policies and procedures for use of such network. You acknowledge that, Amorino can access and view any communication on the network. You further acknowledge that the intranet network and services and all communications that are posted to it will become Amorino's property, free of any claims of privacy or privilege that you or any other individual may assert. If you fail to pay when due any amount payable to Amorino under this Agreement, or if you fail to comply with any policy or procedure governing the network, Amorino may temporarily suspend your access.

M. Website. Amorino may, but shall not be obligated to, establish and maintain from time to time a website to provide information about the System and the goods and services that our stores provide. We shall have sole discretion and control over the content of our website.

9. PROPRIETARY MARKS AND COPYRIGHTS

A. Identification. In all advertising, promotions, signs and other display materials, you shall identify the Store under the Proprietary Mark "Amorino" and at all times, you shall identify yourself as an independent franchise owner of the Franchised Business at such conspicuous locations at the Store as Amorino and in other notices as Amorino may require. The form and content of any such identifications and notices shall comply with the standards set forth in the Manual.

B. Amorino's Representations. Amorino represents to you that it has obtained from its Affiliate a license to use, and to sublicense to you the right to use, the Proprietary Marks and the Copyrighted Materials in accordance with the terms and conditions of this Agreement.

C. Acknowledgments. You expressly acknowledge and agree that:

(1) Amorino or its Affiliate owns all right, title, and interest in and to the Proprietary Marks and the Copyrighted Materials, and the goodwill associated with the Proprietary Marks and the Copyrighted Materials, and that you have no ownership interest in the Proprietary Marks or the Copyrighted Materials;

(2) if you are a Business Entity, you will not in the name of your Business Entity use the Proprietary Marks or any part thereof, or any marks, names or indicia of origin that are or may be confusingly similar to the Proprietary Marks;

(3) any and all goodwill associated with the Store and identified by the Proprietary Marks is Amorino's property and shall inure directly and exclusively to the benefit of Amorino;

(4) any use of the Proprietary Marks or the Copyrighted Materials other than as expressly authorized by this Agreement, without Amorino's prior written consent, may constitute an infringement of Amorino's rights herein; and

(5) the right to use the Proprietary Marks and the Copyrighted Materials granted in this Agreement does not extend beyond the termination or expiration of this Agreement, and upon the expiration or termination of this Agreement for any reason, no monetary amount shall be attributable to any goodwill associated with your use of the Proprietary Marks or the Copyrighted Materials.

D. Use of the Proprietary Marks. You shall use only the Proprietary Marks designated by Amorino, in the manner that Amorino authorizes and permits, and shall use them with the symbols “®”, “TM” , or “SM”, as appropriate. You shall use the Proprietary Marks only in connection with the operation and promotion of the Franchised Business, and only in the manner prescribed by Amorino. You may not contest ownership or validity of the Proprietary Marks or any registration thereof, or engage in any conduct that adversely affects the ownership or registration of the Proprietary Marks, or Amorino's right to use or to sublicense the use of the Proprietary Marks. You shall execute all documents that Amorino requests in order to protect the Proprietary Marks or to maintain their validity and enforceability.

E. Restriction Against Use on the Internet. You may not use the Proprietary Marks or any part or derivative thereof or any of the Copyrighted Materials on the Internet, except as expressly permitted in writing. Without limiting the generality of the foregoing, you may not use the Proprietary Marks or any part or derivative of the Proprietary Marks as part of any URL or domain name, and may not register as part of any username on any gaming website or social networking website (such as FACEBOOK, INSTAGRAM, MYSPACE, or TWITTER) or as part of any unauthorized email address. You also may not display on any website (including commercial websites, gaming websites, and social networking websites) the Copyrighted Materials, the Proprietary Marks, or any images of products or services identified by the Proprietary Marks.

F. Infringement.

(1) You shall promptly notify Amorino after receipt of notice, becoming aware, any suspected unauthorized use of, or any challenge to the validity of the Proprietary Marks or the Copyrighted Materials, or any challenge to Amorino's or its Affiliate's ownership of, Amorino's license to use and to license others to use, or your right to use, the Proprietary Marks or Copyrighted Materials.

(2) You acknowledge that Amorino or its Affiliate has the right to direct, control and settle any dispute, proceeding or litigation involving the Proprietary Marks or Copyrighted Materials.

(3) Amorino or its Affiliate has the right, but not the obligation, to take action against third parties for infringement of the Proprietary Marks or Copyrighted Materials. Amorino shall defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks or the Copyrighted Materials at its own expense provided that Amorino, in its sole discretion, determines that you have used the Proprietary Marks and Copyrighted Materials in accordance with this Agreement. In the event of any litigation relating to your use of the Proprietary Marks or Copyrighted Materials, you shall execute any and all documents and do such acts as may, in the opinion of Amorino, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks or Copyrighted Materials in a manner inconsistent with the terms of this Agreement, Amorino agrees to reimburse you for your associated costs.

G. Changes to the Proprietary Marks. Amorino reserves the right, in its sole discretion, to designate one or more new, modified or replacement Proprietary Marks for your use in the operation and management of the Store, and to require you to use of any such new, modified or replacement Proprietary Marks in addition to or in lieu of any previously designated Proprietary Marks. You will be responsible for all related costs and expenses in implementing any such changes required by Amorino in your Store.

10. SYSTEM AND MANUAL

A. System Modification. Amorino may modify the System, and the products and services offered by the Franchised Business, from time to time to add, delete, or update menu items, amend operating procedures, products and services, or make other changes as Amorino deems appropriate in its sole discretion. You agree to comply, at your expense, with all such modifications, including all requirements to implement the modifications, such as replacement or renovation of equipment, remodeling, redecoration and modifications to existing improvements, including structural changes subject to the limitation on expenditures set forth in subsection 8.J. above. Amorino shall give you written notice of any such modifications and you agree to implement such modifications and complete such implementation within such time as Amorino may reasonably specify in the notice. No such modification will alter your fundamental status and rights as a franchisee of a Store under this Agreement.

B. Manual

(1) Amorino will grant you online access to the then-current operations know-how manual (the "Manual"), which contains standards, methods, policies, procedures, systems, forms, and other Confidential Information (as defined below) for you to implement and comply with in the operation of the Store.

(2) The Manual can come in different forms and shapes such as, but not limited to, a paper binder, a tablet application (ex. Padlet), on-line website (AmorinoNow).

(3) The franchisee is granted access to the manual for the duration of the agreement and remains the franchisor's exclusive property. The franchisee undertakes to respect the confidential nature of this manual. Amorino shall have the absolute right to make additions, deletions, modifications and updates to the Manual from time to time. The term "Manual" shall include the Manual as modified and amended in accordance with this Agreement.

(4) You shall operate the Store in strict adherence to all of the provisions of the Manual as then in effect.

11. CONFIDENTIAL INFORMATION

A. Confidentiality. You shall maintain the confidentiality of all Confidential Information. You shall use Confidential Information only in connection with the operation of the Franchised Business, and shall divulge Confidential Information only to your employees and only on a need to know basis. This obligation shall survive termination or expiration of this Agreement] for as long a period as permitted by law.

B. Confidential Information. The term "Confidential Information" shall include, by way of example and not by way of limitation, trade secrets, know-how and other elements of the System; all customer information; all information contained in the Manual; Amorino's proprietary recipes, standards and specifications for product preparation, packaging and service; financial information of Amorino, its Affiliates or the Franchised Business; marketing plans, strategies and data relating to Amorino, the Franchised Business or the System; vendor and supplier information; all knowledge, trade secrets, or know-how concerning the methods of operation of the Franchised Business which may be communicated to you, or of which you may be apprised, by virtue of this Agreement; and all other information that Amorino designates as confidential information. However, "Confidential Information" shall not include information that is known or becomes known to the public, in the industry of which Amorino is a part or is otherwise discoverable by lawful means.

C. Return of Confidential Information. Upon request, and upon termination of this Agreement, you shall return to Amorino all documents, materials and records containing or referring to the Confidential Information, including all copies, summaries, extracts and notes derived from the Confidential Information.

D. Enforcement. You agree that Amorino may bring an action in court to prevent the disclosure or threatened disclosure of Confidential Information by you, your employees, agents, contractors or any other person that has or may receive Confidential Information in violation of this Agreement and that such action may include temporary and permanent restraints to prevent disclosure or use or for the return of such Confidential Information to Amorino and that Amorino shall be entitled to an award against you of attorneys' fees and costs incurred in such enforcement action.

12. ADVERTISING AND MARKETING

A. General. Promotional and marketing materials shall conform to Amorino's standards and specifications related to advertising, marketing, and trademark use. You shall submit to Amorino samples of proposed promotional and marketing materials, and notify Amorino of the intended media, before first publication or use. Amorino shall use good faith efforts to approve or disapprove proposed promotional and marketing materials within 15 days of their receipt. YOU MAY NOT USE THE PROMOTIONAL OR MARKETING MATERIALS UNTIL AMORINO EXPRESSLY APPROVES THE MATERIALS AND THE PROPOSED MEDIA. Once approved, you may use the materials only in connection with the media for which they were approved. Amorino may disapprove your promotional or marketing materials, or the media for which they were approved, at any time, and you must discontinue using any disapproved materials or media upon your receipt of written notice of disapproval.

B. Store Opening Promotional Fee. By the date of the opening of your Store, you must spend the required amount of money on appropriate marketing and advertising for the opening of your Store, as specified in the Data Sheet for the type of Store you will operate, and you must provide Amorino with written evidence of your expenditures.

C. Advertising; Purchase of Promotional Materials. At Amorino's election, Amorino may require you to (a) spend up to 3% of Gross Revenue on advertising, marketing and public relations initiatives approved by Amorino, or (b) pay such amount to Amorino or an approved supplier to be spent on advertising, marketing and public relations initiatives. If Amorino requires you to spend such amount directly, then you shall provide proof of your expenditures according to the procedures Amorino requires. In addition to such requirement, you must purchase from us or our approved supplier all promotional materials designated by us to promote the sale of new and featured products. All advertising, marketing and public relations initiatives must be preapproved by us. If the monies are required to be paid to us, we can use the monies to support and pay for advertising, marketing and promotion efforts we designate, and associated administrative expenses. Any company-owned stores will not be required to contribute money for these initiatives. All franchised stores may not be required to contribute on an equal basis for these initiatives. We will not be required to spend any amount from these monies on advertising or promotions in your area. Additionally, it is understood that any national, regional, or local advertising effort may not equitably reach all markets.

D. Promotional Programs.

(1) From time to time Amorino may run promotions such as coupons, prizes, contests, etc. You shall participate in all such promotional activities and you shall purchase such promotional items and coupons as directed by Amorino, and pay Amorino's printing costs for the promotional materials..

(2) If Amorino develops gift certificates and/or loyalty cards or similar programs, you shall acquire and use all computer software and hardware necessary to process their sale and to process purchases made using them and be solely responsible for the service charges related to such processing. All proceeds from the sale of all gift certificates and stored value cards belong exclusively to Amorino, and you shall remit the proceeds of such sales to Amorino according to the procedures that Amorino prescribes periodically.

(3) You also shall display at the Store all promotional literature and information as Amorino may reasonably require from time to time.

(4) You also agree to honor such credit cards, courtesy cards, and other credit devices, programs, and plans as may be issued or approved by us from time to time. All reasonable and customary service charges or discounts from reimbursements charged on such cards or authorizations will be at your sole expense.

E. Participation in Marketing Programs. Amorino may from time to time, develop public relations advertising or purchase programs or cooperatives. You shall be obligated to participate in such programs and purchase any equipment or promotional material as may be necessary and as directed by Amorino.

13. POS SYSTEM; ACCOUNTING AND RECORDS; TAXES

A. POS System. You shall acquire and use only the point of sale cash registers and computer systems, equipment and software that Amorino prescribes for use by Amorino Stores (the "POS System"), with such extended warranties as we may require, and adhere to Amorino's requirements for use. Requirements may include, among other things, execute and renew software maintenance agreements, connection to remote servers, off-site electronic repositories, and high-speed Internet connections. Such Internet connection is to be used for software updates and downloading purposes, and to allow us to monitor your sales and revenue. You may not use the Internet connection to browse the Internet. As technology or software is developed in the future, Amorino may, in its sole discretion, require you to add to your POS System memory, ports, and other accessories or peripheral equipment or additional, new, or substitute software, and replace or upgrade your POS System and software as Amorino prescribes. You shall acquire, install and maintain such anti-virus and anti-spyware software as Amorino requires, and shall adopt and implement such Internet user policies as Amorino may prescribe for purposes of avoiding, blocking, and eliminating viruses and other conditions that interfere with operation of the POS System.

B. Software. You shall: (a) use the proprietary software program we require, and such system documentation manuals, and other proprietary materials that we require in connection with the operation of the Store; (b) input and maintain in your computer such data and information as Amorino prescribes in the Manual, software programs, documentation, or otherwise; and (c) purchase new or upgraded software programs, system documentation manuals, and other proprietary materials, or execute and renew licenses for existing software, at then-current prices whenever Amorino adopts such new or upgraded programs, manuals, and materials system-wide. You shall pay the annual or monthly fees that we require for the use of such programs or systems. You shall enter into all software license agreements, "terms of use" agreements, and software maintenance agreements, in the form and manner Amorino prescribes, and pay all fees imposed thereunder.

C. Independent Access. Amorino may independently obtain Gross Revenue and other information input and compiled by your POS System from a remote location. There is no limitation on Amorino's right to access this information.

D. Maintenance of Records. You shall prepare, maintain and preserve for at least seven years from the date of preparation, full, complete and accurate books, records, and accounts according to generally accepted accounting principles and in the form we prescribe from time to time.

E. Submission of Financial Statements and Tax Returns. No later than 30 days after the end of each calendar month, you shall provide to Amorino your monthly Financial Statement (Profit and Loss and Balance Sheet) in the form and including the details required by Amorino. No later than April 30 of each calendar year, you shall provide to Amorino a copy of the previous year's annual profit and loss statements; and year-end balance sheet prepared according to generally accepted accounting principles and signed and verified by an authorized representative attesting to their accuracy. In addition, upon your receipt of Amorino's request, you will submit a copy of your previous year's Accounting Periods and a copy of your federal and state income tax returns for the previous year; provided, however, that if you are an individual rather than a Business Entity, you may submit only those schedules to your personal tax returns which reflect the revenues and expenses of the Franchised Business.

F. Submission of Performance Reports. You shall accurately report to Amorino the Store's Gross Revenue and such other financial information, as Amorino may reasonably require, using the procedures and Amorino prescribes periodically. Reports shall be due on the date prescribed by Amorino, and shall be signed by an authorized representative, attesting to their accuracy. You also shall provide to Amorino such other reports, computer back-up and other information that Amorino may reasonably request.

G. Audit of Franchisee Records. Amorino or its designated agent shall have the right to audit, examine and copy your books, records, accounts, and business tax returns at any time. We also reserve the right to have an independent audit done on your books.

H. Use of Financial Information in Franchise Disclosure Document. You hereby authorize Amorino to publish information concerning the Store's Gross Revenues and other information about you, (including your contact information) and the Store in its Franchise Disclosure Document and any updates.

14. INDEPENDENT CONTRACTOR, INSURANCE AND INDEMNIFICATION

A. Independent Contractor.

(1) Amorino and you acknowledge and agree that you are operating the Franchised Business as an independent contractor. This Agreement does not create a fiduciary relationship between us. Nothing contained in this Agreement shall create or be construed to create a partnership, joint venture, or agency relationship between the parties. Neither party shall be liable for the debts or obligations of the other. Although you must comply with the terms of this Agreement and the System, you will have full and complete control of the manner in which you comply and full and complete control of the day-to-day operation of the Store and your business policies and practices.

(2) Nothing in this Agreement authorizes you to make any contract, agreement, warranty, representation or promises on our behalf, to transact business in our name or in any manner make any promises or representations on behalf of the other party, or incur any debts or obligations on behalf of us or our Affiliates, or to otherwise bind us or our Affiliates. We shall in no event assume liability for, or be deemed liable as a result of any act or omission by you in your conduct of the Store.

(3) You shall represent yourself to the public as an independent contractor operating the Store pursuant to a franchise from us. You shall conspicuously identify yourself and the Franchised Business in all dealings with your customers, contractors, suppliers, public officials, and others, as an independent franchisee of Amorino, and shall place notice of that fact in the form that we provide, in a conspicuous place in the Store as determined by Amorino and you.

B. Insurance Obligations.

(1) You shall maintain in full force and effect at all times during the term of this Agreement, at your expense, an insurance policy or policies protecting you, Amorino and its Affiliates, and their respective partners, shareholders, directors, agents, and employees, against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense arising or occurring upon or in connection with the operation of the Store and the Franchised Business.

(2) Such policy or policies shall: (a) be written by insurer(s) licensed and admitted to write coverage in the state in which the Franchised Business is located and with a rating of "A" or better as set forth in the most recent edition of Best's Key Rating Guide; (b) name Amorino and its Affiliates, and their partners, officers, subsidiaries, Affiliates, shareholders, directors, regional directors, agents, and employees as additional insureds on a primary noncontributory basis to the general liability policy and the auto liability policy, (c) the additional insured coverage must be provided on an Additional Insured Grantor of Franchise Endorsement form CG2029 (or an endorsement form with comparable wording acceptable to

Amorino); and (d) comply with Amorino's written requirements at the time such policies are obtained, and provide at least the types and minimum amounts of coverage specified below or as described within Amorino's written notice to you.

(3) Such policies shall include, at the minimum, the following policies: (a) "all risk" or "special" property insurance covering all real and personal property and equipment on a replacement costs basis, including business interruption and extra expense insurance; (b) comprehensive commercial general liability insurance in an amount of not less than the following combined single limits: $2,000,000 general aggregate, $2,000,000 products/completed operations aggregate, $1,000,000 each occurrence, $1,000,000 personal and advertising injury, $50,000 fire damage legal liability, and $5,000 medical expense limit (any one person); (c) employers liability coverage in an amount not less than $500,000 per accident for bodily injury by accident, $500,000 policy limit for bodily injury by disease, and $500,000 per employee for bodily injury by disease; (d) business automobile liability coverage, including coverage of owned, non-owned, rented or hired vehicles with coverage in amounts not less than $1,000,000 combined single limit; (e) workers' compensation insurance for statutory limits, and (f) commercial umbrella coverage in an amount of not less than $4,000,000 each occurrence (bodily injury and property damage) and $4,000,000 general aggregate. Each year Amorino may unilaterally modify the insurance minimum coverage requirements which may include an increase to the minimum coverage requirements to reflect changes in inflation or as market conditions warrant.

(4) In connection with any and all insurance that you are required to maintain under this Section, you and your insurers shall agree to waive their rights of subrogation against Amorino, and you shall provide evidence of such waiver. Amorino may unilaterally modify these insurance requirements, which modifications may include increasing minimum policy limits, by delivering to you written notice of the change.

(5) Your obligation to obtain and maintain insurance shall not be limited in any way by reason of any insurance which may be maintained by Amorino, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Section 11.3 of this Agreement.

(6) All public liability and property damage policies shall contain a provision that Amorino and its Affiliates, although named as an additional insureds, shall nevertheless be entitled to recover under such policies on any loss occasioned to Amorino, or its Affiliates, partners, shareholders, officers, directors, agents, or employees by reason of your acts or omissions, whether negligent, grossly negligent, reckless or intentional acts.

(7) At least 10 days prior to the time you are first required to carry insurance, and thereafter at least 30 days prior to the expiration of any policy, you shall deliver to Amorino declaration pages from your insurance policy evidencing your compliance with this Section 14. Each policy shall expressly provide that no less than 30 days' prior written notice shall be given to Amorino in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by such policies.

(8) If you fail to procure or maintain these minimum insurance requirements,

Amorino or its designee shall have the right and authority (but not the obligation) to procure such insurance on your behalf. Such right shall be in addition to and not in lieu of any other rights or remedies available to Amorino. If this occurs, you shall reimburse Amorino the cost of the premium upon demand.

