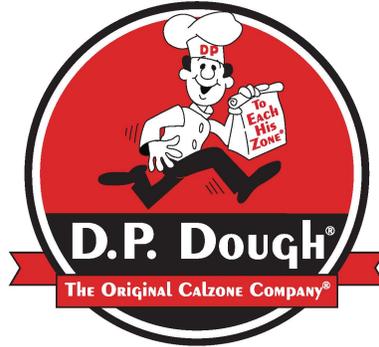


FRANCHISE DISCLOSURE DOCUMENT

Calzone King, LLC
397 NY State Route 281
P.O. Box 582
Tully, NY 13159
(614) 561-6161
matt.crumpton@dpdough.com



The franchisor, Calzone King, LLC (“D.P. Dough,” “us” or “we”), is in the business of operating and franchising restaurants under the “D.P. Dough” name that feature calzones, desserts, wings, and other food and beverage products. The franchisee will operate a D.P. Dough Restaurant.

The total investment necessary to begin operation of a D.P. Dough franchise ranges from **\$12005,980-\$359424,910**. This includes a total of **\$4025,000** that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact us at Calzone King, LLC, **397 NY State Route 281, P.O. Box 582, Tully, NY 13159**.

The terms of your contract will govern your franchise relationship. Don’t rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or 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, DC 20580. You can also 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.

ISSUED: April ~~26~~4, 202~~4~~3

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TABLE OF EXHIBITS

Exhibit A	State Addenda to Disclosure Document
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national), restaurants, and food service businesses. The market for our type of products and services generally is developed and very competitive. Nevertheless, we believe that D.P. Dough Restaurants appeal to consumers because of our concept, product and service quality.

Item 2: Business Experience

CEO: Eric Cook

Mr. Cook has been the CEO of Calzone King, LLC, 2708 Billingsley Road, Columbus, Ohio 43235, since February 1, 2019. Prior to that, he served as the CEO of The Food Guys, Inc., P.O. Box 229, McGraw, NY 13101 (which owned and operated Calios restaurants), from April 2013 until January 2019.

Vice President: Jason Griffin

Mr. Griffin has been Vice President for Calzone King, LLC since July 1, 2019. Prior to that, he owned and operated Calios restaurants from April 1, 2014 to June 30, 2019.

General Counsel: Matt Crumpton

Mr. Crumpton has been General Counsel to Calzone King, LLC since July 1, 2019. Prior to that, Mr. Crumpton was President and CEO of D.P. Dough Franchising, LLC, 2708 Billingsley Road, Columbus, Ohio 43235 from January 1, 2015 to June 30, 2019. Prior to that, he served as the Executive Vice President, General Counsel, and Vice President of Franchise Sales for D.P. Dough Franchising, LLC, from December 2011 until December 2014.

Vice President of ~~Franchise~~-Restaurant Operations: Kayla Wolf

Ms. Wolf has been Vice President of Franchise Operations for Calzone King LLC since July 1, 2019. Prior to that, Ms. Wolf was Area General Manager for D.P. Dough Restaurants (the entity that operated corporate owned stores) from January 2018-June 2019. Prior to that, she was the General Manager of the Athens, Ohio D.P. Dough restaurant from August 2015-December 2017.

Certified Trainer: Bryanna Cook

Ms. Cook has been the co-Owner/Operator of D.P. Dough Cortland since 2020. Prior to that, she was a restaurant manager for Calios from 2016 to 2020.

Certified Trainer: Dominik Cook

Mr. Cook has been the co-Owner/Operator of D.P. Dough Cortland since 2020. Prior to that, she was a restaurant manager for Calios from 2017 to 2020.

Certified Trainer: Bailey Wood

Mr. Wood has been the co-Owner/Operator of D.P. Dough Blacksburg and Radford since 2021. Prior to that, he was a _____ restaurant manager for D.P. Dough Cortland at _____ from _____ 2018 to _____ 2021

Item 3: Litigation

~~PENDING ACTIONS~~

Calzone King, LLC v. Michael R. Frey and Zonedout, LLC, No. 622689/2021 (NY Supreme Court, Suffolk County, filed December 7, 2021.) Calzone King LLC sued its former franchisee, Zonedout, LLC and its guarantor, Michael R. Frey for failure to pay royalties and operate the restaurant for the minimum term of the Franchise Agreement. This matter is currently pending and has not been resolved. The parties settled the matter for a mutually agreeable sum. This case has been voluntarily dismissed consistent with the terms of the Settlement Agreement on July 31, 2023.

There is no other litigation that must be disclosed.

Item 4: Bankruptcy

No bankruptcy information is required to be disclosed in this Item.