D. Indemnification. You agree to defend, indemnify and hold harmless us and our officers, directors, shareholders, members, agents, employees, successors, assigns and affiliates and their officers, directors, shareholders, members, agents, employees, successors and assigns against all losses, liabilities, damages, costs and expenses, including reasonable attorneys' fees, resulting directly or indirectly from, or in any way pertaining to, the design, construction, fixturing, decorating, stocking, use, occupancy, maintenance, repair, operation, sales, policies, procedures, practices, actions, hiring practices, personnel policies, employment practices or any other activities of your Amorino facility and its business including your intentional acts and negligence and those of your agents, officers, directors, partners, shareholders, members, employees and any others for whose conduct you are legally responsible. We agree to defend, indemnify and hold harmless you and your officers, directors, shareholders, members, agents, employees, successors, assigns and affiliates and their officers, directors, shareholders, members, agents, employees, successors and assigns against all losses, liabilities, damages, costs and expenses, including reasonable attorneys' fees, resulting directly or indirectly from, or in any way pertaining to our and our affiliates actions or inactions pertaining to the direct manufacturing of the products supplied to you and approved by us as sellable in your store including our and our affiliates intentional acts and negligence and those of our and our affiliates' agents, officers, directors, partners, shareholders, members, employees and any others for whose conduct we are legally responsible.

15. TRANSFER OF INTEREST

A. Transfer by Amorino.

(1) We shall have the right to transfer or assign all or any part of our rights or obligations in this Agreement to any person or Business Entity, provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our obligations under this Agreement, the assignee (a) shall, at the time of the assignment, be capable of performing such obligations, and (b) shall expressly assume and agree to perform such obligations from the date of assignment.

(2) Without limiting our rights as set forth in Section 15.A(1), you expressly affirm and agree that we may now or any time in the future:

a. sell our assets, the Proprietary Products, our rights to the Proprietary Marks, the Copyrighted Materials, or the System;

b. engage in a public offering or private placement of some or all of our securities;

c. merge with or acquire other Business Entities, or be acquired by another Business Entity;

d. undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring; and

e. purchase, merge, acquire or affiliate ourselves with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and operate, franchise or license those businesses and/or facilities as long as they do not in any way use the Proprietary Marks or other characteristics of Amorino Stores following Amorino's purchase, merger, acquisition or affiliation.

(3) With regard to any assignment permitted under Section 15.A(1) and any sale, merger, acquisition, disposition or action permitted under Section 15.A(2), you expressly and specifically waive any claims, demands or damages arising from or related to the loss of association with or identification of: CPUSA, LLC as the Franchisor under this Agreement, the "Amorino" name, the Proprietary Products, the Proprietary Marks (or any variation thereof) and the System, and you specifically release and waive any and all other claims, demands or damages arising from or related to such assignment, sale, merger, acquisition, disposition or other action, including any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing.

(4) You expressly acknowledge that nothing contained in this Agreement shall require us or any of our Affiliates to remain in the gelato and sorbet business or to offer the Amorino Products and Services associated with the System (including the Proprietary Products), whether or not bearing the Proprietary Marks, in the event that we exercise our rights under this Section 15 to assign our rights in this Agreement.

B. Transfer by Franchisee. Amorino is entering into this Agreement in reliance upon your singular personal skills and qualifications, or if you are a Business Entity, upon the singular personal skills and qualifications of your Principals. Accordingly, except for a transfer to a Business Entity owned by you in the manner described in Section 15.C, you may not assign or transfer this Agreement or any rights or obligations under this Agreement, whether in whole or in part, voluntarily or involuntarily, by operation of law (including as a result of bankruptcy, divorce, death or disability). Any transfer, except for a transfer to a Business Entity by you in the manner described in Section 15.C, is subject to our right of first refusal. Amorino will not unreasonably withhold its consent to a transfer of any interest in the Franchised Business, but may, in its sole discretion, condition such consent on satisfaction of any or all of the following:

(1) All of your accrued monetary obligations to Amorino and its Affiliates, and all other outstanding obligations related to the Store shall be up to date, fully paid and satisfied.

(2) You must be in full compliance with this Agreement and any other agreements between you and Amorino, its Affiliates and your suppliers.

(3) You shall have requested consent in writing and delivered to Amorino a completed copy of “Amorino Transfer Disclosure Form”, as well as a copy of the proposed transfer agreements, including sale terms, and your lease agreement, at least 30 days prior to the proposed transfer, and Amorino has determined, in its sole and reasonable discretion, that the terms of the sale will not materially and adversely affect the post transfer viability of the Franchised Business.

(4) The transferee must demonstrate to our satisfaction that the transferee meets our educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the Franchised Business; has adequate financial resources and capital to operate the Store; resides or is based near the Store, and otherwise satisfies our then current criteria for the selection of franchisees.

(5) You and each of your Principals shall have executed a general release, in a form satisfactory to Amorino, of any and all claims against Amorino and its Affiliates and their respective officers, directors, shareholders, members, equity holders, agents and employees in their corporate/company and individual capacities, including claims arising under federal, state and local laws, rules and ordinances; provided, however, that any release will not be inconsistent with any state law regulating franchising.

(6) The transferee shall have executed Amorino's then-current form of franchise agreement, the terms of which may be materially different than the terms of this Agreement and may include, among other things, a different royalty fee and different advertising obligations. The term of such agreement shall be the remaining term of this Agreement at the time of transfer, without any rights of renewal.

(7) If the transferee is a Business Entity, then each of the transferee's Principals shall have delivered to us a guaranty in our then-current standard form of guaranty.

(8) You and all owners shall sign a reaffirmation of all obligation of confidentiality and obligation restrictive competition with Amorino.

(9) The transferee must complete Amorino's then-current initial training program to our satisfaction.

(10) You or the transferee shall have paid the amount specified as the "Transfer Fee" in the Data Sheet plus the reimbursement of our reasonable costs and expenses incurred in connection with the transfer (including legal fees), including our costs to obtain background checks on the transferee and its Principals. You agree that you shall reimburse us for our reasonable costs and expenses (including legal fees) incurred in connection with the transfer even if the transfer is not ultimately completed.

(11) You and the transferee shall provide and/or sign all other documents and take such other actions as we may reasonably require.

(12) The Store must comply with Franchisor’s up to date standards or transferee must present an acceptable remodeling plan to us, subject to our approval.

C. Transfer by Individual Franchisee to Business Entity for Convenience. If you are an individual, you may transfer your interest in this Agreement to a Business Entity formed solely for purposes of owning and operating the Franchised Business for convenience of operation of this Agreement, provided however that you may not transfer such interest until we have consented to such transfer. In connection with our providing such consent, you must deliver certain documents and provide evidence to our satisfaction that the Business Entity meets certain requirements, as follows:

(1) You and such Business Entity must execute our then-current standard form of assignment and assumption agreement in which the Business Entity will agree to be bound by, and to assume and discharge your obligations under, this Agreement, and you agree to remain personally liable under this Agreement.

(2) The Business Entity must be newly formed and articles or certificate of incorporation, formation or organization, bylaws, operating agreement or other organizational documents (collectively, the "Organizational Documents") must state that its activities are limited exclusively to the ownership and operation of the Franchised Business.

(3) You must own and control 100% of the equity interest of the Business Entity, and no interest may be transferred without our prior written consent. If we do consent to any transfer, each Principal of the Business Entity must provide a personal guaranty in our then-current form of personal guaranty.

(4) The Organizational Documents of such Business Entity shall recite that the issuance and transfer of any securities or interest in the Business Entity are restricted by the terms of this Agreement.

(5) The Organizational Documents of such Business Entity may not be amended or revised without our prior written consent.

(6) The Business Entity must remain in existence and in good standing during the term of this Agreement, and you shall not take any actions to dissolve the Business Entity.

(7) You shall have paid the transfer fee in the amount set forth in the Data Sheet plus the reimbursement of our reasonable costs and expenses (including legal fees) incurred in facilitating the transfer.

D. Transfers Void. Any purported transfer, by operation of law or otherwise, made without Amorino's prior written consent will be considered null and void and will be considered a material breach of this Agreement.

E. Transfer Upon Death or Incapacitation. Upon the death or permanent incapacity (mental or physical) of any person with a majority or controlling interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business, the executor, administrator, or personal representative of such person shall transfer such interest to a third party approved by Amorino within six months after such death or mental incapacity. Such transfers, including transfers by devise or inheritance, shall be subject to the same.

F. Non-Waiver of Claims. Amorino's consent to a transfer shall not constitute a waiver of any claims it may have against the transferring party, and it will not be deemed a waiver of Amorino's right by the transferee to demand strict compliance with any of the terms of this Agreement, or any other agreement to which Amorino and the transferee are parties.

G. Right of First Refusal. Any assignment or transfer of this Agreement, or any interest herein, except for a transfer to a Business Entity by you as an individual in the manner described in Section 15.C, shall be subject to Franchisor’s right of first refusal with respect thereto. Franchisor’s said right of first refusal shall be exercised in the following manner:

(a) Franchisee shall deliver to Franchisor a written notice clearly and unambiguously setting forth all of the terms and conditions of the proposed assignment and all available information concerning the proposed assignee, including but not limited to, information concerning the employment history, financial condition, credit history, skill and qualifications of the proposed assignee and, in the case of a partnership or corporate assignee, of its partners and shareholders as applicable.

(b) Within thirty (30) days after Franchisor’s receipt of such notice (or if Franchisor shall request additional information, within thirty (30) days after receipt of such additional information), Franchisor may either consent or withhold its consent to such assignment, or, at its option, accept the assignment to itself or to its nominee upon the terms and conditions specified in the notice. Franchisor may substitute an equivalent sum of cash for any consideration other than cash specified in said notice.

(c) If Franchisor shall elect not to exercise its said right of first refusal and shall consent to such assignment, Franchisee shall, subject to the provisions of this Agreement, be free to assign this Agreement to such proposed assignee on the terms and conditions specified in said notice. If, however, Franchisor does not elect to exercise its right of first refusal and said terms shall be materially changed, or if more than 90 days shall pass without such assignment occurring, such changed terms or lapse of time shall be deemed a new proposal and Franchisor shall again have such right of first refusal with respect thereto.

16. DEFAULT AND TERMINATION

A. Termination Upon Notice In Certain Events. You shall be deemed to be in default under this Agreement, and we may terminate this Agreement and the franchise granted under this Agreement with immediate effect upon delivery of notice to you (without any opportunity to cure) upon the occurrence of any of the following events (each a "Default"):

(1) You fail to make any payment due under this Agreement within 30 (thirty) days of when it is due.

(2) You become insolvent, make a general assignment for the benefit of creditors, file a voluntary petition in bankruptcy, have an involuntary petition in bankruptcy filed against you which is not dismissed within 30 days after filing, are adjudicated as bankrupt or insolvent, suffer temporary or permanent court-appointed receivership of your assets or property, or any part thereof,

(3) Your Business Entity is dissolved;

(4) Execution is levied against your business or property;

(5) Judicial, non-judicial or administrative proceedings to foreclose any lien or mortgage against the Franchised Location premises or assets or equipment is instituted against you and not dismissed within 30 days; or

(6) If the real or personal property of the Franchised Business is sold after levy thereupon by any sheriff, marshal, or constable

(7) Your Supervising Principal or Manager fails to successfully complete the initial training by the Opening Date;

(8) You fail to acquire a site by the Site Selection Date (or such later date as we, in our sole and absolute discretion, specify in writing);

(9) You fail to open the Store for business by the Opening Date (or such later date as we, in our sole and absolute discretion, specify in writing);

(10) You abandon the Franchised Business (which will be presumed if you cease operations for five (5) consecutive days or more, other than in the case of an agreed-upon period of closure or as a result of a Force Majeure Event);

(11) Any Approval required to operate the Franchised Business is revoked, terminated or otherwise lost unless the required approval is reinstated within a reasonable time.;

(12) If the term of your lease expires or if your right to possession of your Amorino premises is otherwise lost without you being at fault, we will not terminate this Agreement as long as you relocate and reopen your Amorino store within 180 days from the date on which your prior lease terminated. The provisions of this Agreement will apply to the location, lease and design approval, equipping and other features of your relocated Amorino facility and the term of this Agreement will be extended by the amount of time between the termination of your prior lease and the opening of your relocated facility;

(13) you or any Principal or Manager is convicted of, or pleads guilty or no contest to, a felony, a crime involving moral turpitude, or any other crime or offense that Amorino believes is reasonably likely to have an adverse effect on the Franchised Business, System, Proprietary Marks, or reputation of Amorino;

(14) there is any transfer or attempted transfer in violation of Section 15;

(15) you, or any of your Principals or Affiliates, challenge our right or the right of any of our Affiliates to use, or license others to use, the System, the Proprietary Marks, the Copyrighted Materials, or any part thereof;

(16) you or any Principal fails to comply with the confidentiality or noncompete covenants in Section of this Agreement;

(17) you or any Principal provide us with any false or misleading information or make any material misrepresentation in connection with your franchise application or at any time during the term of this Agreement;

(18) you knowingly maintain false books or records;

(19) your failure to make any payment when due to Amorino or any of its affiliates or approved suppliers;

(20) failure to comply with any other terms or conditions: three or more breaches of a similar nature of any terms and conditions of this Agreement within a twelve month period, even if cured; or

(21) you sell or offer for sale gelato, sorbet, gelato macarons, or restricted dry goods (such as Amorino branded cones) which you purchased or obtained from a source or supplier other than an approved supplier.

B. Termination with 20-Day Cure Period. Amorino has the right to terminate this Agreement, which termination will become effective upon delivery of written notice of termination, if the default is other than as provided in Section 16.A above, and is of a nature that it is capable of being cured and the default has not been cured within twenty (20) days of receipt of such notice, otherwise, the termination shall be effective immediately upon receipt of the notice. However, if the default is of such a nature that more than 20 days are reasonably required to cure the violation, we will give you such additional time as is reasonably necessary to cure the default as long as you start the corrective action within the initial 20-day period and proceed with the cure diligently to its completion.

C. Termination Related to Death or Permanent Incapacity. Amorino has the right to terminate this Agreement if an approved transfer is not completed within the designated time frame following a death or permanent incapacity (mental or physical) of Franchisee (if an individual) or the sole Principal of Franchisee.

D. Cross-Defaults, Non-Exclusive Remedies. Any default under this Agreement or of any obligation owed to us or our affiliates, whether hereunder or under another agreement with us, or any default under any agreement related to the Franchised Business, such as a lease, a vendor agreement, invoice, order, supply agreement, or subcontract, will be regarded as a default under this Agreement. In each of the foregoing cases, we and our affiliates will have all remedies allowed hereunder and at law, including termination of your rights (and/or those of any person/company affiliated with you) and our (and/or our affiliates') obligations. No right or remedy which we may have (including termination) is exclusive of any other right or remedy provided under law or equity and we may pursue any rights and/or remedies available.

E. Our Right to Discontinue Services to You. If you are in breach of any obligation under this Agreement, or any agreement with any of our affiliates, and we or our affiliates deliver to you a notice of default, we and our affiliates have the right to suspend performance of any of our or their obligations to you under any agreement with you, including, without limitation, the sale or supply of any services, products or ingredients for which we or our affiliates are an approved supplier to you and/or suspension of your listing or webpage on our Website, until such time as you correct the breach.

F. Additional Remedies. In addition to, or in lieu of, termination of this Agreement, in its sole discretion, Amorino may require the Store be closed during any cure period relating to a default based on public health and safety concerns.

G. Termination by Franchisee. Without Franchisor's written consent, Franchisee may not terminate this Agreement prior to the expiration of the term, except through legal process resulting from Franchisor's breach of this Agreement which breach results in a material adverse effect on Franchisee, and only under the following conditions: If (i) Franchisee is not currently in material breach of this Agreement or any other agreement between Franchisor and Franchisee and (ii) Franchisor materially breaches this Agreement and fails to cure such breach within one hundred and twenty (120) days (or such other reasonable time if additional time is required to cure such breach) after written notice of such breach, specifically enumerating all alleged deficiencies, is delivered to Franchisor by Franchisee, Franchisee may terminate this Agreement. Such termination shall be effective thirty (30) days after delivery to Franchisor of notice that such material breach has not been cured and Franchisee elects to terminate this Agreement.

17. POST TERMINATION OBLIGATIONS

A. Post-Termination Obligations of Franchisee. Upon termination or expiration of this Agreement:

(1) You shall take all necessary steps to ensure there can be no possible confusion between your former activity as an Amorino franchisee and your new activity, including the specific steps set forth in this Section 17.A.

(2) You shall immediately cease to operate the Store, and shall not thereafter, directly or indirectly, represent or hold yourself out to the public in any manner as a present franchisee.

(3) You shall immediately cease to use all signs, equipment, advertising materials, stationery, furnishings, artwork, forms and other items which a) contain or display the Proprietary Marks or similar marks, b) display any representation of an angel or cupid including in any sign, statute or base relief; c) are identified with the System, or d) distinctively identified your particular Store. Among other things, you must do the following:

(a) With respect to the exterior of the Store, you must remove the following:

(i) All references to the Amorino trademark;
(ii) All representations of an angel or cupid;
(iii) The Amorino sign, formed by metallic black text mounted on spacers and the Amorino oval;
(iv) The overhanding shop sign formed by the Amorino oval; and
(v) The wooden frames used for displaying the Amorino posters.

(b) With respect to the interior of the Store, you must remove the following:

(i) All references to the Amorino trademark;
(ii) All representations of an angel or cupid, especially statues and other low-projection sculptures;
(iii) The furnishings and/or wooden furniture, especially made of walnut, such as the wall cladding, shelves, storage cupboards, wooden frames displaying Amorino posters and the showcase fridges;
(iv) The fake beams; and
(v) The imitation stone wall.

(c) With respect to the element on the exterior and in the interior of the Store, you must modify the following elements:

(i) The black stone worktops must be repainted in a different color than black, brown or anthracite grey, or must be removed;
(ii) The brown colored exterior and/or interior walls must be repainted to a different color than black, brown or anthracite grey;
(iii) The black ceramic floor must be repainted to a color other than black, brown, or anthracite grey, covered or removed.

(4) You shall immediately and permanently cease to use, in any manner, any confidential methods, procedures and techniques associated with the System; the Proprietary Marks; the Copyrighted Materials; Confidential Information; and other distinctive signs, symbols or other devices associated with the System. **Among other things, you must cease making or selling ice cream in the shape of a flower.**

(5) You shall take all actions as may be necessary to cancel any assumed name or equivalent registration that contains the Proprietary Marks, the name "Amorino", and any other service mark or trademark of ours.

(6) You shall, at Amorino's option and request, cease to use and assign to Amorino all rights to all telephone and facsimile numbers, e-mail addresses, URLs, domain names, Internet listings, and Internet accounts related to the Franchised Business.

(7) You shall immediately return to Amorino the Manual and all other Confidential Information or manuals, records, correspondence, files, and any instructions containing Confidential Information relating to the operation of the Franchised Business which are in your possession; and all copies thereof (all of which are acknowledged to be the property of Amorino), delete any electronic copies of such items and certify to Amorino that you have returned and deleted all such items.

(8) You shall promptly pay all sums owing to us and our Affiliates.

(9) Except as limited by applicable law, you shall sign a general release, and cause each person who has guaranteed your obligations under this Agreement to sign, a general

release in a form satisfactory to us, of any and all claims you may have against Amorino, our subsidiaries and Affiliates and our/their respective officers, directors, managers, members, shareholders, and partners in our/their corporate/company and individual capacities.

(10) You shall comply with any covenants contained in this Agreement that survive termination or expiration of this Agreement, including the covenants set forth in Section 18.D.

(11) You shall pay us a delay fee of $500 U.S. Dollars for each day that you continue to violate the post-termination obligations in this Section.

B. Assignment of Lease.

(1) You hereby grant Amorino or its designee the option (and your Lease shall specifically permit) to assume your Lease upon expiration or termination of the Franchise Agreement, which option shall be exercised upon the delivery to you of written notice within 30 days following expiration or termination of this Agreement. If Amorino or its designee assumes your Lease, you agree to sell, transfer, and convey to the assignee your interest (if any) in all leasehold improvements, without further consideration.

(2) If Amorino or its designee does not request assignment of the Lease before expiration of this 30-day period, then within 10 days after termination or expiration of this Agreement, you shall make all modifications or alterations to the Store premises (including changing the color scheme, removing all signs and other distinctive design features) and removal of all materials and products containing Proprietary Marks, as may be necessary to distinguish the appearance of the Franchised Location from that of other Amorino Stores, and make such specific additional changes to the Franchised Location as Amorino may reasonably request for that purpose.

C. Amorino's Right to Purchase, Fixtures, and Tangible Assets; Mobile Outlet Sale.

(1) Upon termination or expiration of this Agreement, Amorino or its assignee shall have the option to purchase any or all of the Store's tangible assets, including furniture, fixtures, equipment and interior and exterior signs at the lesser of depreciated book or fair market value, and may set off against the purchase price any amounts that you owe to Amorino. Amorino shall exercise its option by written notice to you delivered on or before the date of expiration or termination of this Agreement.

(2) In addition to the foregoing option granted to Amorino, if you operate a Mobile Structure Outlet, you are obligated to sell the Mobile outlet to Amorino or its assignee at the termination or expiration of this Agreement, in accordance with the following depreciation and repurchase schedule, with the applicable purchase price to be payable upon receipt of the Mobile by Amorino:

Timing of Purchase by Amorino or its Assignee	Purchase Price

Any date during Year One (any date up to and including the date that is the first anniversary of: (1) the Opening Date; or (2) if Store opening does not occur, the Effective Date)	75% of the original purchase price of Mobile unit
Any date during Year Two (any date after Year One, until and including the date that is the second anniversary of: (1) the Opening Date; or (2) if Store opening does not occur, the Effective Date)	50% of the original purchase price
Any date during Year Three (any date after Year Two, until and including the date that is the third anniversary of: (1) the Opening Date; or (2) if Store opening does not	25% of the original purchase price
Any date during Year Four and thereafter (any date after Year Three)	12.5% of original purchase price

18. COVENANTS

A. Compliance with Law. You must investigate, keep informed of and comply, and cause your employees to comply, at your own expense, with all local, state and federal laws, rules, regulations and ordinances in effect any time related to the operation of the Store. These include but are not limited to all food and safety regulations, truth in advertising laws, disability access requirements, wage and hour laws, labor laws, tax laws, zoning laws, and customer data privacy regulations including but not limited to the European General Data Protection Regulations. You must obtain maintain all Approvals necessary for the operation of the Franchised Business.

B. Business Entity Information. If you are a Business Entity:

(1) You shall provide to Amorino concurrently with the execution of this Agreement true and accurate copies of resolutions authorizing the execution of this Agreement, and your current Organizational Documents. You agree to provide Amorino with amendments to the foregoing within 10 days of the effective date of such amendments.

(2) You shall provide such information as Amorino may from time to time request concerning each person or Business Entity who may have any direct or indirect financial interest in your Business Entity.

C. Non-Competition During Term of Agreement. You and each Principal acknowledge that you and each Principal will receive valuable specialized training and Confidential Information, including information regarding the operational, sales, promotional, and marketing methods and techniques and trade secrets of Amorino and the System. You and each Principal also agree that the license to use the Proprietary Marks and Marks and to receive the benefit of the goodwill symbolized by the Proprietary Marks and Marks will provide a competitive advantage, and is the primary reason you are entering into this Agreement. You and each Principal covenant and agree that during the term of this Agreement, except as otherwise approved in writing by Amorino, you and, if applicable, such Principal, shall not, either directly or indirectly, for yourselves, or through, on behalf of, or in conjunction with any person, or legal entity:

(1) Divert or attempt to divert any present or prospective customer or supplier of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System.

(2) Employ or seek to employ any person who is or has been within the previous 30 days employed by Amorino or an Affiliate of Amorino as a salaried managerial employee, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with, any business that engages in the production or sale at retail or wholesale of gelato or other ice cream products, and any other products or services offered by your Store or proposed to be offered by your Store or similar Amorino Stores, other than a Amorino Store operated pursuant to a then-currently effective franchise agreement with Amorino at any location within the United States, its territories or commonwealths, or any other country, province, state or geographic area in which Amorino or its Affiliates have used, sought registration of or registered the Proprietary Marks or similar marks or operate or license others to operate a business under the Proprietary Marks or similar marks.

D. Non-Competition After Expiration or Termination of Agreement. Commencing upon the later of: (a) a transfer permitted under this Agreement, expiration of this Agreement, or termination of this Agreement (regardless of the cause for termination) or (b) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section, and continuing for an uninterrupted period of two years thereafter, you and each of your Principals, shall not either directly or indirectly, for yourselves, or through, on behalf of, or in conjunction with any person, persons, or legal entity, own, maintain, advise, operate, engage in, be employed by, make loans to, or have any interest in or relationship or association with a business that engages in the production or sale at retail or wholesale of ice cream products, other than a Amorino Store operated pursuant to a then currently effective franchise agreement with Amorino, and (i) is, or is intended to be, located at the location of the former Franchised Business; (ii) within the former Protected Area of the Store (or, if there was no protected area, within a three-mile radius of the Store); or (iii) within a three-mile radius of any other store operating under the System and Proprietary Marks in existence or under development at the time of such expiration, termination or transfer. If any Principal ceases to own an interest in the Franchisee for any reason during the franchise time, the foregoing covenants shall apply to the departing Principal for a two-year period beginning on the date such person ceases to meet the definition of a Principal. The obligations described in this Section shall be tolled during any period of noncompliance.

E. Confidentiality and Non-Competition Agreements to Be Executed by Your Principals and Managers. Each of your Principals and managers shall execute and deliver to us a Confidentiality and Non-Competition Agreement in the form of Attachment C.

F. Additional Provisions. The parties acknowledge and agree that Amorino shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Section 18, or any portion thereof, without your consent or the consent of any Principal, effective immediately upon delivery of written notice to the affected party; and you and each Principal agree that such person shall comply forthwith with any covenant as so modified. You and each Principal expressly agree that the existence of any claims you may have against Amorino, whether or not arising from this Agreement, shall not constitute a defense to Amorino's enforcement of the covenants in this Section 18. You and each Principal agree to pay all costs and expenses (including reasonable attorneys' fees) incurred by Amorino in connection with the enforcement of this Section 18.

G. Breach of Covenants Causes Irreparable Injury. You acknowledge that your violation of any covenant of this Section 18 would result in irreparable injury to Amorino for which no adequate remedy at law may be available, and you consent to the issuance of, and agree to pay all court costs and reasonable attorneys' fees incurred by Amorino in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to such conduct or action.

H. Exception for Publicly Held Companies. The foregoing restrictions shall not apply to your ownership or any Principal's ownership of less than a 5% beneficial interest in the outstanding equity securities of any company registered under the Securities Act of 1933 or the Securities Exchange Act of 1934.

I. Improvements. If you, your employees, or any Principals develop any new concept, process or improvement in the operation or promotion of an Amorino Store or to any Proprietary Mark or Copyrighted Materials or other intellectual property (an "Improvement"), you agree to promptly notify Amorino and provide Amorino with all necessary related information, without compensation. Any such Improvement shall become Amorino's sole property and Amorino shall be the sole owner of all related patents, patent applications, and other intellectual property rights. You and your Principals hereby assign to Amorino (or if a formal assignment is required you agree to execute such assignment) any rights you or your Principals may have or acquire in the Improvements, including the right to modify the Improvement, and waive and/or release all rights of restraint and moral rights therein and thereto. You and your Principals agree to assist Amorino in obtaining and enforcing the intellectual property rights to any such Improvement in any and all countries and further agree to execute and provide Amorino with all necessary documentation for obtaining and enforcing such rights. You and your Principals hereby irrevocably designate and appoint Amorino as agent and attorney-in-fact for you and for them to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property right related to any such Improvement. In the event that the foregoing provisions of this Section are found to be invalid or otherwise unenforceable, you and your Principals hereby grant to Amorino a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the Improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe on you or your Principals' rights therein.

19. REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGMENTS

A. Representations of Amorino. Amorino represents and warrants to you that (a) Amorino is duly organized, validly existing and in good standing under the law of the State of Delaware; (b) Amorino is duly qualified and authorized to do business in each jurisdiction in which its business activities or the nature of the properties it owns requires such qualification; (c) Amorino has full limited liability company power and authority to enter into and perform its obligations under this Agreement; and (d) the execution, delivery and performance of this Agreement by Amorino have been duly and validly authorized by all necessary action.

B. Representations, Warranties and Acknowledgements of Franchisee.

(1) You represent and warrant to Amorino that all information provided by you in the Data Sheet, including the information regarding type of entity and ownership (if applicable), is accurate and complete in all respects. You shall notify Amorino in writing within 10 days of any change in such information.

(2) If you are a Business Entity, you represent and warrant to Amorino that: (a) you are duly organized, validly existing and in good standing under the law of the state of your formation; (b) you are duly qualified and authorized to do business in each jurisdiction in which your business activities or the nature of the properties you own requires such qualification; (c) you have full corporate, limited liability company or partnership (as applicable) power and authority to enter into and perform your obligations under this Agreement; (d)) the execution, delivery and performance of this Agreement by you have been duly and validly authorized by all necessary action, and (e) your organizational and other governance documents will at all times provide that your sole purpose shall be to own and operate the Franchised Business and take such actions that are necessary in connection with such ownership and operation.

(3) If you are a natural person, you represent and warrant to Amorino that: (a) you are a legal resident of the state set forth in the address in the Data Sheet, and (b) you have the legal capacity to execute and deliver this Agreement and perform your obligations under this Agreement.

(4) You represent and warrant that neither you nor any of your Affiliates or Principals own, operate or have any financial or beneficial interest in any business that is the same as or similar to an Amorino Store.

(5) You represent and warrant that the execution and delivery of this Agreement and the performance of the transactions contemplated by this Agreement are within your corporate, company or partnership power, as applicable, are permitted under your organizational and governing documents, and have been duly authorized by all necessary corporate, company or partnership action, as applicable.

(6) You acknowledge that you have conducted an independent investigation of the Amorino franchise opportunity, and recognize that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent on your ability as an independent businessperson.

(7) Except for representations contained in Amorino's Franchise Disclosure Document provided to you in conjunction with this franchise offering, you represent that neither Amorino nor its agents or representatives have made any representations, and you have not relied on representations made by Amorino or its agents or representatives, concerning actual or potential gross revenues, expenses or profit of an Amorino Store.

(8) You acknowledge that you have received a complete copy of Amorino's Franchise Disclosure Document at least 14 calendar days before you signed this Agreement or paid any consideration to Amorino for your franchise rights. You further acknowledge that you have read and understand fully all the items disclosed to you in the Franchise Disclosure Document and have investigated independently and with your advisors all of the risks associated with operating the Franchised Business.

(9) You acknowledge that you have read and that you understand the terms of this Agreement and its exhibits, and that you have had ample time and opportunity to consult with an attorney or business advisor of your choice about the potential risks and benefits of entering into this Agreement.

(10) You acknowledge and agree that any rights or duties of Amorino under this Agreement may be exercised and/or performed by any of Amorino's designees, agents, or employees.

(11) You represent that neither your property nor any interest in your property, nor the property of any of your Principals, officers, directors, managers, partners, agents or employees, or their respective interests therein, have been blocked pursuant to Executive Order 13224 of September 23, 2001, pertaining to persons who commit, threaten to commit, or support terrorism ("Blocked Persons"). You represent and warrant to Amorino that you will not accept money from or employ any Blocked Person.

20. NOTICES

A. Notices. All notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by nationally recognized next-day delivery service such as Federal Express, sent by registered or certified mail, or by facsimile. Notice shall be deemed to have been delivered (a) at the time of delivery, if personally delivered; (b) on the first Business Day following the date of dispatch if delivered by a nationally recognized next-day delivery service; (c) upon the earlier of actual receipt or four Business Days after deposit in the United States mail, properly addressed and postage prepaid, if delivered by registered or certified mail; and (d) at the time of transmission by telecopier, if such transmission occurs prior to 5:00 p.m. on a Business Day and a copy of such notice is mailed within 24 hours after the transmission. Notices shall be given to the respective parties at the addresses set forth on the Data Sheet, unless and until a different address has been designated by written notice to the other party.

21. CONSTRUCTION

A. Entire Agreement. This Agreement, the Data Sheet and all exhibits to this

Agreement represent the complete and fully integrated agreement between you and us concerning the subject matter of this Agreement and supersede all prior agreements, negotiations, representations, and covenants, whether oral or written. The Manual is hereby incorporated into this Agreement by reference. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require you to waive reliance on any representation that Amorino made in the Franchise Disclosure Document (including its exhibits and amendments) that Amorino delivered to you in connection with this franchise offering. Except for those changes permitted to be made unilaterally by Amorino under this Agreement (including changes made to the Manual from time to time), no addendum, amendment, change or variance from this Agreement shall be binding on Amorino or you unless mutually agreed to in writing by Amorino and you and executed by our and your authorized officers or agents.

B. Approvals and Waivers.

(1) Whenever this Agreement requires our approval or consent, you shall make a timely written request to us in advance, and you must obtain that approval or consent in writing. We make no warranty or guarantee on which you can rely, and assume no liability or obligation to you, by providing any waiver, approval, consent or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request for any waiver, approval or suggestion.

(2) No waiver or modification of this Agreement or of any covenant, condition, or limitation contained in this Agreement shall be valid unless the same is made in writing and duly executed by the party to be charged therewith, nor shall any evidence of any waiver or modification be offered or received in evidence in any proceeding, mediation, arbitration, or litigation between the parties arising out of or affecting this Agreement, or the rights or obligations of any party hereunder, unless such waiver or modification is in writing, duly executed as aforesaid.

(3) No failure by either party to exercise any power reserved to it by this Agreement, or to insist upon strict compliance with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms of this Agreement, shall constitute a waiver of either party's right to demand exact compliance with any of its terms. The acceptance of any late payments due under this Agreement shall not be deemed to be a waiver of any preceding breach of any terms, covenants or conditions of this Agreement except those pertaining to the late payment or payments.

C. Severability. Except as expressly provided to the contrary in this Agreement, each section, part, term and/or provision of this Agreement shall be considered severable; and if, for any reason, any section, part, term and/or provision herein is determined regulation by a court or agency having valid jurisdiction to be invalid, unenforceable, contrary to, or in conflict with, any existing or future law or, such invalid section, part, term and/or provision shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms and/or provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms and/or provisions shall be deemed not to be part of this Agreement.

D. Interpretation Regarding Termination and Renewal. If any applicable law or rule of any jurisdiction requires a greater notice of the termination of or election not to renew this Agreement, or the taking of some other action with respect to the termination or election not to renew than is required in this Agreement, the notice or other action required by law or rule shall be substituted for the notice or other action required in this Agreement.

E. Survival of Terms. Any provision or covenant of this Agreement which expressly or by its nature imposes obligations beyond the expiration or termination of this Agreement shall survive any expiration or termination of this Agreement.

F. Definitions. Unless otherwise defined in this body of this Agreement, capitalized terms shall have the meanings set forth below:

(1) "Affiliate" means with respect to any specified person or Business Entity, any other person or Business Entity which is controlled by, controlling or under common control with, such specified person or Business Entity.

(2) "Business Day" means each day other than a Saturday, Sunday, U.S. holiday or any other day on which banks are not open for business in the State of Delaware.

(3) "Business Entity" means any corporation, proprietorship, firm, limited liability company, partnership, trust, association or other entity. The foregoing definition shall not include a natural person.

(4) "Force Majeure Event" means a hurricane, tornado, typhoon, flooding, lightning, blizzard, unusually severe weather event, natural catastrophe or other act of God; war, terrorist act, riot or other civil disturbance; or other similar calamitous event which could not, by the exercise of reasonable diligence, have been avoided or prevented; provided, however, that neither an act or failure to act by a government authority, nor the performance, nonperformance, or exercise of rights by your landlord, lender, contractor, or other person or Business Entity shall qualify as a Force Majeure Event unless such act, failure to act, performance, non-performance, or exercise of rights resulted from a Force Majeure Event. Your financial inability to perform or your insolvency is not a Force Majeure Event.

(5) "Manager" means an individual whom Franchisee has designated, and Amorino has approved, who has full control over day-to-day Store management and operations, has completed Amorino's initial training program, and all additional training that Amorino requires, to Amorino's satisfaction, and devotes his or her full-time efforts to Store operations.

(6) "Principal" means each principal, shareholder, partner, member, equity holder and beneficial owner of Franchisee if Franchisee is a Business Entity.

G. Interpretation. In this Agreement, unless otherwise specified or where the context otherwise requires:

(1) all references to gender shall be construed to include any other gender;

(2) all words importing the singular only shall include the plural and vice versa;

(3) the words "include," "includes" or "including" shall be deemed followed by the words "without limitation;"

(4) references to "Sections" or "Exhibits" shall be to Sections and Exhibits of or to this Agreement;

(5) the headings of particular provisions of this Agreement are inserted for convenience only and will not be construed as a part of this Agreement or serve as a limitation or expansion of the scope of any term or provision of this Agreement; and

(6) all cash payments made pursuant to this Agreement shall be made in United States Dollars.

H. Persons Bound. This Agreement shall be binding on the parties and their respective successors and assigns. You and each Principal shall be jointly and severally liable for each person's obligations under this Agreement and under the guaranty executed by each Principal. Failure or refusal by any Principal to execute a guaranty in the form attached as Attachment B shall constitute a breach of this Agreement.

I. Rules of Construction. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. Terms used in this Agreement shall be construed and interpreted according to their ordinary meaning. If any provision of this Agreement is susceptible to two or more meanings, one of which would render the provision enforceable and the other(s) which would render the provision unenforceable, the provision shall be given the meaning that renders it enforceable.

J. Timing. Time is of the essence with respect to all provisions in this Agreement. Notwithstanding the foregoing, if compliance by any party with the terms of this Agreement is delayed or rendered impossible as a result of a Force Majeure Event, the applicable deadline for compliance shall be extended for the duration of the Force Majeure Event and for a reasonable recovery period thereafter, which shall not exceed 12 months.

22. APPLICABLE LAW; ENFORCEMENT

A. Governing Law. This Agreement takes effect when accepted and signed by us. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq or other federal law, this Agreement shall be construed under the laws of the State of Delaware and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of Delaware, which laws shall prevail in the event of any conflict of law. If we decide to have the law of the new state apply, we will notify all franchisees of such decision within six months of our move, and the chosen law will apply to all franchisees; except any franchise registration or disclosure law or any franchise relationship law of the new state will only apply where the jurisdictional requirements of the law are otherwise met.

B. Mediation. In the event of any dispute arising out of or in connection with this Agreement or the relationship of the parties hereto, including without limitation any claim related to termination or expiration of this Agreement and any claim for damages and/or compensation related thereto, the parties agree to submit the matter to mediation under the American Arbitration Association Commercial Mediation Rules. The mediation shall be conducted by one (1) mediator and shall take place not more than forty-five (45) days following the filing of a request for mediation in New York County, New York. The parties or their principals must personally attend and participate for a minimum of three (3) hours. This obligation to mediate shall not apply to non-curable defaults by you.