Item 5: Initial Fees

Initial Franchise Fees (“IFF”): The initial franchise fee for a D.P. Dough Restaurant is ~~Twenty Five~~ Forty Thousand Dollars (~~\$40~~25,000).

If you do not require financing from a bank (based on the amount needed to open a D.P. Dough Restaurant set forth in Item 7 of this FDD), payment of the IFF in full is required at the time the Franchise Agreement is signed. If you ~~need~~ require financing from a bank, you are required to pay one half of the IFF (~~\$12,500~~20,000) at the time the Franchise Agreement is signed (“the IFF Deposit”). The IFF Deposit is not refundable. We will sign the Franchise Agreement, with a contingency that you must receive suitable financing within six (6) months of the date the Agreement is signed. If you fail to receive suitable

financing during that time, you (and us) have the option to terminate the Franchise Agreement. If the Franchise Agreement is terminated due to your inability to obtain financing, ~~you will receive one half of the amount that you paid us at the time of signing the Franchise Agreement and we will retain the other half full amount~~ of the IFF Deposit to compensate us for our time and for removing the Territory from the market for six (6) months.

If you are successful in obtaining financing (which means you will have paid us \$4025,000 for the IFF), but you do not open your Restaurant within fifteen (15) months of the date you sign the franchise agreement, we will retain one half of the IFF, plus any expenses that we actually incurred on your behalf (including, but not limited to travel, marketing, etc.). We will return the remainder of the IFF to you after we deduct half of the IFF and the costs that we incurred on your behalf.

A portion of the franchise fee may be refundable if you ~~require~~ do not require financing and ~~do not actually receive financing~~ the franchise agreement is terminated early due to your failure to open the restaurant within fifteen (15) months. However, if you do ~~not~~ require financing, ~~(and once you have received financing)~~ the IFF Deposit is not refundable under any circumstances.

Notes:

We may offer other reduced or deferred IFFs in special circumstances, such as to franchisees who commit to and have the ability to develop a large number of territories. Additionally, we may have special incentive offers in certain markets, such as new and developing markets, which include reduced, waived or deferred IFFs. These special incentives may be offered to existing and/or new franchisees. These reduced fees only apply to those who are in compliance with all of our agreements and requirements. We reserve the right to cancel or modify any incentive program or discount at any time.

~~DEFERAL OF INITIAL FEES: For franchisees in the States of Maryland, Illinois, and Minnesota, we will defer the payment of all initial franchise fees owed to us (or our affiliate) by you until you have commenced doing business pursuant to the franchise agreement.~~

Refunds:

Unless otherwise mandated by law, and, except as stated above, the IFF is not refundable to you under any circumstance and is paid in consideration of the costs incurred by us in connection with the execution of the Franchise Agreement and with our lost or deferred opportunity to enter into a Franchise Agreement with other prospects.

Initial Fees and Payments For Services or Goods Received From the Franchisor or its Affiliates Before the Business Opens:

Franchisee is responsible for paying franchisor the Initial Franchise Fee, which is ~~Twenty~~ Forty Five Thousand Dollars (\$~~4025,000~~), before the business opens. This fee is not

Renewal Fee (Note 5)	\$2,500	Upon executing a new franchise agreement	Payable when you exercise your option to renew. Not refundable.
Audit	Cost of audit, plus twice the deficiency	Immediately upon invoice	Payable only if audit shows an understatement of at least 2% of gross <u>Net Sales</u> for the period audited. Not refundable.
Late Royalty Payment (Note 2)	\$100 for each seven day period that the Royalty is late.	When payment of royalty is overdue	Not refundable.
Financial Information Late Fee (Note 6)	\$200 per week or any fraction thereof until franchisee has provided financial information	Immediately upon invoice	Not refundable.
Failure to Provide Documents Fee	\$100 per week or any fraction thereof until franchisee has provided requested Documents	Beginning 7 days after Calzone King's written request for Documents	Not refundable.
Relocation Fee (Note 7)	Cost of Relocation Approval Expenses not to exceed \$2,500	\$2,500 deposit is paid to us upon your request for relocation	Refundable to the extent that our out of pocket Relocation Approval Expenses are less than \$2,500
Meeting Non-Attendance Fee (Note 8)	\$500	Within 10 days after the seminar or program Franchisee failed to attend	Not refundable.
Meeting Fee (Note 8)	Currently \$150 per person, but may be increased to as much as \$250 per person.	Prior to the annual D.P. Dough Owner Conference	Not refundable.
Insurance Late Fee	\$200 per week after 7 day	Due immediately. Collected through	Not refundable.