C. Arbitration.

(1) Except as otherwise provided in this Agreement, if the mediation is not successful, any controversy, claim, cause of action or dispute arising out of, or relating to your Store or this Agreement including, but not limited to (i) any claim by either party, or any person in privity with or claiming through, on behalf of or in the right of either party, concerning the entry into, performance under or termination of this Agreement or any other agreement entered into by Franchisor, or its subsidiaries or affiliates, and Franchisee, (ii) any claim against a past or present employee, officer, director or agent of either party, (iii) any claim of breach of this Agreement, and (iv) any claims arising under state or federal laws, shall be submitted to final and binding arbitration as the sole and exclusive remedy for any such controversy or dispute. Unless, prohibited by applicable law, and except with respect to claims for payment defaults, any claim shall be made by filing a written demand for arbitration within one (1) year from the date on which Franchisor or Franchisee knew or should have known, in the exercise of reasonable diligence, of the conduct, act or other event or occurrence first giving rise to the claim; otherwise, the right to any remedy shall be deemed forever waived and lost. Claims by Franchisor regarding payment defaults may be made at any time within the applicable legal statute of limitations. Claims allegedly in defense against claim for payment are barred if not made within the one-year period referred to above. Persons in privity with or claiming through, on behalf of or in the right of Franchisee and Franchisor include, but are not limited to, spouses and other family members, heirs, executors, representatives, successors and assigns.

(2) The right and duty of the parties to this Agreement to resolve any disputes by arbitration shall be governed exclusively by the Federal Arbitration Act, as amended, and arbitration shall be conducted pursuant to the then-prevailing Commercial Arbitration Rules of the AAA. The arbitration shall be held at the office of the AAA in New York County, New York. Any dispute as to the arbitrability of any controversy, claim, cause of action or dispute shall also be determined by arbitration.

(3) One arbitrator shall be selected from a panel of neutral arbitrators provided by the AAA and shall be chosen by the striking method. The fees and expenses of the proceeding may be awarded by the arbitrator to the prevailing party. If not so awarded, the parties shall bear their own fees, costs and expenses, and the charges of the arbitrator shall be split between the parties. The arbitrator shall have no authority to amend or modify the terms of this Agreement. The arbitrator shall not have

authority to hear or consider claims by more than one franchisee in any proceeding. This arbitration provision shall be deemed to be self-executing, and in the event that either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party notwithstanding said failure to appear.

D. Nonexclusivity of Remedy. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy in this Agreement or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

E. Injunctions. Nothing in this Agreement shall bar Amorino's right to seek injunctive relief against conduct or threatened conduct prohibited by this Agreement, from any court of competent jurisdiction; and you agree to pay all costs and reasonable attorneys' fees incurred by Amorino in obtaining such relief.

F. WAIVER OF JURY TRIAL. WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

G. WAIVER OF PUNITIVE DAMAGES. WE AND YOU HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

H. ACKNOWLEDGMENT OF BUSINESS ENTITY. YOU ACKNOWLEDGE THAT YOU MAY SEEK DAMAGES OR ANY REMEDY UNDER LAW OR EQUITY ONLY AGAINST OUR BUSINESS ENTITY. OUR AFFILIATES AND OUR AND THEIR RESPECTIVE OFFICERS, DIRECTORS, MANAGERS, MEMBERS, PARTNERS, SHAREHOLDERS, INDEPENDENT CONTRACTORS AND EMPLOYEES WILL NOT BE LIABLE AND MAY NOT BE NAMED AS A PARTY AND SHALL NOT BE LIABLE IN ANY PROCEEDING COMMENCED BY YOU IF YOUR CLAIM ARISES OUT OF OR RELATES TO THIS AGREEMENT.

I. Attorneys' Fees. Should either party commence any action or proceeding for the purpose of enforcing, or preventing the breach of, any provision hereof, whether by arbitration, judicial or quasi-judicial action or otherwise, or for damages for any alleged breach of any provision hereof, or for a declaration of such party's rights or obligations hereunder, the prevailing party in any such action shall have the right to recover from the other party or parties its reasonable attorneys' fees, court costs and expenses of litigation.

23. ACKNOWLEDGEMENT; EXECUTION

A. ACKNOWLEDGEMENT. YOU ACKNOWLEDGE YOU HAVE READ THIS AGREEMENT AND UNDERSTAND ITS TERMS. YOU FURTHER ACKNOWLEDGE YOU WOULD NOT SIGN THIS AGREEMENT IF YOU DID NOT UNDERSTAND AND

AGREE TO BE BOUND BY ITS TERMS.

B. Counterparts. This Agreement may be executed in one or more counterparts, (including by facsimile or .pdf copies of original signatures), each of which counterparts shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

[remainder of page intentionally blank; signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

FRANCHISOR:	FRANCHISEE:
By: ______________________________	By: ______________________________
Name: ______________________________	Name: ______________________________
Title: ______________________________	Title: ______________________________
Date: ______________________________	Date: ______________________________

ATTACHMENT A

FORM OF
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") is made as of the last date set forth on the signature page to this Addendum, by and between ___________________________________, a _____________________company ("Franchisor"), and [_____________], a [___________] ("Franchisee"). All capitalized terms not defined herein shall have the meaning set forth in the Franchise Agreement, as defined below.

WHEREAS, Franchisor and Franchisee entered into that certain Franchise Agreement dated as of [________] (as amended from time to time, the "Franchise Agreement"); and

WHEREAS, Franchisor and Franchisee hereby wish to supplement the Franchise Agreement in accordance with the terms and conditions contained in this Addendum.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth-, the parties hereby agree to supplement the Franchise Agreement as follows:

1. Additional Terms. The parties hereby agree that: [TO INCLUDE TERMS TO BE ADDED TO FRANCHISE AGREEMENT, SUCH AS THE EXAMPLES BELOW]

a. [The "Franchised Location" is located at:]

[__________________________]

[__________________________]

[__________________________]

b. [The "Opening Date" is: [________________________].]

c. [The "Protected Area" is: [_________________________].]

2. Reaffirmation of Agreement. Except as expressly supplemented hereby, the provisions of the Franchise Agreement are and will remain in full force and effect and nothing in this Addendum will be construed as a waiver of any of the rights or obligations of the parties under the Franchise Agreement. The terms and provisions of the Franchise Agreement are incorporated by reference in this Addendum as if set forth herein.

3. Counterparts. This Addendum may be executed in one or more counterparts, (including by facsimile or .pdf copies of original signatures), each of which counterparts shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

[remainder of page intentionally blank; signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Addendum to Franchise Agreement on the dates set forth below.

FRANCHISOR:	FRANCHISEE:
CPUSA, LLC ________________________________	
By: ________________________________	By: ________________________________
Name: ________________________________	Name: ________________________________
Title: ________________________________	Title: ________________________________
Date: ________________________________	Date: ________________________________

ATTACHMENT B
PERSONAL GUARANTY
(to be signed by each Principal of the Franchisee entity)

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS ("Guaranty") is given by the persons indicated below who have executed this Personal Guaranty (each a "Guarantor").

In consideration of, and as an inducement to the issuance of that certain Franchise Agreement (the "Agreement") on this date by CPUSA LLC, a Delaware limited liability company (the "Franchisor," "we," "us," or "our"), to ____ ("Franchisee"), each Guarantor hereby personally and unconditionally (a) guarantees to Franchisor, and its successors and assigns, 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 the non-competition, confidentiality, and transfer requirements therein.

Each Guarantor hereby consents and agrees that:

(a) Guarantor's liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Franchisee and the other owners of Franchisee;

(b) Guarantor shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;

(c) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person;

(d) this liability shall not be diminished, relieved or otherwise affected by any extension of time, credit, or other indulgence which Franchisor may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims (including the release of other Guarantors), none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement, for so long as any performance is or might be owed under the Agreement by Franchisee or its owners, and for so long as Franchisor has any cause of action against Franchisee or its owners;

(e) 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 interest in the Agreement or Franchisee, and

(f) each Guarantor waives notice of any and all renewals, extensions, modifications, amendments, or transfers;

(g) upon our request, Guarantor must submit to Franchisor suitable credit and information to allow Franchisor to make a reasonable decision as to the Guarantor's creditworthiness and financial position including, without limitation, a personal net worth statement and such other information which would reasonably be considered relevant to Franchisor in determining whether or not Guarantor has the ability to satisfy their obligations under this Guaranty;

(h)this Guarantor will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of the Agreement by a trustee of Franchisee. Neither Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

(i) Franchisor may proceed against Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against any number of Guarantors, without having commenced any action, or having obtained any judgment against Franchisee or any other Guarantor. Guarantor hereby waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed;

(j) Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor; and

(k)Guarantor is bound by the restrictive covenants, confidentiality provisions, post-termination obligations, and indemnification provisions contained in the Agreement.

Each Guarantor waives: (1) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty; and (2) acceptance and notice of acceptance by Franchisor of Guarantor's undertakings under this Guaranty, notice of demand for payment of any indebtedness or non- performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which Guarantor may be entitled.

Each Guarantor acknowledges and represents that they have had an opportunity to review the Agreement and agrees that the provisions of Section 22 (Applicable Law; Enforcement) have been reviewed by Guarantor and are incorporated, by reference, into and shall govern this Guaranty and any disputes between Guarantor and Franchisor. Guarantor agrees to be personally bound by the mediation and arbitration obligations under Section 22 of the Agreement, including, without limitation, the obligation to submit to binding arbitration the claims described in Section 22 of the Agreement in accordance with its terms.

[Signature page follows]

I

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty as of the date of the referenced Franchise Agreement.

______________________________ Signature	______________________________ Signature
______________________________ Printed Name	______________________________ Printed Name
Home Address: ______________________________ ______________________________	Home Address: ______________________________ ______________________________
Home Telephone: ____________________	Home Telephone: ____________________
Business Telephone:________________________	Business Telephone:________________________
Email:______________________________	Email:______________________________
Date:______________________________	Date:______________________________

ATTACHMENT C

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

FOR PRINCIPALS AND MANAGERS

CONFIDENTIALITY AND NONCOMPETITION AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into as of this _____ day of ____, 20__(the "Effective Date"), by and among: 1) _CPUSA, LLC__ (the "Franchisor"); 2) ____________________________________a(n) ___________________________(the "Franchisee"); and 3)________________________________an individual (the "Covenantor").

PREAMBLES

Franchisor has signed or intends to sign a franchise agreement with Franchisee (the "Franchise Agreement"), under which Franchisor grants to Franchisee certain rights with regard to the development and operation of an Amorino Store (all capitalized terms used but not defined herein shall have the meanings set forth in the Franchise Agreement). Before allowing Covenantor to have access to the Confidential Information (defined below), and as a material requirement necessary to protect Franchisor's proprietary rights in and Franchisee's right to use the Confidential Information, Franchisor and Franchisee require that Covenantor enter into this Agreement.

To induce Franchisor to enter into the Franchise Agreement and/or to avoid a material breach thereof, as the case may be, Franchisor, Franchisee and Covenantor desire that Covenantor enter into this Agreement. Furthermore, due to the nature of Franchisor's and Franchisee's business, any use or disclosure of the Confidential Information other than in accordance with this Agreement will cause Franchisor and Franchisee substantial harm.

1. TRADE SECRETS AND CONFIDENTIAL INFORMATION.

Covenantor acknowledges that the Amorino System involves trade secrets that Franchisor owns and that, during Covenantor's relationship with Franchisee, Covenantor may acquire knowledge of confidential information, including know-how, sales, organizational, operational and other information concerning the Amorino System.

Covenantor agrees that, without Franchisor's and Franchisee's prior written consent, Covenantor will not use or allow the use of any trade secret or confidential information except in connection with the operation of the Amorino Store. Covenantor further agrees that he or she will not disclose the contents of any manuals, plans, records or other documents relating to the Amorino Store to any third party, except a party who is actively involved in the operation of the Amorino Store and who has a valid need for disclosure. Covenantor agrees to inform any third party or employee to whom a trade secret or confidential information is disclosed that the trade secret or confidential information is confidential and proprietary to us and that it may not be used except under a franchise agreement with Franchisor.

2. NONCOMPETITION AND NON-SOLICITATION

Covenantor agree that during the term of Covenant's employment with and/or ownership of Franchisee (and for a two (2) year uninterrupted period following the termination or expiration of such employment and ownership for any reason), except as otherwise approved in writing by Amorino, Covenantor shall not, either directly or indirectly, for himself/herself, or through, on behalf of, or in conjunction with any person, or legal entity:

(1) Divert or attempt to divert any present or prospective customer or supplier of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System.

(2) Employ or seek to employ any person who is or has been within the previous 30 days employed by Amorino or an Affiliate of Amorino as a salaried managerial employee, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with, any business that engages in the production or sale at retail or wholesale of gelato or other ice cream products, and any other products or services offered by your Store or proposed to be offered by your Store or similar Amorino Stores, other than a Amorino Store operated pursuant to a then-currently effective franchise agreement with Amorino. at any location within the United States, its territories or commonwealths, or any other country, province, state or geographic area that (i) is, or is intended to be, located at the location of the former Franchised Business; (ii) within the former Protected Area of the Store (or, if there was no protected area, within a three-mile radius of the Store); or (iii) within a three-mile radius of any other Store operating under the System and Proprietary Marks in existence or under development at the time of such expiration, termination or transfer. The obligations described in this Section shall be tolled during any period of noncompliance.

This Section will not apply to any ownership by you of less than a two percent (2%) beneficial interest in the outstanding equity securities of any publicly held corporation.

3. INJUNCTIVE RELIEF.

Covenantor agrees that a breach of this Agreement will cause irreparable injury to Franchisee and Franchisor, and entitles Franchisee and Franchisor to an order of specific performance and/or a temporary, preliminary or permanent injunction, without bond, from a court or agency of competent jurisdiction, court costs, reasonable expenses of litigation, reasonable attorney's fees, and any other appropriate relief. Covenantor agrees that his or her only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing, and expressly waive all claims for damages caused by the wrongful issuance of any injunction.

4. COSTS AND ATTORNEYS' FEES.

If Franchisor or Franchisee engages legal counsel in connection with any failure by Covenantor to comply with this Agreement, Covenantor shall reimburse Franchisor and/or Franchisee, as applicable, their reasonable attorneys' fees whether incurred before, during or after any trial, arbitration or appeal.

5. WAIVER.

Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or remedy hereunder at any one or more times be a waiver of such right or remedy at any other time or times.

6. SEVERABILITY.

Each provision of this Agreement, and any portion thereof, shall be considered severable, and if, for any reason, any such provision is held to be invalid or contrary to or in conflict with any applicable law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding which Franchisor is a party, that ruling shall not have any effect upon, such other portions of this Agreement as may remain otherwise intelligible, which shall continue to be given full force and effect and bind the parties hereto, although any portion held to be invalid shall be deemed not to be a part of this Agreement from the date the time for appeal expires, if Covenantor is a party thereto, otherwise upon Covenantor's receipt of a notice from Franchisor that it will not enforce the provision in question.

7. RIGHTS OF PARTIES ARE CUMULATIVE.

The rights of the parties hereunder are cumulative and no exercise or enforcement by a party hereto of any right or remedy granted hereunder shall preclude the exercise or enforcement by them of any other right or remedy it may have.

8. BENEFIT.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. In the event Franchisor does not sign this Agreement (regardless of the reason), Franchisor shall be deemed a third-party beneficiary of this Agreement and shall have the right to enforce this Agreement directly.

9. EFFECTIVENESS.

This Agreement shall be enforceable and effective when signed by Covenantor, even if Franchisor and Franchisee do not sign this Agreement.

10. DISPUTE RESOLUTION; GOVERNING LAW; JURISDICTION.

The dispute resolution, and governing law sections of the Franchise Agreement shall apply to this Agreement and Covenantor hereby acknowledges and accepts that those provisions shall apply to this Agreement.

[Signatures are on the next page.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written:

FRANCHISOR: CPUSA, LLC
a Delaware limited liability company

By: ____________________________

Name: __________________________

Title: ___________________________

FRANCHISEE:

By: ____________________________

Name: __________________________

Title: ___________________________

COVENANTOR:

____

Printed Name: ___________________

ATTACHMENT D

COLLATERAL LEASE ASSIGNMENT

<u>COLLATERAL ASSIGNMENT OF LEASE</u>

THIS COLLATERAL ASSIGNMENT OF LEASE (this “Assignment”) is entered into as of ____, 20___, between____(“Franchisee”) and CPUSA, LLC, a Delaware limited liability company (“Franchisor”)

Subject to the provisions hereof, Franchisee, to secure its obligations to the Franchisor under the franchise agreement between the Franchisor and Franchisee for the operation of an Amorino Store or Outlet, dated ___________________, 20__ (the “Franchise Agreement”) and under every agreement between Franchisee and the Franchisor, hereby assigns, transfers and sets over unto Franchisor and/or such person(s)/entity(ies) as Franchisor may from time-to-time designate all of Franchisee’s right, title and interest, whether as tenant or otherwise, in, to and under that certain lease (the “Lease”), a copy is attached to this Assignment, dated _________, 20__, between Franchisee and____ (“Landlord”), respecting that property commonly known as ____ (the “Premises”). The Franchisor shall have no liabilities or obligations of any kind arising from, or in connection with, this Assignment, the Lease or otherwise (including, but not limited to, any obligation to pay rent and/or other amounts) **<u>until and unless</u>** the Franchisor, at the Franchisor’s option and in its sole discretion, takes possession of the Premises pursuant to the terms hereof and expressly (and in writing) assumes the rights and obligations of Franchisee under the Lease. The Franchisor is only responsible for those obligations accruing after the date of such assumption.

The Franchisee agrees to indemnify and hold harmless the Franchisor from and against all claims and demands of any type, kind or nature made by the Landlord or any third party that arise out of or are in any manner connected with Franchisee’s use and occupancy of the Premises subject to the Lease.

The Franchisee represents and warrants to the Franchisor that Franchisee has full power and authority to assign the Lease and its interest in the Lease.

<u>The Franchisor will not take possession of the Premises until and unless Franchisee defaults (and/or until there is a termination, cancellation, rescission or expiration of Franchisee’s rights</u>) under the Lease, any sublease, the Franchise Agreement or other agreement between Franchisee and the Franchisor (or any affiliate). In such event, the Franchisor (or its designee) shall have the right and option, and is hereby empowered, (but has no obligation) to take possession of the Premises, expel Franchisee therefrom. Franchisee shall then have no further right, title or interest in or under the Lease or to the Premises, all such rights thereby passing to the Franchisor or its designee, in each case without the Landlord’s further consent. The Franchisee agrees to do all acts necessary or appropriate to accomplish such assignment on the Franchisor’s request. The Franchisee will reimburse the Franchisor for the costs and expenses incurred in connection with any such retaking, including, without limitation, the payment of any back rent and other payments due under the Lease (whether such payments are made by a separate agreement with the Landlord or otherwise), attorney’s fees and expenses of litigation incurred in enforcing this Assignment, costs incurred in reletting the Premises and costs incurred for putting the Premises in good working order and repair.

Franchisee agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Franchisor. Throughout the term of the Franchise Agreement, Franchisee agrees that it shall elect and exercise all options to extend the term of (or renew or assume in bankruptcy) the Lease not less than ten (10) days prior to the last day that said option must be exercised, unless Franchisor otherwise agrees in writing. Franchisee shall provide Franchisor with a copy of all documents related to such options, extensions and other similar documents.

Failure of the Franchisor to exercise any remedy hereunder shall not be construed or deemed to be a waiver of any of its rights hereunder. The rights and remedies of the Franchisor under this Assignment are cumulative and are not in lieu of but are in addition to any other rights and remedies which the Franchisor shall have under or by virtue of the Franchise Agreement or otherwise. The terms, covenants, and conditions contained herein shall bind Franchisee and its successors and assigns, and inure to the benefit of the Franchisor and its successors and assigns. In the event of any dispute between the parties regarding this Assignment, or any matter related in any way to it, the dispute resolution provisions (including, but not limited to, mediation, binding arbitration, waiver of jury trial and limitation of damages) of the Franchise Agreement between the Franchisor and Franchisee shall apply. The arbitrator in any such proceeding shall have the full power and authority to grant an appropriate award to give full effect to this Assignment, expelling Franchisee from the Premises and awarding possession to the Franchisor, as well as granting such other relief as may be proper and fair at law and by equity. If there is more than one Franchisee, their obligations hereunder will be joint and several.

This Assignment, any memorandum hereof or any financial statement related hereto may be recorded by, and at the expense of, the Franchisor. The Franchisee hereby appoints the Franchisor as its attorney in fact to execute any and all documents and to take any and all such actions, as are necessary or appropriate to record such instrument referenced above.

FRANCHISEE:

______________________________	______________________________
Signature	Signature
______________________________	______________________________
Printed Name	Printed Name

LANDLORD APPROVAL:

The undersigned Landlord under the Lease hereby:

1. Agrees to notify Franchisor in writing of any default and any failure of Franchisee to cure any default under the Lease;
2. Agrees that Franchisor shall have the right, but not be obligated, to cure any default by Franchisee under the Lease within 30 days after delivery by Lessor of written notice thereof;
3. Consents to the foregoing Collateral Lease Assignment and agrees that if Franchisor takes possession of the Premises and confirms to Landlord the assumption of the Lease by Franchisor as tenant, Landlord shall recognize Franchisor, or its designee, as tenant under the Lease;
4. Agrees that Franchisor may further assign the Lease or sublet the Premises to a designee and/or a person or entity who is an Amorino franchise owner reasonably acceptable to Landlord. Franchisor will have no further liability under the Lease upon such an assignment. This Approval of Landlord shall apply to any subsequent Amorino franchise owner;
5. Agrees to provide a copy of this Collateral Lease Assignment to any actual and/or prospective purchaser of the Premises.

LANDLORD	**FRANCHISOR**
______________________________	________________________
By: ____________________________	By: ____________________
Its ____________________________	Its ______________________

AREA DEVELOPMENT AGREEMENT AND ATTACHMENTS

AREA DEVELOPMENT AGREEMENT

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AMORINO AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (the "Agreement"). is made and entered into this Effective Date (defined below) by and between CPUSA, LLC, a Delaware limited liability company ("Amorino", "Company", "We", or "Us") and ____ ("Area Developer" or "You"), with reference to the following facts:

PREAMBLE

A. Amorino has a license to use and to sublicense the use of a unique and uniform method and concept relating to the establishment and operation of upscale stores, kiosk outlets, and mobile outlets ("Stores") to offer authentic, high quality gelato and sorbet and related products and services for dine-in consumption and take-out service in a clean, hospitable and sophisticated environment associated with the mark "Amorino" (the "System"). (Such stores and outlets shall be referred to in this Agreement as "Stores" or Franchised Business)". Amorino's license grants it the exclusive right to open the Stores in your Development Territory. Amorino warrants that during the term of this Agreement none of Amorino's affiliates will open, or permit others to open, outlets substantially similar to those to be opened by Area Developer.

B. The System's unique characteristics include products, recipes and menu items which incorporate Amorino's trade secrets and proprietary information and which may change from time to time at Amorino's discretion and as provided in this Agreement (the "Proprietary Products"); distinctive interior and exterior design and signage, decor, color scheme, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; procedures for inventory and management control; and training and assistance.

C. The System is identified by means of certain proprietary trademarks, trade names, service marks, logotypes, trade styles, commercial symbols, emblems, and indicia of origin, including the mark "Amorino" and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated by Amorino in writing for use in connection with the System (collectively, the "Proprietary Marks"), together with certain copyrights, advertising and promotional materials and practices, training materials, product packaging, operations manuals, including the Manual, and other works of authorship which are owned by Amorino and fixed in a tangible medium of expression (collectively, the "Copyrighted Materials").

D. Franchisee desires to obtain, and Franchisor desires to give Franchisee, the exclusive rights and obligations to open multiple additional Amorino Stores within a designated geographic area, according to an agreed development schedule, and the terms set forth herein.

E. Franchisee has read this Agreement and the Franchise Disclosure Document and has had adequate opportunity to be thoroughly advised of the terms and conditions of those documents by counsel of Franchisee's choosing; and Franchisee understands and accepts the terms, conditions, and covenants herein contained, as being reasonably necessary to maintain the Franchisor's high standards of quality, appearance, and service.

NOW, THEREFORE, in consideration of the mutual covenants and commitments contained herein, and the recitals which are incorporated herein, the parties hereby agree as follows:

I. GRANT OF AREA DEVELOPMENT FRANCHISE

1.1 Grant of Area Development Franchise

Company hereby grants to Area Developer, and Area Developer hereby accepts, the exclusive right, during the term hereof, to develop Stores in the Area Development Territory more fully described in Schedule "A" which is annexed hereto and by this reference made a part hereof (the "Area Development Territory"), upon the terms and subject to the conditions of this Agreement.

II. AREA DEVELOPER'S DEVELOPMENT SCHEDULE OBLIGATION

2.1 Minimum Development Obligation

Area Developer hereby agrees to construct, equip, open and thereafter continue to operate within the Area Development Territory the number and types of Stores set forth in Schedule "A," which is annexed hereto and by this reference made a part hereof, within each of the time periods set forth in Schedule A (hereafter the "Minimum Development Obligation"). Time is of the essence.

2.2 Area Developer May Exceed Minimum Development Obligation

During the Term, Area Developer may, subject to the terms and conditions of this Agreement and the Franchise Agreements, construct, equip, open and operate more Stores in the Area Development Territory than required in the Minimum Development Obligation.

III. AREA DEVELOPMENT TERRITORY PROTECTION

3.1 Protection of Area Development Area

During the term of this Agreement, Company shall not operate or grant a franchise to any other person to operate a Franchised Business within the Area Development Territory.

3.2 Reservation of Rights.

Company, on behalf of itself and its affiliates, reserves the following sole and absolute right to:

a) provide, franchise, license, sell, distribute and market any services or products (under any brand, including but not limited to our Proprietary Marks) through any channel or method of distribution, other than an Amorino Store located in your Area Development Territory, including, without limitation, through retail establishments or via the internet, whether inside or outside of your Area Development Territory;

b) to establish and operate, and grant to others the right to establish and operate, Amorino Stores at locations anywhere outside the Area Development Territory, including locations near, on or adjacent to the Area Development Territory's boundaries;

c) offer and sell to persons outside the Area Development Territory, using the Proprietary Marks, services and products that are the same as the services and products offered by Amorino Stores;

d) in or outside the Area Development Territory, to offer and sell different services and products not offered within an Amorino Store, using the Proprietary Marks, without offering you the right to participate, however, we agree that services and products that are consistent with the types of products and services sold by the Stores and with the manner in which the Stores are operated, will be limited to sale through the Stores except for items designed for wholesale sale to different types of outlets such as prepackaged items to be sold in supermarkets and other product categories to be sold through unaffiliated retail outlets;

e) acquire and continue to operate, directly or indirectly, any business operating under different trademarks in or outside the Area Development Territory;

f) acquire and retain, directly or indirectly, the rights and obligations of any franchisor or licensor of any business similar to an Amorino Store operating under different trademarks in or outside the Area Development Territory;

g) in or outside the Area Development Territory, to establish and promote other franchise systems involving different services or products using different trademarks, and to establish company-owned or franchised outlets for those systems, without offering you the right to participate;

h) offer and sell Amorino franchises to persons who are located outside the Area Development Territory;

i) offer and sell franchising rights to Area Developers who are located outside the Territory;

j) be acquired, directly or indirectly, in whole or in part, by any person(s) who provide products or services similar or dissimilar to those provided by Amorino Stores;

k) if we, through a merger or any other form of acquisition acquire the ownership rights to or the rights, as franchisor or licensor, to collect franchise fees or licensing fees from any business(es) that are located within your Area Development Territory, and so long as such business(es) would not become converted to operate under the Proprietary Marks; then such acquired business(es) shall not be deemed to violate the Territory rights granted to you and you shall not be entitled to receive any revenue, royalty or other rights associated with such acquired business(es); and

l) provide, offer, sell and grant others the right to provide, offer and sell services and goods similar to and/or competitive with those provided at Amorino Stores, whether identified by the Proprietary Marks or other trademarks or service marks, at festivals, cultural or trade exhibitions, or other public events, both inside and outside the Territory. If you desire to participate in any such event or events in your Development Territory, you must notify us of the type and location of the event, the nature of your proposed participation and any other information we reasonably request. We will have a reasonable time to consider and grant or deny your request or to elect to undertake the participation ourselves.

IV. TERM OF AREA DEVELOPMENT AGREEMENT

4.1 Term

The term of this Agreement (the "Term") shall commence on the Effective Date and, unless sooner terminated in accordance with the provisions herein, or extended, shall continue for a period of five years.

4.2 Renewal

Area Developer shall have no right to renew this Agreement.

4.3 Limited Additional Development Right

Within 60 days prior to the expiration of the Term, if Company shall determine that further development of the Area Development Territory is desirable, Company shall notify Area Developer in writing of Company's determination to develop additional Stores in the Area Development Territory and its proposed schedule for such development over a five-year term. Subject to the conditions set forth in section 4.5 of this Agreement, Area Developer shall have a prior right to undertake the additional development which Company shall have set forth in its notice to Area Developer. This right of additional development by Area Developer shall be exercised only in accordance with Section 4.4 and is subject to the conditions set forth in Section 4.5. If such right of additional development is not exercised by Area Developer, Company or any Franchisee franchised by Company may construct, equip, open and operate additional Stores in the Area Development Territory. We agree that our proposal will be reasonable considering your compliance with the requirements under Section 4.5.

4.4 Exercise of Right of Additional Development

At the time Company delivers to Area Developer Company's written notice of its determination to undertake additional development in the Area Development Territory, Company shall also deliver to Area Developer a copy of Company's then-current Franchise Disclosure Document or its equivalent as may be required by applicable law (the "Disclosure Document") and two copies of the then-current area development agreement. ("Then-current," as used in this Agreement and applied to the Franchise Disclosure Document and Area Development Agreement shall mean the form then currently provided to prospective franchisees or Area Developers, or if not then being so provided, then such form selected by the Company in its sole discretion which previously has been delivered to and executed by a franchisee of Company). The new area development agreement may vary substantially from this Agreement, except that: (a) the new area development agreement shall provide for the same percentage discounts for the initial franchise fees to be paid on the individual franchise agreements for the third and additional Stores as provided in Schedule C to this Area Development (provided that Area Developer has opened at least two Stores during the term of this Area Development Agreement); and (b) Area Developer shall not be required to pay another Area Development Franchise Fee, although Company may impose other types of fees or charges. The new area development agreement will reflect Area Developer's new development obligation consistent with Company's plan for additional development set forth in its notice to Area Developer. Within thirty (30) days after Area Developer's receipt of the Franchise Disclosure Document and the new area development agreement, but no sooner than immediately after any applicable waiting periods prescribed by law ("Disclosure Period") have passed, Area Developer shall execute two copies of the Area Development Agreement described in the Franchise Disclosure Document and return them to Company. If Area Developer has so executed and returned the copies and has satisfied the conditions set forth in Section 4.5, Company will execute the copies and return one fully executed copy to Area Developer.

4.5 Conditions to Exercise of Right of Additional Development

Area Developer's right to additional development described in Section 4.3 shall be subject to Area Developer's fulfillment of the following conditions precedent:

(a) Area Developer shall be in good standing under this Agreement and all other agreements between Company and Area Developer.

(b) Area Developer shall have demonstrated to Company, Franchisee's financial capacity to perform the additional development obligations set forth in the new area development agreement. In determining if Area Developer is financially capable, Company will apply the same criteria to Area Developer as it applies to prospective Area Developers at that time.

(c) At expiration of the Term, Area Developer shall continue to operate, in the Area Development Territory, not less than the aggregate number of Stores required by the Minimum Development Obligation set forth in Schedule “A”.

(d) Area Developer shall not have already received the right to enter into three additional five-year development terms.

V. PAYMENTS BY AREA DEVELOPER

5.1 Area Development Territory Fee.

Area Developer shall pay to Company the Area Development Territory Fee, in the amount set forth in Schedule “A” (“Area Development Territory Fee”). The fee is fully earned and non-refundable, even if you do not open the Additional Locations.

5.2 Credit Applied Against the Then-Current Franchise Fee for the Additional Location

If Schedule A specifies that a portion of the Area Development Fee is allocated to additional locations, then when you sign each unit franchise agreement for each additional location, the portion allocated to that location will serve as a credit or partial credit toward the Initial Franchise Fee for the additional location.

VI. EXECUTION OF INDIVIDUAL FRANCHISE AGREEMENTS

6.1 Execution of Then-Current Franchise Agreement

Prior to opening each outlet, Area Developer shall enter into the then-current form of Franchise Agreement for each outlet and pay the Initial Franchise Fee or the remaining balance owed for the Initial Franchise Fee for that location. A separate copy of that Franchise Agreement will be executed for each outlet opened pursuant to this Agreement and will set forth the location of the outlet, its protected territory and any other items that pertain to that facility. We only provide you with the Paris ten-day initial training for your first location; and we only provide you with the on-site five-day training at your first, second and third stores but not for any additional stores.

6.2 Condition Precedent to Company's Obligations

It shall be a condition precedent to Company's obligations to offer Area Developer a franchise agreement pursuant to Section 6.1, that Area Developer shall be in good standing under and pursuant to all agreements between Area Developer and Company.

6.3 Training for Managers of Subsequent Stores to Be Provided by Area Developer

After Area Developer has opened sufficient Stores to achieve a percentage discount on the Initial Franchise Fees of greater than fifty percent, per Schedule A, Area Developer shall be considered an "Experienced Amorino Store Operator". With respect to any Franchise Agreements which Area Developer enters into with Company after Area Developer has become an Experienced Amorino Store Operator, Area Developer shall be solely responsible for providing all required training to the managers of such Stores, as outlined in Company's then-current Franchise Disclosure Document and Operations Manual. In that case, Company shall not be obligated to provide Initial Training to the managers for such Stores, notwithstanding that such Initial Training is required to be provided by the Company in the Franchise Agreement. Upon request by Area Developer, or if Company determines that Area Developer's managers have not been adequately trained, Company will provide training for such managers for a fee charged to Area Developer, at Company's then-current rates for training. In such case, Area Developer shall be responsible for the travel and loading costs of such managers to attend such training at Company's headquarters or designated Store.

VII. ASSIGNABILITY AND SUBFRANCHISING

7.1 Assignability by Company

Company shall have the right to assign this Agreement, or any of its rights and privileges hereunder to any other person, firm or corporation without Area Developer's prior consent; provided that, in respect to any assignment resulting in the subsequent performance by the assignee of the functions of Company, the assignee shall expressly assume and agree to perform such obligations.

7.2 No Subfranchising by Area Developer

Area Developer shall not offer, sell, or negotiate the sale of Amorino franchises to any third party, either in Area Developer's own name or in the name and on behalf of Company, or otherwise subfranchise, share, divide or partition this Agreement, and nothing in this Agreement will be construed as granting Area Developer the right to do so.

7.3 Assignment by Area Developer

(a) This Agreement has been entered into by Company in reliance upon and in consideration of the singular personal skill, qualifications and trust and confidence reposed in Area Developer or, in the case of a corporate or partnership franchisee, the principal officers or partners thereof who will actively and substantially participate in the ownership and operation of the Franchised Business. Therefore, neither Area Developer's interest in this Agreement nor any of its rights or privileges shall be assigned or transferred, voluntarily or involuntarily, in whole or in part, by operation of law or otherwise, in any manner, without the prior written consent of Company, which may be withheld for any reason or for no reason. Any attempted assignment or transfer without Company's consent shall be considered null and void.

(b) Should Company not elect to exercise its said right of first refusal, or should such right of first refusal be inapplicable, as herein provided, Area Developer shall not have the right to submit a request for consent, and Company shall not be obligated to even entertain or consider such a request, unless Area Developer demonstrates that:

(i) that the assignee (or the principal officers, shareholders, directors or general partners of the assignee in the case of a corporate or partnership assignee) demonstrate that they have the skills, qualifications and economic resources necessary, in Company's judgment, reasonably exercised, to own and operate the Stores contemplated by this Agreement, and by all other agreements between the Company and such assignee, and all agreements proposed to be assigned to such assignee;

(ii) that the assignee expressly assumes in writing for the benefit of Company all rights and obligations of Area Developer under this Agreement and all franchise agreements executed pursuant hereto;

(iii) that the assignee shall have completed the Company's training program to Company's satisfaction, exercised in good faith;

(iv) that as of the date of any such assignment, the assignor shall have fully complied with all of its obligations to Company, whether under this Agreement or any other agreement, arrangement or understanding with Company;

(v) that assignee, if then a Franchisee of Company, is not then in default of any of his obligations to Company;

(vi) that Area Developer provides a general release to Company, its owners, officers, directors, and affiliates;

(vii) that the assignee shall pay to Company a transfer fee equal to $5,000 which is reasonably required to cover Company's expenses relating to said assignment, and a training fee of $5,000; provided however that Company shall waive such training fee if the assignment is to an existing franchisee.

(c) If Area Developer is a corporation, or a limited or general partnership, each of the following shall be deemed to be an assignment of this Agreement within the meaning of this Section, the death or legal incapacity of any shareholder owning twenty percent (20%) or more of the capital stock or voting power of Area Developer; (ii) if Area Developer is a general or limited partnership, the withdrawal, death or legal incapacity of a general partner, or a limited partner owning twenty percent (20%) or more of the voting power, property, profits or losses, of the partnership, or the admission of any additional general partner or transfer by any general partner of its interest in the property, management or profits and/or losses of the partnership; (iii) the issuance of any securities by Area Developer which itself or in combination with any other transaction(s) results in the shareholders or partners existing as of the Effective Date, as applicable, owning less than eighty percent (80%) of the outstanding shares or voting power of a corporate Area Franchise, or of the voting power or interests in the property, profits or losses of a limited partnership; (iv) the transfer of twenty percent (20%) or more in the aggregate of the capital stock or voting power of Area Developer, by operation of law or otherwise; and (v) any merger, stock redemption, consolidation, reorganization or recapitalization involving Area Developer.

(d) Area Developer shall not in any event have the right to pledge, encumber, hypothecate or otherwise give any third party a security interest in this Agreement in any manner whatsoever without the express prior written permission of Company, which permission may be withheld for any reason whatsoever in Company's sole subjective judgment.

7.4 Right of First Refusal

Except as expressly provided in Section 7.3 to the contrary, any assignment of this Agreement, or any interest herein, shall be subject to Company's right of first refusal with respect thereto. Company's said right of first refusal shall be exercised in the following manner:

(a) Area Developer shall deliver to Company a written notice clearly and unambiguously setting forth all of the terms and conditions of the proposed assignment and all available information concerning the proposed assignee, including but not limited to, information concerning the employment history, financial condition, credit history, skill and qualifications of the proposed assignee and, in the case of a partnership or corporate assignee, of its partners and shareholders as applicable.

(b) Within thirty (30) days after Company's receipt of such notice (or if Company shall request additional information, within thirty (30) days after receipt of such additional information), Company may either consent or withhold its consent to such assignment, in accordance with Section 7.3, or, at its option, accept the assignment to itself or to its nominee upon the terms and conditions specified in the notice. Company may substitute an equivalent sum of cash for any consideration other than cash specified in said notice.

(c) If Company shall elect not to exercise its said right of first refusal and shall consent to such assignment, Area Developer shall, subject to the provisions of Section 7.3, be free to assign this Agreement to such proposed assignee on the terms and conditions specified in said notice. If, however, Company does not elect to exercise its right of first refusal and said terms shall be materially changed, or if more than 90 days shall pass without such assignment occurring, such changed terms or lapse of time shall be deemed a new proposal and Company shall again have such right of first refusal with respect thereto.

7.5 Individual Franchise Agreements

Area Developer shall not execute any Franchise Agreement, or construct or equip any Store with a view to transfer or assign such Franchise Agreement or Store.

7.6 Assignment to Affiliate

Notwithstanding the foregoing, Company shall permit Area Developer to form a new legal entity (“Affiliate”) to sign a Franchise Agreement under this Agreement and a lease for a Store to be opened under this Agreement, provided that:

(i) The affiliate has the same owners as the area developer holding 51% or more of its property or voting rights, or the affiliate is a directly or indirectly controlled affiliate of the area developer, and the area developer provides written evidence of same;

(ii) that the Affiliate expressly assumes in writing for the benefit of Company all rights and obligations of Area Developer under this Agreement and all franchise agreements executed pursuant hereto;

(iii) that as of the date of any such assignment, the Area Developer shall have fully complied with all of its obligations to Company, whether under this Agreement or any other agreement, arrangement or understanding with Company;

(iv) that Area Developer provides a general release to Company, its owners, officers, directors, and affiliates;

(v) that the Area Developer shall pay to Company a transfer fee equal to $1,000 which is reasonably required to cover Company's legal and administrative expenses in connection with this transfer of these rights.

(vi) that Area Developer and Affiliate demonstrate to Company's satisfaction that Affiliate has sufficient capital to undertake the obligations of the Franchise Agreement.

VIII. NON-COMPETITION

8.1 In Term

During the term of this Agreement, neither Area Developer, nor any officer, director shareholder, or general partner or limited partner of a corporate or partnership franchisee, shall either directly or indirectly, own, operate, advise, be employed by, or have any interest in any business that engages in the production or sale at retail or wholesale of gelato or other ice cream products, or any other products or services offered by any of your Stores or proposed to be offered by any of your Stores or offered by Amorino Stores, anywhere, whether within or outside the Area Development Territory, unless Company shall consent thereto in writing.

8.2 Post-Term.

During a two-year uninterrupted period after the expiration or termination of this Agreement, for any reason, neither Area Developer, nor any officer, director, shareholder or general partner or limited partner of a corporate or partnership franchisee, shall:

(1) Divert or attempt to divert any present or prospective customer or supplier of any Amorino Store to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System.

(2) Employ or seek to employ any person who is or has been within the previous 30 days employed by Amorino or an Affiliate of Amorino as a salaried managerial employee, or otherwise directly or indirectly induce such person to leave his or her employment.

(3) Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with, any business that engages in the production or sale at retail or wholesale of gelato or other ice cream products, and any other products or services offered by your Store or proposed to be offered by your Store or offered by Amorino Stores, at any location within the United States, its territories or commonwealths, or any other country, province, state or geographic area that (i) is, or is intended to be, located at the location of any of your former Stores; (ii) within the former Protected Area of any of your Stores (or, if there was no protected area, within a three-mile radius of the Store); (iii) within a three-mile radius of any other Store operating under the System and Proprietary Marks in existence or under development at the time of such expiration, termination or transfer; or (iv)

anywhere within your former Area Development Territory. The obligations described in this Section shall be tolled during any period of noncompliance.

8.3 Modification.

The parties have attempted in Sections 8.1 and 8.2 above to limit the Area Developer's right to compete only to the extent necessary to protect the Company from unfair competition. The parties hereby expressly agree that if the scope or enforceability of Section 8.1 or 8.2 is disputed at any time by Area Developer, a court or arbitrator, as the case may be, may modify either or both of such provisions to the extent that it deems necessary to make such provision(s) enforceable under applicable law. In addition, the Company reserves the right to reduce the scope of either, or both, of said provisions without Area Developer's consent, at any time or times, effective immediately upon notice to Area Developer.

8.4 Confidentiality and Non-Competition Agreements for Principals and Managers

Each principal and manage of Area Developer shall execute and deliver to Company a confidentiality and non-competition agreement in the form attached as Attachment C to the Franchise Agreement in this Disclosure Document, or such other form as proscribed by Company from time to time.

IX. DEFAULT AND TERMINATION

9.1 Termination Pursuant to A Material Breach of This Agreement

This Agreement may be terminated by Company for cause without notice or opportunity to cure, except for such notice as may be required by law, in the event of any material breach by Area Developer of this Agreement. Material breach, as used herein, shall specifically include, among other things, the following:

(a) Any attempt by Area Developer to sell, assign, transfer or encumber in whole or in part any or all rights and obligations under this Agreement, in violation of the terms of this Agreement, or without the written consents required, pursuant to this Agreement.

(b) Failure of Area Developer to meet the Minimum Development Obligations within the Development Periods set forth herein. Time is of the essence.

9.2 Termination by Reason of a Material Breach of Other Agreement

This Agreement may be terminated, at the election of Company, in the event of any material breach by Area Developer of an individual Franchise Agreement or any other agreement between Company and Area Developer, upon the notice, if any, specified in the Franchise Agreement or other agreement.

9.3 Other Remedies

In addition to, or in lieu of, termination of this Agreement, in our sole discretion, if you are in breach of any obligation under this Agreement, or any agreement with any of our affiliates, and we or our affiliates deliver to you a notice of default, we have the right to permanently reduce the geographic area of your Protected Territory, and we and our affiliates have the right to withhold or suspend performance of any of our or their obligations to you under any agreement with you, including, without limitation, the sale or supply of any services, products or ingredients for which we or our affiliates are an approved supplier to you and/or suspension of your listing or webpage on our Website, until such time as you correct the breach. and our affiliates will have all remedies allowed hereunder and at law, including termination of your rights (and/or those of any person/company affiliated with you) and our (and/or our affiliates') obligations. No right or remedy which we may have (including termination) is exclusive of any other right or remedy provided under law or equity and we may pursue any rights and/or remedies available.

9.4 Effect of Termination

Upon the expiration of the Term, or upon the prior termination of this Agreement, Area Developer shall have no further right to construct, equip, own, open or operate additional Stores which are not, at the time of such termination or expiration, the subject of a then existing Franchise Agreement between Area Developer and Company which is in full force and effect, and Company may itself construct, equip, open, own or operate, or license others to construct, equip, open, own or operate Stores in the Area Development Territory, except as provided in Sections 4.3 and 4.4 of this Agreement, and as provided in any Franchise Agreement executed pursuant to this Agreement.

9.5 Termination by Area Developer

Without Franchisor's written consent, Area Developer may not terminate this Agreement prior to the expiration of the term, except through legal process resulting from Franchisor's breach of this Agreement which breach results in a material adverse effect on Area Developer, and only under the following conditions: If (i) Area Developer is not currently in material breach of this Agreement or any other agreement between Franchisor and Area Developer and (ii) Franchisor materially breaches this Agreement and fails to cure such breach within one hundred and twenty (120) days (or such other reasonable time if additional time is required to cure such breach) after written notice of such breach, specifically enumerating all alleged deficiencies, is delivered to Franchisor by Area Developer, Area Developer may terminate this Agreement. Such termination shall be effective thirty (30) days after delivery to Franchisor of notice that such material breach has not been cured and Area Developer elects to terminate this Agreement.

X. CORPORATE OR PARTNERSHIP AREA DEVELOPER

10.1 Corporate or Partnership Area Developer

(a) If Area Developer is a corporation, limited liability company, or partnership, there is set forth below the name and address of each shareholder, member, director, and/or partner in Area Developer:

NAME	ADDRESS	TITLE, SHARES, AND/OR PERCENTAGE INTEREST

(b) The address where Area Developer's financial Records, and corporate or partnership records, as applicable, are maintained is:

(c) If Area Developer is a corporation, limited liability company, or partnership, there is set forth below the names, and addresses and titles of Area Developer's principal officers or partners who will be devoting their full time to the Franchised Business of Area Developer:

NAME	ADDRESS

(d) Area Developer shall notify Company in writing within ten (10) days of any change in the information set forth in subparagraphs (a) through (d) above.

(e) Area Developer promptly shall provide such additional information as Company may from time to time request concerning all persons who may have any direct or indirect financial interest in Area Developer.

(f) If Area Developer is a corporation, limited liability company, or partnership, each of the shareholders or partners, as applicable, of Area Developer shall, by executing this Agreement, fully, unconditionally and irrevocably guarantee the performance by Area Developer of all of its obligations hereunder. In addition, Franchisee shall upon Company's request cause all of its current and future shareholders and partners to execute the Company's standard form of Guarantee.

XI. APPLICABLE LAW; ENFORCEMENT

11.1 Governing Law.

This Agreement takes effect when accepted and signed by us. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq or other federal law, this Agreement shall be construed under the laws of the State of Delaware and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of Delaware, which laws shall prevail in the event of any conflict of law. If we move our company headquarters, we shall have the option of determining that the substantive law of the state to which we move will replace all references to Delaware law in this Agreement, or of continuing to have Delaware law apply. If we decide to have the law of the new state apply, we will notify all franchisees of such decision within six months of our move, and the chosen law will apply to all franchisees; except any franchise registration or disclosure law or any franchise relationship law of the new state will only apply where the jurisdictional requirements of the law are otherwise met.

11.2 Mediation.

In the event of any dispute arising out of or in connection with this Agreement or the relationship of the parties hereto, including without limitation any claim related to termination or expiration of this Agreement and any claim for damages and/or compensation related thereto, the parties agree to submit the matter to mediation under the American Arbitration Association Commercial Mediation Rules. The mediation shall be conducted by one (1) mediator and shall take place not more than forty-five (45) days following the filing of a request for mediation in New York County, New York. The parties or their principals must personally attend and participate for a minimum of three (3) hours. This obligation to mediate shall not apply to non-curable defaults by you.

11.3 Arbitration.

(1) Except as otherwise provided in this Agreement, if the mediation is not successful, any controversy, claim, cause of action or dispute arising out of, or relating to any of your Stores or this Agreement including, but not limited to (i) any claim by you, or any person in privity with or claiming through, on behalf of or in the right of you, concerning the entry into, performance under, or termination of, this Agreement or any other agreement entered into by Franchisor, or its subsidiaries or affiliates, and Area Developer, (ii) any claim against a past or present employee, officer, director or agent of Franchisor, (iii) any claim of breach of this Agreement, and (iv) any claims arising under state or federal laws, shall be submitted to final and binding arbitration as the sole and exclusive remedy for any such controversy or dispute. Unless, prohibited by applicable law, and except with respect to claims for payment defaults, any claim shall be made by filing a written demand for arbitration within one (1) year from the date on which Franchisor or Area Developer knew or should have known, in the exercise of reasonable diligence, of the conduct, act or other event or occurrence first giving rise to the claim; otherwise, the right to any remedy shall be deemed forever waived and lost. Persons in privity with or claiming through, on behalf of or in the right of Area Developer and Franchisor include, but are not limited to, spouses and other family members, heirs, executors, representatives, successors and assigns.

(2) The right and duty of the parties to this Agreement to resolve any disputes by arbitration shall be governed exclusively by the Federal Arbitration Act, as amended, and arbitration shall be conducted pursuant to the then-prevailing Commercial Arbitration Rules of the AAA. The arbitration shall be held at the office of the AAA in New York County, New York. Any dispute as to the arbitrability of any controversy, claim, cause of action or dispute shall also be determined by arbitration.

(3) One arbitrator shall be selected from a panel of neutral arbitrators provided by the AAA and shall be chosen by the striking method. The fees and expenses of the proceeding may

be awarded by the arbitrator to the prevailing party. If not so awarded, the parties shall bear their own fees, costs and expenses, and the charges of the arbitrator shall be split between the parties. The arbitrator shall have no authority to amend or modify the terms of this Agreement. The arbitrator shall not have authority to hear or consider claims by more than one franchisee in any proceeding. This arbitration provision shall be deemed to be self-executing, and in the event that either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such party notwithstanding said failure to appear.

11.4 Nonexclusivity of Remedy.

No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy in this Agreement or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

11.5 Injunctions.

Either party shall be entitled to seek a temporary restraining order and/or injunctive relief against conduct or threatened conduct that would cause any irreparable injury or damage to that party without prior resort to the mediation and arbitration procedure set forth above. The court shall have the power to award reasonable attorneys' fees, costs of suit and related expenses to the party that prevails in any such action.

11.6. Waiver of Jury Trial.

WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

11.7 Waiver of Punitive Damages.

WE AND YOU HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

XII. GENERAL CONDITIONS AND PROVISIONS

12.1 Relationship of Area Developer to Company

It is expressly agreed that the parties intend by this Agreement to establish between Company and Area Developer the relationship of franchisor and franchisee. It is further agreed that Area Developer has no authority to create or assume in Company's name or on behalf of Company, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of Company for any purpose whatsoever. Neither Company nor Area Developer is the employer, employee, agent, partner or co-venturer of or with the other, each being independent. Area Developer agrees that he will not hold himself out as the agent, employee, partner or co-venturer of Company. All employees hired by or working for Area Developer shall be the employees of Area Developer and shall not, for any purpose, be deemed employees of Company or subject to Company control. Each of the parties agrees to file its own tax, regulatory and payroll reports with respect to its respective employees and operations, saving and indemnifying the other party hereto of and from any liability of any nature whatsoever by virtue thereof.

12.2 Indemnity by Area Developer

Area Developer hereby agrees to protect, defend and indemnify Company, and all of its past, present and future shareholders, direct and indirect parent companies, subsidiaries, affiliates, officers, directors, employees, attorneys and designees and hold them harmless from and against any and all costs and expenses, including attorneys' fees, court costs, losses, liabilities, damages, claims and demands of every kind or nature on account of any actual or alleged loss, injury or damage to any person, firm or corporation or to any property arising out of or in connection with Area Developer's operation of the Franchised Business pursuant hereto.

12.3 No Consequential Damages For Legal Incapacity

Company shall not be liable to Area Developer for any consequential damages, including but not limited to lost profits, interest expense, increased construction or occupancy costs, or other costs and expenses incurred by Area Developer by reason of any delay in the delivery of Company's Franchise Disclosure Document or legal incapacity during the Term.

12.4 Waiver and Delay

No waiver by either party of any breach or series of breaches or defaults in performance, and no failure, refusal or neglect by either party to exercise any right, power or option given to it hereunder or under any other franchise agreement between the parties, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Stores) or to insist upon strict compliance with or performance of any obligations under this Agreement or any other franchise agreement between the parties, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Stores), shall constitute a waiver of the provisions of this Agreement with respect to any subsequent breach thereof or a waiver by either party of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

12.5 Survival of Covenants

The covenants contained in this Agreement which, by their terms, require performance by the parties after the expiration or termination of this Agreement, shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

12.6 Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Company and shall be binding upon and inure to the benefit of Area Developer and his or their respective heirs, executors, administrators, successors and assigns, subject to the prohibitions against assignment contained herein.

12.7 Joint and Several Liability

If Area Developer consists of more than one person or entity, or a combination thereof, the obligations and liabilities of each such person or entity to Company are joint and several.

12.8 Governing Law

This Agreement shall be construed in accordance with the laws of the State of Delaware. If we move our company headquarters we shall have the option of determining that the substantive law of the state to which we move will replace all references to Delaware law in this Agreement, or of continuing to have Delaware law apply. If we decide to have the law of the new state apply, we will notify all franchisees of such decision within six months of our move, and the chosen law will apply to all franchisees; except any franchise registration or disclosure law or any franchise relationship law of the new state will only apply where the jurisdictional requirements of the law are otherwise met.

12.9 Entire Agreement

This Agreement and the Exhibits incorporated herein contain all of the terms and conditions agreed upon by the parties hereto concerning the subject matter hereof. No other agreements concerning the subject matter hereof, written or oral, shall be deemed to exist or to bind any of the parties hereto and all prior agreements, understandings and representations, are merged herein and superseded hereby. Area Developer represents that there are no contemporaneous agreements or understandings between the parties relating to the subject matter of this Area Development Agreement that are not contained herein. No officer or employee or agent of Company has any authority to make any representation or promise not contained in this Agreement or any Franchise Disclosure Document for prospective franchisees required by applicable law, and Area Developer agrees that he has executed this Agreement without reliance upon any such representation or promise. This Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto. Nothing in any agreement(s) is intended to disclaim the express representations made in the Franchise Disclosure Document.

12.10 Titles for Convenience

Article and paragraph titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

12.11 Gender

All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any article or paragraph hereof may require.

12.12 Severability

Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event that any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

12.13 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

12.14 Fees and Expenses

Should either party commence any action or proceeding for the purpose of enforcing, or preventing the breach of, any provision hereof, whether by arbitration, judicial or quasi-judicial action or otherwise, or for damages for any alleged breach of any provision hereof, or for a declaration of such party's rights or obligations hereunder, the prevailing party in any such action shall have the right to recover its reasonable attorneys' fees, court costs and expenses of litigation.

12.15 Notices

Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties pursuant hereto shall be deemed so delivered at the time delivered by hand or by overnight courier.

If to Company:
CPUSA, LLC
251 Little Falls Drive,
Wilmington, Delaware 19808
Tel. (011) (33) (1) 53-14-57-00
usa@amorino.com

If to Area Developer:

____

____

or to such other address as such party may designate by ten (10) days' advance written notice to the other party.

XIII. SUBMISSION OF AGREEMENT

13.1 General

The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution thereof by Company and Area Developer. THIS AGREEMENT SHALL NOT BE BINDING ON COMPANY UNLESS AND UNTIL IT SHALL HAVE BEEN ACCEPTED AND SIGNED BY THE PRESIDENT OF COMPANY.

XIV. ACKNOWLEDGMENT

14.1 General

Area Developer, and its shareholders and partners, as applicable, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and be bound hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the first date set forth above.

COMPANY: CPUSA, LLC:
a Delaware limited liability company

By ____________________________

Its ____________________________

Date:__________________________ ("Effective Date")

AREA DEVELOPER:______________________________

By ____________________________

Its ____________________________

Date:_________________________

OWNERS AND SHAREHOLDERS LISTED IN SECTION 10.1 ABOVE:

________________________________ Date:______________________
an Individual

________________________________ Date:_____________________
an Individual

________________________________ Date:____________________
an Individual

SCHEDULE A

AREA DEVELOPMENT AGREEMENT – DATA SHEET

DESCRIPTION OF AREA DEVELOPMENT TERRITORY:

The Area Development Territory is described as follows: ____________________________
____
____
____

AREA DEVELOPMENT TERRITORY INITIAL FEE:

The Area Development Territory Initial Fee is: _____________________________________
____

Describe how the Area Development Territory Initial Fee was calculated, and if any portion shall be allocated to the Initial Franchise Fee of each location:

____

MINIMUM DEVELOPMENT OBLIGATIONS AND SCHEDULE:
(If obligations are set separately for sub-areas, a separate copy of this form can be used for each sub-area)

Development Period Ending	Area	Number and type of stores/outlets to be in operation as of, and continuing from, such date

EXHIBIT C
FINANCIAL STATEMENTS

CPUSA LLC
(A Wholly-Owned Subsidiary of Amorino USA Corp.)

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2024

with

INDEPENDENT AUDITOR'S REPORT

Audited Financial Statements

CPUSA LLC
(A Wholly-Owned Subsidiary of Amorino USA Corp.)

December 31, 2024

INDEPENDENT AUDITOR'S REPORT

Board of Directors and Member
CPUSA LLC
Wilmington, Delaware

Opinion

We have audited the accompanying financial statements of CPUSA LLC, which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, changes in member's deficit, and cash flows for the years then ended, and the notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CPUSA LLC as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended 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 CPUSA 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.

Emphasis of Matter

As more fully described in Note B to the financial statements, an affiliate of the Company bears costs incurred to fulfill the Company's performance obligations under its contracts with customers. The Company's operating results and financial position could be different if the Company and the affiliate were unrelated entities. Our opinion is not modified with respect to this matter.

Other Matter – Predecessor Auditor

The financial statements of CPUSA LLC as of and for the year ended December 31, 2022, was audited by another auditor who expressed an unmodified opinion on those statements on February 20, 2023.

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1040 Crown Pointe Parkway, NE, Suite 900, Atlanta, GA 30338

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 CPUSA LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audits 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 CPUSA 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 CPUSA 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.

Williams Benator + Libby, LLP

Atlanta, Georgia
April 1, 2025

BALANCE SHEETS

CPUSA LLC
(A Wholly-Owned Subsidiary of Amorino USA Corp.)

	December 31, 2024	2023	2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 136,842	$ 41,417	$ 84,565
Accounts receivable	7,397	208	-0-
Accounts receivable from related party--Note B	7,140	7,140	35,375
Prepaid expenses	-0-	2,167	-0-
TOTAL CURRENT ASSETS	151,379	50,932	119,940
TOTAL ASSETS	$ 151,379	$ 50,932	$119,940
LIABILITIES AND MEMBER'S DEFICIT			
CURRENT LIABILITIES			
Accounts payable	$ 4,280	$ 2,690	$ -0-
Accounts payable to related party--Note B	75,887	72,905	-0-
Accrued expenses	10,211	-0-	-0-
Deferred revenue	34,466	19,899	17,376
TOTAL CURRENT LIABILITIES	124,844	95,494	17,376
NOTE PAYABLE TO RELATED PARTY--Note B	-0-	-0-	81,122
DEFERRED REVENUE, net of current portion	233,283	97,903	104,384
MEMBER'S DEFICIT	(206,748)	(142,465)	(82,942)
TOTAL LIABILITIES AND MEMBER'S DEFICIT	$ 151,379	$ 50,932	$119,940

See independent auditor's report and notes to financial statements.

STATEMENTS OF OPERATIONS

CPUSA LLC
(A Wholly-Owned Subsidiary of Amorino USA Corp.)

	Year Ended December 31 2024	2023	2022
REVENUES	$ 37,241	$ 19,167	$ 16,590
General and administrative expenses	101,524	77,082	36,455
LOSS FROM OPERATIONS	(64,283)	(57,915)	(19,865)
Interest expense	-0-	(1,608)	(2,225)
NET LOSS	$ (64,283)	$ (59,523)	$ (22,090)

See independent auditor's report and notes to financial statements.

STATEMENTS OF CHANGES IN MEMBER'S DEFICIT

CPUSA LLC
(A Wholly-Owned Subsidiary of Amorino USA Corp.)

	Member's Deficit
Balance at January 1, 2022	$ (60,852)
Net loss for the year ended December 31, 2022	(22,090)
Balance at December 31, 2022	(82,942)
Net loss for the year ended December 31, 2023	(59,523)
Balance at December 31, 2023	(142,465)
Net loss for the year ended December 31, 2024	(64,283)
Balance at December 31, 2024	$ (206,748)

See independent auditor's report and notes to financial statements.

STATEMENTS OF CASH FLOWS

CPUSA LLC
(A Wholly-Owned Subsidiary of Amorino USA Corp.)

	Year Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Loss	$ (64,283)	$ (59,523)	$ (22,090)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Accounting fees paid by affiliate	2,982	-0-	-0-
Interest expense included in note payable to Parent, paid by affiliate	-0-	1,608	-0-
(Increase) decrease in operating assets:			
Accounts receivable	(7,189)	(208)	-0-
Accounts receivable related party	-0-	(7,140)	-0-
Prepaid expenses	2,167	(2,167)	-0-
Increase (decrease) in operating liabilities:			
Accounts payable	1,590	2,690	(935)
Accounts payable related party	-0-	25,550	-0-
Accrued Expenses	10,211	-0-	-0-
Deferred revenue	149,947	(3,958)	38,510
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	95,425	(43,148)	15,485
CASH FLOWS FROM FINANCING ACTIVITIES			
Net (repayments to) advances from related party	-0-	-0-	(42,876)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	-0-	-0-	(42,876)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	95,425	(43,148)	(27,391)
Cash and cash equivalents at beginning of year	41,417	84,565	111,956
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 136,842	$ 41,417	$ 84,565

SUPPLEMENTAL DISCLOSURE OF CASHFLOW INFORMATION AND NONCASH FINANCING ACTIVITIES

As more fully disclosed in Note B, during the year ended December 31, 2023, the Company's loan from the Parent with an outstanding balance of $82,730 including accrued interest was paid off by an affiliate on behalf of the Company.

During the year ended December 31, 2022, the Company paid cash for interest expense of $2,219.

See independent auditor's report and notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

CPUSA LLC
(A Wholly-Owned subsidiary of Amorino USA Corp.)

December 31, 2024

NOTE A--DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Amorino USA Corp. (the "Parent") a Delaware limited liability company formed CPUSA LLC (the "Company") in Delaware on January 8, 2020, as a limited liability Company. The Company is engaged in the sale of franchises for the operation of upscale retail gelato ice cream stores or mobile outlets known as "Amorino", which specialize in offering authentic gelato, coffees, candies, chocolates, cakes, cookies, hot chocolates, tea, waffles, crepes, focaccino, and other baked goods and related products or services for dine-in and take-out service. As franchisor, the Company has the right to grant franchises and related trademarks for an initial ten-year period for retail stores and five-year period for mobile outlets, renewable for two five-year periods. The Company has franchisees throughout the U.S.

The Company has the following number franchisees and outlets (locations) as of December 31:

	2024	2023	2022
Franchisees	10	5	4
Outlets	28	5	4

The Company is governed by an operating agreement that provides for allocation of income, losses and distributions to its member, as defined.

The Company's primary purpose is to act as the U.S. franchisor for Amorino. Substantially all services as the franchisor are provided by the Parent and Amorino Trading, LLC (the "Affiliate", an affiliated company under common control).

The following accounting policies are presented to assist the reader in understanding the Company's financial statements:

<u>Accounting Standards Codification</u>: The Company follows the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") as its sole source of authoritative guidance.

<u>Revenue Recognition</u>: The Company uses a five-step revenue recognition model in which the Company recognizes revenues when its customer obtains control of promised goods or services, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services. A contract exists when there is approval and commitment from both parties, the rights of the

NOTE A--DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. Generally, payment is due when invoiced, which is at the beginning of the franchise term.

The Company generally derives its revenues through conventional franchise arrangements that provide for payment of an initial fee. Under the franchise agreement, franchisees are granted certain rights and certain services will be provided. Franchisees have the right to operate a store or outlet using Amorino's trademarks, branding, and systems. Franchisees are also provided training and initial startup support under the agreement. In accordance with the guidance of ASC-952 "Franchisors", the Company has made an accounting policy election to account for all of the above services provided and rights granted as a single performance obligation. Initial fees are recognized as the Company satisfies the performance obligation over the franchise term, which is generally ten years for retail stores and five years for mobile outlets. Over the term of the agreement, franchisees are permitted to purchase ingredients and supplies from the affiliate.

Because the Company has a small number of franchisees, the revenue from each franchisee represents a significant concentration of the Company's total revenue for each of the years ended December 31, 2024, 2023, and 2022.

<u>Deferred Revenue</u>: Deferred revenue represents revenue to be recognized in future years over the remaining lives of the franchise agreements. These are contract liabilities for performance obligations not yet fulfilled. At December 31, 2024, deferred revenue includes franchise fees what will be recognized as revenue over the remaining lives of franchise agreements with terms ranging from July 2026 through October 2035. There were $83,250 deferred revenues recorded at January 1, 2022.

<u>Cash and Cash Equivalents</u>: The Company considers unrestricted demand deposits and highly liquid investments purchased with an original maturity of three months or less which can be readily converted to cash on demand, without penalty, to be cash equivalents. At times, bank balances may exceed U.S. federally insured limits.

<u>Accounts Receivable and Concentrations</u>: The Company extends non-interest bearing credit to its customers in the ordinary course of business. Accounts receivable are recorded in the amounts due to the Company by its franchisees based on the term in the franchise agreement. An allowance for doubtful accounts receivable is estimated and recorded based on management's evaluation of uncollected balances and the

NOTE A--DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Company's historical experience, current conditions, and reasonable and supportable forecasts. Individual balances are written off against the allowance when they are determined to be uncollectable. During the years ended December 31, 2024, 2023 and 2022, the Company had no bad debt expense as the collection for the accounts receivable was reasonably certain. There was no accounts receivable recorded at January 1, 2022. Accounts receivable due from two of the Company's franchisees represented 100% of the Company's total net accounts receivable at December 31, 2024 and 2023, respectively.

Income Taxes: Federal and state income taxes have not been provided for in the financial statements. Under existing law, the Company is not treated as a taxable entity. Rather, the Parent includes the Company's items of income, loss, deduction, and credit in its income tax return. The primary difference between taxable income and income for financial statements purposes relates to the timing of the revenue recognition.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events: Subsequent events have been evaluated through April 1, 2025, which is the date the financial statements were available to be issued.

NOTE B--RELATED PARTY TRANSACTIONS

Certain franchisor obligations such as training, initial setup support, and others are provided to the Company's customers by the Affiliate. At the discretion of management, the costs of these services are borne by the Affiliate and are not charged to the Company. Accordingly, no costs incurred to fulfill the performance obligation under the Company's contracts with its customers are recognized by the Company. The Company's operating results and financial position could be different if the Company and its affiliate were unrelated entities.

Previously, the Company entered into a loan agreement with the Parent which bore an interest rate of 2.82%. For the year ended December 31, 2022, the balance owed under the loan agreement was $81,122. During the year ended December 31, 2023 the loan

NOTE B--RELATED PARTY TRANSACTIONS--Continued

balance and accrued interest totaling $82,730 was paid off by the Affiliate on behalf of the Company. At December 31, 2024 and 2023, the balance receivable from the Parent was $7,140 for expenses paid on behalf of the Parent.

At December 31, 2024 and 2023, amounts payable to the Affiliate were $75,887 and $72,905, respectively. At December 31, 2022, the balance receivable from this affiliate was $35,375.

NOTE C--MANAGEMENT'S PLANS REGARDING CONTINUED OPERATIONS

The Company was formed to act as the franchisor for Amorino, and is wholly owned by its parent. Since inception, the Company has incurred net losses and has reported a deficit of member's equity. As described previously, the operations of the Company are interrelated with its parent and affiliate. Management expects to continue operating the business as a going concern. Management believes that the Company has sufficient cash on hand and that liabilities such as deferred revenue do not represent amounts that will require future settlement in cash. Should it become necessary, the Parent has committed to provide additional financing if the Company is unable to meet its obligations on its own.

EXHIBIT D
TABLE OF CONTENTS – OPERATIONS MANUAL

OPERATIONS MANUAL +
DESIGN & LAYOUT GUIDELINES

TABLE OF CONTENTS - ONLINE

OPERATIONS MANUAL

SHOPS DESIGN & LAYOUT GUIDELINES

EXHIBIT E
REPRESENTATIONS AND ACKNOWLEDGEMENT STATEMENT

FRANCHISEE COMPLIANCE QUESTIONNAIRE

[Note - Do not sign this Franchisee Compliance Questionnaire
if you are resident of California, Illinois, Maryland, New York, or Virginia,
or the business is to be operated in any of these states].

CPUSA LLC (the "Franchisor") and you are preparing to enter into a Franchise Agreement for the establishment and operation of an Amorino franchise.

The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate or misleading.

Please understand that your responses to these questions are important to us and that we will rely on them.

Please review each of the following questions and statements carefully and provide honest and complete responses to each.

By signing this Questionnaire, you are representing that you have responded truthfully to the following questions.

1. I had my first substantive face-to-face meeting with a representative of the Franchisor to discuss the substance of the purchase of the franchise on ______________ [Insert Date].

2. Did you receive the FDD at least 14 days before the date of such first substantive meeting?

   Yes _______ No _______

3. Did you receive the FDD at least 14 days before you entered into any binding agreement with the Franchisor for the purchase of this franchise?

   Yes _______ No _______

4. Did you receive the FDD at least 14 days before you paid any money to the Franchisor for the purchase of this franchise?

   Yes _______ No _______

5. Did you receive and personally review the Franchisor's Franchise Disclosure Document ("FDD") that was provided to you?

   Yes _______ No _______

6. Did you sign a receipt for the FDD indicating the date you received it?

   Yes _______ No _______

7. Do you understand all of the information in the FDD and any state-specific Addendum to the FDD?

   Yes _______ No _______

   If No, what parts of the FDD and/or Addendum do you not understand? (Attach additional pages, if necessary.)

   ____

   ____

8. Did you receive and personally review the Franchise Agreement and related agreements attached to it?

   Yes _______ No _______

9. Do you understand all of the information in the Franchise Agreement and each related agreement provided to you?

   Yes _______ No _______

   If no, what parts of the Franchise Agreement and/or related agreements do you not understand? (Attach additional pages, if necessary.)

   ____

   ____

   ____

10. Have you discussed the benefits and risks of establishing and operating an Amorino Franchise business with your own legal counsel or advisor?

    Yes _______ No _______

    If No, do you wish to have more time to do so?

    Yes _______ No _______

11. Do you understand that the success or failure of your Amorino Franchise business depends in large part on your skills and abilities, competition from other businesses, interest rates, inflation labor and supply costs, lease terms and other economic and business factors?

    Yes _______ No _______

12. Has any employee, or other person speaking for the Franchisor, made any statement or promise to you regarding the total revenues an Amorino Franchise business or an Amorino store may generate or have generated, other than the information in the FDD?

Yes _______ No _______

13. Has any employee, or other person speaking for the Franchisor, made any statement or promise regarding whether you are likely to achieve a particular minimum level of profitability in operating the Franchised Business?

Yes _______ No _______

14. Has any employee, or other person speaking for the Franchisor, made any statement or promise regarding the value or economic viability of the Franchised Business;

Yes _______ No _______

15. Has any employee, or other person speaking for the Franchisor, made any statement or promise regarding the operating costs you may incur in operating an Amorino Franchise or an Amorino Store that is contrary to the information in the FDD?

Yes _______ No _______

16. Has any employee, or other person speaking for the Franchisor, made any statement, promise or agreement about the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information in the FDD?

Yes _______ No _______

17. If you have answered "Yes" to any one of questions 12-16, please provide a full explanation of each "yes" answer. (Attach additional pages, if necessary, and refer to them below.) If you have answered "no" to each of questions 12-16, please leave the following lines blank.

____

____

____

____

I certify that my answers to the foregoing questions are true, correct and complete.

FRANCHISEE/GUARANTOR

____
Signature

Print Name:____________________________

Date:_________________________________

EXHIBIT F
FORM OF CONSENT AND GENERAL RELEASE

CONSENT AND RELEASE

This AGREEMENT ("Agreement") is made and entered into this____________day of____, 20 _______ by and between CPUSA LLC, a Delaware limited liability company (the "Franchisor"), and _____________________________________ [Franchisee] (hereinafter referred to as "Releasor"), wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. Franchisee has asked Franchisor to take the following action or to consent to the following request: **[insert as appropriate – subject of requested consent]:**____
____
____
____
_____________________ Franchisor has the right under the Franchise Agreement to obtain a general release from Franchisee (and, if applicable, Franchisee's owners) as a condition of taking this action or agreeing to this request. Therefore, Franchisor s willing to take the action or agree to the request specified above if Franchisee (and, if applicable, Franchisee's owners) gives Franchisor the release and covenant not to sue provided below in this document. Franchisee (and, if applicable, Franchisee's owners) are willing to give Franchisor the release and covenant not to sue provided below as partial consideration for Franchisor's willingness to take the action or agree to the request described above.

2. Release by Releasor:

Releasor does for itself, its successors and assigns, hereby release, indemnify and forever discharge the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Franchise Agreement between Franchisor and Releasor, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement. In the event Releasor breaches any of the promises, covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees.

3. Releasor hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

4. Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary.

5. Delaware law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

6. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein.

7. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

RELEASOR:

__________________________ (Signature)

_________________________________ (Print Name)

CPUSA LLC

____

By:______________________________
Name:___________________________
Title:____________________________

EXHIBIT G
STATE ADDENDA AND AGREEMENT RIDERS

STATE OF CALIFORNIA ADDENDA

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the offering circular.

2. California Business and Professions Code sections 20000 through 20043 provides rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

3. The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

4. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

5. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

6. The franchise agreement requires binding arbitration. The arbitration will occur at the AAA office in New York County, New York, with the costs being borne as follows: the filing fee shall be advanced by the party or parties making a claim or counterclaim, subject to final apportionment by the arbitrator in the award. The expenses of witnesses for either side shall be paid by the party producing such witnesses. All other expenses of the arbitration, including required travel and other expenses of the arbitrator, AAA representatives, and any witness and the cost of any proof produced at the direct request of the arbitrator, shall be borne equally by the parties, unless they agree otherwise or unless the arbitrator in the award assesses such expenses or any part thereof against any specified party or parties. 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 provisions of a franchise agreement restricting venue to a forum outside the State of California.

7. The franchise agreement requires the application of the laws of the state of Delaware. This provision may not be enforceable under California law.

8. 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.

9. You must sign a general release if you renew or transfer your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043.

10. Section 31512.1 of the California Corporations Code voids any disclaimer or denial of any of the following: (a) representations made by the franchisor or its personnel or agents to a prospective franchisee; (b) reliance by a franchisee on any representations made by the franchisor or its personnel

or agents; (c) reliance by a franchisee on the franchise disclosure document including any exhibit thereto; and (d) violations of any provision of this division.

11. 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. Exhibit E to the FDD (Representations and Acknowledgement Statement) is deleted.

12. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act. As long as this represents the law of the State of California, we will not interpret the Franchise Agreement as permitting or requiring maximum price limits.

13. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

14. The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

15. For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

16. Neither the franchisor nor any person or franchise broker in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

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.

ADDENDUM TO FRANCHISE AGREEMENT
(CALIFORNIA)

THIS ADDENDUM TO FRANCHISE AGREEMENT is made by and between CPUSA, LLC, a Delaware limited liability company ("Franchisor" or "we"), and Franchisee signing below, to amend the Franchise Agreement entered into this same date.

1. For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

2. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

3. The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

FRANCHISOR: CPUSA, LLC	FRANCHISEE:
By: ________________	By: ________________
Name: ________________	Name: ________________
Title: ________________	Title: ________________
Date: ________________	Date: ________________

ADDENDUM TO AREA DEVELOPMENT AGREEMENT
(CALIFORNIA)

THIS ADDENDUM TO AREA DEVELOPMENT AGREEMENT is made by and between CPUSA, LLC, a Delaware limited liability company ("Franchisor" or "we"), and Franchisee signing below, to amend the Area Development Agreement entered into this same date.

1. For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Area Development Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

2. The Area Development Agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

3. The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

FRANCHISOR: CPUSA, LLC	AREA DEVELOPER:
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________
Date: ______________________	Date: ______________________

STATE OF ILLINOIS ADDENDA

AMENDMENT TO THE FRANCHISE DISCLOSURE DOCUMENT

The Franchise Disclosure Document is amended as follows:

Illinois law governs the Franchise Agreement.

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.

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

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.

The first ten days of the initial training are held in Paris, France. While the training, instructors and materials are provided by the Franchisor, you are responsible for all travel and lodging expenses.

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.

AMENDMENT TO FRANCHISE AGREEMENT
(ILLINOIS)

Illinois law governs the Franchise Agreement.

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.

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

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.

The first ten days of the initial training are held in Paris, France. While the training, instructors and materials are provided by the Franchisor, you are responsible for all travel and lodging expenses.

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.

FRANCHISOR: CPUSA, LLC	FRANCHISEE:
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________
Date: ______________________	Date: ______________________

AMENDMENT TO AREA DEVELOPMENT AGREEMENT
(ILLINOIS)

Illinois law governs the Area Development Agreement.

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.

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

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.

The first ten days of the initial training are held in Paris, France. While the training, instructors and materials are provided by the Franchisor, you are responsible for all travel and lodging expenses.

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.

FRANCHISOR: CPUSA, LLC	AREA DEVELOPER:____________________
By: ___________________________________	By: _______________________________
Name: ________________________________	Name:______________________________
Title: _________________________________	Title:_______________________________
Date: _________________________________	Date:_______________________________

STATE OF MARYLAND ADDENDA

AMENDMENT TO THE FRANCHISE DISCLOSURE DOCUMENT

The Franchise Disclosure Document is amended as follows:

1. Item 5 is amended to add the following:

   "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 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 franchise under the development agreement opens."

2. Item 17(s) is amended to add the following:

   "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."

3. Item 17(g) is amended to add the following:

   "The provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)."

4. Item 17[c] and 17[l] are amended to add the following:

   "Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

5. Items 17(t) and 17(v) are amended to add the following:

   "You are permitted to bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

6. Exhibit E to the Franchise Disclosure Statement (Representations and Acknowledgement Statement) is deleted. Maryland franchisees should not complete

or sign the Representations and Acknowledgment Statement. If any Maryland franchisee completes this Statement, it will be void and unenforceable.

AMENDMENT TO FRANCHISE AGREEMENT
(MARYLAND)

THIS AMENDMENT TO FRANCHISE AGREEMENT (this "Amendment") is made as of the last date set forth on the signature page to this Amendment, by and between CPUSA, LLC, a Delaware limited liability company ("Franchisor" or "we"), and [ ], a [_________] ("Franchisee" or "you"). All capitalized terms not defined herein shall have the meaning set forth in the Franchise Agreement, as defined below.

WHEREAS, Franchisor and Franchisee entered into that certain Franchise Agreement dated as of [_________________] (as amended from time to time, the "Franchise Agreement"); and

WHEREAS, Franchisor and Franchisee hereby wish to amend the Franchise Agreement in accordance with the terms and conditions contained in this Amendment.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereby agree to amend the Franchise Agreement as follows:

4. Section 6 of the Franchise Agreement is amended to add the following:

> "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 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 franchise under the development agreement opens."

5. Sections 19(B)(6), (7), (8) & (9), and Section 23(A) of the Franchise Agreement are deleted and replaced with the following:

> "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."

6. Section 2(B)(4) is amended to add the following:

> "Notwithstanding the foregoing, the general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

7. Section 15(B)(5) is amended to add the following:

> "Notwithstanding the foregoing, the general release required as a condition of

assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

8. Section 22(A) is amended to add the following:

"Franchisee is permitted to bring a lawsuit in Mayland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

9. 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.

10. <u>Counterparts.</u> This Amendment may be executed in one or more counterparts, (including by facsimile or .pdf copies of original signatures), each of which counterparts shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment to Area Developer Agreement on the dates set forth below.

FRANCHISOR: CPUSA, LLC	FRANCHISEE:
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________
Date: ______________________	Date: ______________________

AMENDMENT TO AREA DEVELOPMENT AGREEMENT
(MARYLAND)

THIS AMENDMENT TO AREA DEVELOPMENT AGREEMENT (this "Amendment") is made as of the last date set forth on the signature page to this Amendment, by and between CPUSA, LLC, a Delaware limited liability company ("Franchisor" or "we"), and ________________________], a [] ("Area Developer" or "you"). All capitalized terms not defined herein shall have the meaning set forth in the Franchise Agreement, as defined below.

WHEREAS, Franchisor and Area Developer entered into that certain Area Development Agreement dated as of [__________________] (as amended from time to time, the "Area Development Agreement"); and

WHEREAS, Franchisor and Area Developer hereby wish to amend the Area Development Agreement in accordance with the terms and conditions contained in this Amendment.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereby agree to amend the Area Development Agreement as follows:

1. Section 5 is amended to add the following:

   "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 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 franchise under the development agreement opens."

2. Section E of the Preamble is deleted, and the following provision is added to this Amendment:

   "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."

3. Sections 7.3(b)(vi) and 7.6(iv) are amended to add the following:

   "Notwithstanding the foregoing, the general release required as a condition of renewal, assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

4. Section 11.1 is amended to add the following:

   "Area Developer is permitted to bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

5. 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.

6. Counterparts. This Amendment may be executed in one or more counterparts, (including by facsimile or .pdf copies of original signatures), each of which counterparts shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment to Area Developer Agreement on the dates set forth below.

FRANCHISOR: CPUSA, LLC	AREA DEVELOPER:____________________
By: ___________________________________	By: ______________________________
Name: _________________________________	Name: ____________________________
Title: __________________________________	Title: _____________________________
Date: __________________________________	Date: _____________________________

STATE OF MINNESOTA ADDENDA

MINNESOTA AMENDMENT TO THE FRANCHISE DISCLOSURE DOCUMENT

In recognition of the requirements of the Minnesota Franchise Act, Minn. Stat. §§80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§2860.0100 through 2860.9930, the CPUSA LLC Franchise Disclosure Document for use in the State of Minnesota is amended as follows:

1. Items 5 and 7 are amended to add the following:

   Due to the deficit ratio of current assets to current liabilities, the State of Minnesota Department of Commerce has required that payment of initial franchise fees shall be deferred until the franchised business opens.

2. Item 6 is amended to add the following:

   NSF checks and related interest and attorneys' fees are governed by Minnesota Statute § 604.113, which puts a cap of $30 on initial service charges and requires notice and opportunity to cure prior to assessing interest and attorneys' fees.

3. Item 17(s) is amended to add the following:

   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.

4. Item 17(m), under the heading entitled "Conditions for Franchisor Approval of Transfer," is amended to add the following language at the end of the section:

   Any general release will not apply to any liability under the Minnesota Franchise Law.

5. Items 17(b), 17(c), 17(f), and 17(k), under the headings entitled "Renewal or Extension of the Term," "Requirements for Franchisee to Renew or Extend," "Termination by Franchisor With Cause," and "'Transfer' by Franchisee – Defined," are amended to add the following language at the end of those sections:

   Minnesota law provides you with certain termination, non-renewal, and transfer rights. In sum, Minn. Stat. §80C.14 (Subd. 3, 4, and 5) currently requires, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably denied.

6. Item 17(v), under the heading entitled "Choice of Forum," is amended to add the following language at the end of the section:

   Minnesota Stat. § 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from: (i) requiring litigation to be conducted outside Minnesota; (ii) requiring waiver of a jury trial; and (iii) requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. Nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (i) any of the franchisee's rights as provided for in Minnesota Franchise Act or (ii) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

   The franchisee cannot be required to consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400(J). Also, a court will determine if a bond is required.

7. Item 17(w), under the heading entitled "Choice of Law," is amended to add the following language at the end of the section:

   This provision may not be enforceable under Minnesota law.

8. Minn. Rules §2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a release that would relieve any person from liability imposed by Minnesota Statutes, Chapter 80C.

9. Any limitations of claims must comply with Minn. Stat. §80C.17, subd. 5.

10. Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

11. Exhibit E to the Franchise Disclosure Statement (Representations and Acknowledgement Statement) is deleted. Minnesota franchisees should not complete or sign the Representations and Acknowledgment Statement.

12. Each provision of this Addendum to the Disclosure Document will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat. §§80C.01 through 80C.22 and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§2860.0100 through 2860.9930 are met independently without reference to this Addendum to the Disclosure Document.

AMENDMENT TO FRANCHISE AGREEMENT
(MINNESOTA)

THIS AMENDMENT TO FRANCHISE AGREEMENT (this "Amendment") is made as of the last date set forth on the signature page to this Amendment, by and between CPUSA, LLC, a Delaware limited liability company ("Franchisor" or "we"), and [ ], a [________] ("Franchisee" or "you"). All capitalized terms not defined herein shall have the meaning set forth in the Franchise Agreement, as defined below.

WHEREAS, Franchisor and Franchisee entered into that certain Franchise Agreement dated as of [________________] (as amended from time to time, the "Franchise Agreement"); and

WHEREAS, Franchisor and Franchisee hereby wish to amend the Franchise Agreement in accordance with the terms and conditions contained in this Amendment.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereby agree to amend the Franchise Agreement as follows:

1. Sections 2, 26, and 27 of the Franchise Agreement, under the headings "Grant of rights," "Transfer and other dealings by the Franchisee," and "Termination of Agreement," will be supplemented by the addition of the following language:

"Minnesota law provides franchisees with certain termination, non-renewal, and transfer rights. In sum, Minn. Stat. §80C.14, Subd. 3, 4, and 5 currently requires, except specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise not be unreasonably withheld."

2. Section 2(B)(4) is amended to add the following:

"Notwithstanding the foregoing, the general release required as a condition of renewal shall not apply to any liability under the Minnesota Franchise Act."

3. Section 3.2 of the Franchise Agreement is amended to add the following:

"NSF checks and related interest and attorneys' fees are governed by Minnesota Statute § 604.113, which puts a cap of $30 on initial service charges and requires notice and opportunity to cure prior to assessing interest and attorneys' fees."

4. Section 6 of the Franchise Agreement is amended to add the following:

"Due to the deficit ratio of current assets to current liabilities in the franchisor's most recent financial statement, the State of Minnesota Department of Commerce has required that payment of initial franchise fees shall be deferred until the franchised business opens."

5. Section 15(B)(5) is amended to add the following:

"Notwithstanding the foregoing, the general release required as a condition of assignment/transfer shall not apply to any liability under the Minnesota Franchise Act."

6. Sections 19(B)(6), (7), (8) & (9), and Section 23(A) of the Franchise Agreement are deleted and replaced with the following:

"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."

7. Section 29 of the Franchise Agreement (Resolving Disputes) is amended to add the following:

"Notwithstanding the foregoing, Minnesota Stat. § 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from: (i) requiring litigation to be conducted outside Minnesota; (ii) requiring waiver of a jury trial; and (iii) requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. Nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (i) any of the franchisee's rights as provided for in Minnesota Franchise Act or (ii) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

The franchisee cannot be required to consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400(J). Also, a court will determine if a bond is required.

Any limitations of claims must comply with Minn. Stat. §80C.17, Subd. 5."

8. Section 33.22 of the Franchise Agreement (Choice of Law) is supplemented by the addition of the following language:

"Pursuant to Minn. Stat. §80C.21, this Section will not in any way abrogate or reduce any of Franchisee's rights as provided for in the Minnesota Franchise Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

9. Counterparts. This Amendment may be executed in one or more counterparts, (including by facsimile or .pdf copies of original signatures), each of which counterparts shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Franchise Agreement on the dates set forth below.

FRANCHISOR: CPUSA, LLC	FRANCHISEE:
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________
Date: ______________________	Date: ______________________

AMENDMENT TO AREA DEVELOPMENT AGREEMENT (MINNESOTA)

THIS AMENDMENT TO AREA DEVELOPMENT AGREEMENT (this "Amendment") is made as of the last date set forth on the signature page to this Amendment, by and between CPUSA, LLC, a Delaware limited liability company ("Franchisor" or "we"), and ________________________], a [] ("Area Developer" or "you"). All capitalized terms not defined herein shall have the meaning set forth in the Franchise Agreement, as defined below.

WHEREAS, Franchisor and Area Developer entered into that certain Area Development Agreement dated as of [__________________] (as amended from time to time, the "Area Development Agreement"); and

WHEREAS, Franchisor and Area Developer hereby wish to amend the Area Development Agreement in accordance with the terms and conditions contained in this Amendment.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereby agree to amend the Area Development Agreement as follows:

1. Section 5 is amended to add the following:

> "Due to the deficit ratio of current assets to current liabilities in the franchisor's most recent financial statement, the State of Minnesota Department of Commerce has determined that payment of the portion of the area development fee allocated to the initial franchise fees for each location shall be deferred until such franchised location opens."

2. Section E of the Preamble is deleted, and the following provision is added to this Amendment:

> "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."

3. Sections 7.3(b)(vi) and 7.6(iv) are amended to add the following:

> "Notwithstanding the foregoing, the general release required as a condition of renewal, assignment or transfer shall not apply to any liability under the Minnesota Franchise Act."

4. Section 11.1 is amended to add the following:

"Notwithstanding the foregoing, Minnesota Stat. § 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from: (i) requiring litigation to be conducted outside Minnesota; (ii) requiring waiver of a jury trial; and (iii) requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. Nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (i) any of the franchisee's rights as provided for in Minnesota Franchise Act or (ii) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

The franchisee cannot be required to consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400(J). Also, a court will determine if a bond is required.

Any limitations of claims must comply with Minn. Stat. §80C.17, Subd. 5."

5. Counterparts. This Amendment may be executed in one or more counterparts, (including by facsimile or .pdf copies of original signatures), each of which counterparts shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment to Area Developer Agreement on the dates set forth below.

FRANCHISOR: CPUSA, LLC	AREA DEVELOPER:____________________
By: ___________________________________	By: _______________________________
Name: ________________________________	Name:______________________________
Title: _________________________________	Title:______________________________
Date: _________________________________	Date:______________________________

STATE OF NEW YORK

The Franchise Disclosure Document is amended as follows:

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

> **"INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. 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. Item 17(s) is amended to add the following:

"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."

6. 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."

7. Exhibit E to the Franchise Disclosure Document (Representations and Acknowledgment Statement) is deleted.

STATE OF VIRGINIA ADDENDA

AMENDMENT TO THE FRANCHISE DISCLOSURE DOCUMENT

The Franchise Disclosure Document is amended as follows:

1. Item 5, Section entitled "Initial Franchise Fee," is amended as follows:

   The "Payment Schedule" section for the Initial Franchise Fee for the Traditional Store or Kiosk and Mobile Structure Outlet is deleted from Item 5, and replaced with the following:

   "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."

2. Item 5, Section entitled "Development Fee,' is amended to delete the second paragraph in the Section and replace it with the following:

   "Your obligation to pay Development Fee is deferred is deferred until we have completed our pre-opening obligations under the franchise agreement.

3. Item 5, Section entitled "Initial Area Development Fee. The following sentence is added:

   "The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the area development fee owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the development agreement for the first location."

4. Item 7 is amended as follows:

   The "When Due" column for the Initial Franchisee Fee row for the charts for the Traditional Store, the Kiosk Outlet, and the Mobile Structure Outlet, are amended to state as follows:

   "When we have completed our pre-opening obligations under the franchise agreement."

   The "When Due" column for the Initial Area Development Franchise Fee row in the chart for the Area Development Agreement is amended to state as follows:

   "When we have completed our pre-opening obligations under the franchise agreement for the first location."

5. Item 17(s) is amended to add the following:

"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."

6. Item 17(h) is amended to add the following:

"Under 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 or development 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."

7. Exhibit E to the Franchise Disclosure Statement (Representations and Acknowledgement Statement) is deleted.

AMENDMENT TO FRANCHISE AGREEMENT
(VIRGINIA)

THIS AMENDMENT TO FRANCHISE AGREEMENT (this "Amendment") is made as of the last date set forth on the signature page to this Amendment, by and between CPUSA, LLC, a Delaware limited liability company ("Franchisor" or "we"), and ______________], a [________] ("Franchisee" or "you"). All capitalized terms not defined herein shall have the meaning set forth in the Franchise Agreement, as defined below.

WHEREAS, Franchisor and Franchisee entered into that certain Franchise Agreement dated as of [_________________] (as amended from time to time, the "Franchise Agreement"); and

WHEREAS, Franchisor and Franchisee hereby wish to amend the Franchise Agreement in accordance with the terms and conditions contained in this Amendment.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereby agree to amend the Franchise Agreement as follows:

1. Section 6(A) of the Franchise Agreement is amended to add the following:

> "Notwithstanding the foregoing, your obligation to pay the Initial Franchise Fee is deferred until we have completed our pre-opening obligations under the franchise agreement."

2. Section 6(E) of the Franchise Agreement is amended to add the following:

> "Notwithstanding the foregoing, your obligation to pay the Development Fee is deferred until we have completed our pre-opening obligations under the franchise agreement."

3. Sections 19(B)(6), (7), (8) & (9), and Section 23(A) of the Franchise Agreement are deleted and replaced with the following:

> "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."

4. Reaffirmation of Agreement. Except as expressly amended hereby, the provisions of the Franchise Agreement are and will remain in full force and effect and nothing in this Amendment will be construed as a waiver of any of the rights or obligations of the parties under the Franchise Agreement. The terms and provisions of the Franchise Agreement are incorporated by reference in this Amendment as if set forth herein.

5. Counterparts. This Amendment may be executed in one or more counterparts, (including by facsimile or .pdf copies of original signatures), each of which counterparts shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Franchise Agreement on the dates set forth below.

FRANCHISOR: CPUSA LLC	FRANCHISEE:
By: ___________________________________	By: ________________________________
Name: _________________________________	Name:______________________________
Title: _________________________________	Title:_______________________________
Date: __________________________________	Date:_______________________________

AMENDMENT TO AREA DEVELOPMENT AGREEMENT (VIRGINIA)

THIS AMENDMENT TO AREA DEVELOPMENT AGREEMENT (this "Amendment") is made as of the last date set forth on the signature page to this Amendment, by and between CPUSA, LLC, a Delaware limited liability company ("Franchisor" or "we"), and ____________________________], a [] ("Area Developer" or "you"). All capitalized terms not defined herein shall have the meaning set forth in the Franchise Agreement, as defined below.

WHEREAS, Franchisor and Area Developer entered into that certain Area Development Agreement dated as of [__________________] (as amended from time to time, the "Area Development Agreement"); and

WHEREAS, Franchisor and Area Developer hereby wish to amend the Area Development Agreement in accordance with the terms and conditions contained in this Amendment.

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereby agree to amend the Area Development Agreement as follows:

1. Section V (Payments by Area Developer") is amended to add the following paragraph:

> "5.3 Deferral. Notwithstanding the foregoing, your obligation to pay the Area Development Fee is deferred until we have completed our pre-opening obligations for the first location."

2. Section E of the Preamble is deleted, and the following provision is added to this Amendment:

> "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."

3. Reaffirmation of Agreement. Except as expressly amended hereby, the provisions of the Area Development Agreement are and will remain in full force and effect and nothing in this Amendment will be construed as a waiver of any of the rights or obligations of the parties under the Area Development Agreement. The terms and provisions of the Franchise Agreement are incorporated by reference in this Amendment as if set forth herein.

4. Counterparts. This Amendment may be executed in one or more counterparts, (including by facsimile or .pdf copies of original signatures), each of which counterparts shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment to Area Developer Agreement on the dates set forth below.

FRANCHISOR: CPUSA LLC	AREA DEVELOPER:
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________
Date: ______________________	Date: ______________________

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Illinois	
Indiana	May 31, 2025
Maryland	July 15, 2025
Michigan	June 5, 2025
Minnesota	
New York	
Rhode Island	May 30, 2025
Virginia	

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 H
RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Amorino 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, or sooner if required by applicable state law. New York law requires a franchisor to provide this disclosure document to you at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

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 Amorino 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and any other applicable state agency for your state listed in Exhibit A.

This franchise is offered for sale by CPUSA, LLC, 251 Little Falls Drive, Wilmington, Delaware 19808. Tel. (469) 534-3292. The issuance date of this FDD is April 24, 2025.

The names and contact information for the individuals involved in the sale of this franchise are (circle one):

1. Jennifer Rollins, 251 Little Falls Drive, Wilmington, DE 19808 (469) 534-3292
2. Alexandria McDougal, 251 Little Falls Drive, Wilmington, DE 19808 (469) 500-3305

I have received a disclosure document dated April 24, 2025 that included the following Exhibits:

Exhibit A	State Administrator/Agents for Service of Process
Exhibit B	Franchise Agreement and Area Development Agreement
Exhibit C	Financial Statements
Exhibit D	Table of Contents – Know-How Manual
Exhibit E	Representations and Acknowledgment Statement
Exhibit F	Sample Consent General Release
Exhibit G	State Addenda and Agreement Riders
Exhibit H	Receipts

(Please sign below and keep this copy of the receipt for your records.)

PROSPECTIVE FRANCHISEE:

_______________________________________ _____________________

Name:_________________________________ Date_______________

RECEIPT

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If Amorino 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, or sooner if required by applicable state law. New York law requires a franchisor to provide this disclosure document to you at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

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Exhibit H	Receipts

(Please sign below and give this signed receipt to us).

PROSPECTIVE FRANCHISEE:

______________________________________ ____________________

Name:________________________________ Date________________