	90 days.		
Grand Opening Without Calzone King's Permission Fee	\$2,500 per day for each day the Restaurant is open without obtaining written permission from Calzone King for the Grand Opening	Upon invoice from Calzone King. Drawn via ACH.	Not refundable.
Unauthorized Employee Fee	\$50,000 for each person (who was employed by any D.P. Dough restaurant or Calzone King within the last 365 days) that you or your affiliates hire during or after the term of your Franchise Agreement is over.	Upon invoice from Calzone King. Paid by Check or Wire Transfer.	Not refundable.
De-Identification Fee	If you fail to remove all D.P. Dough signage at the conclusion of the Term of your Franchise Agreement, you must pay Calzone King for its actual expenses in removing all D.P. Dough branding from the restaurant, including engaging third parties and/or travel costs, including mileage, rentals, gas, parking, tolls, hotels, and food on the road as applicable.	Upon invoice from Calzone King. Paid by Electronic Payments or other methods.	Not refundable.
<u>Failure to Respond</u>	<u>If you fail to</u>	<u>Upon notice from</u>	<u>Not Refundable</u>

**Item 7:
Estimated Initial Investment**

Your Estimated Initial Investment

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	\$25,000 40,000 (Note 1)	Lump sum	At signing of Franchise Agreement (and, if applicable, upon obtaining financing)	Us
Rent	\$1,200 - \$6,500 per month	(Note 2)	(Note 2)	Landlord
Security Deposits	\$1,200 - \$6,500	Lump sum	Prior to opening	Landlord
Leasehold Improvements (Note 10)	\$10,000 - \$115,000	Lump sum	Prior to opening	Contractors
Architect	\$0 – \$8,000	Lump sum	Prior to opening	Approved Supplier
Equipment and Fixtures	\$25,000 - \$65,000 (Note 3)	Lump sum	Prior to opening	Approved Suppliers
Equipment Install and Set Up	\$0-\$13,175	Lump sum	Prior to opening	Contractor or Approved Suppliers
<u>Real Estate Selection and Construction Management</u>	<u>\$0-\$20,000</u>	<u>Lump sum</u>	<u>Prior to opening</u>	<u>Calzone King, LLC (if paid on your behalf by Calzone King), or Approved Supplier</u>
Point of Sale System (including license and equipment)	\$3,150	Lump sum	Prior to opening	\$3,000 for hardware and \$150 to Vulsys, Inc. for monthly software fee. (Note 11)
Opening Inventory	\$4,000 - \$8,500	Lump sum	Prior to opening, grand opening, and	Approved Supplier

			first week of business	
Start Up Print Package	\$1,500 - \$2,000	Lump sum	Prior to opening	Approved Supplier
Local Advertising & Grand Opening	\$1,500 - \$7,975 (Note 5)	Lump sum	Prior to opening	Various Media and Advertising
Insurance (Note 6)	\$3,000 - \$7,639	Lump sum	Prior to opening	Insurance Company
Signs	\$3,000 - \$8,000	Lump sum	Prior to opening	Local Sign Installer, Local Print Company, Approved Neon Supplier
Employee Training Labor	\$2,500 - \$5,000	As incurred	Prior to opening	Employees
Travel and Living Expenses During Training (Note 7)	\$1,500 - \$2,500	As incurred	Prior to opening	Motels, restaurants, air travel, etc..
Professional Support (Attorneys and Accountants)	\$1,000 - \$2,500	As incurred	Prior to opening	Attorneys and accountants
Permits and Fees	\$480 - \$600	As incurred	Prior to opening	Governmental entities
Utility Deposits	\$0 - \$3,000	As incurred	Prior to opening	Electric, Gas, Water, etc.
Office Supplies	\$250- \$1,500	As incurred	Prior to opening	Vendors
Phone System	\$200-\$1,000	As incurred	Prior to opening	To Approved Supplier
Security System and Cameras	\$1,000-\$1,871	As incurred	Prior to opening	Vendors
Additional Funds for 3 Months of Operating Expenses (Note 8)	\$20,500 - \$30,500	As incurred	As incurred	Employees, vendors, utilities, etc.
TOTAL (Note 9)	\$12005,980 – \$354294,910			

The above fees in this Item 7 are not refundable under any circumstances, except as otherwise set forth in this Disclosure Document. Specifically, the following fees are not refundable under any condition: Real Estate/Rent, Security Deposits, Leasehold Improvements, Equipment and Fixtures, Point of Sale System, Opening Inventory, Start Up Print Package, Local Advertising, Insurance, Signs, Travel and Living Expenses During Training, Professional Support, and Additional Funds for 3 Months of Operating Expenses. If you require financing, one half of your Initial Franchise Fee deposit (which is one fourth of the total Initial Franchise Fee) may be refundable if you fail to secure adequate financing within one year of signing the Franchise Agreement.

Notes:

Note 1. The franchise fee for your first franchise will be ~~\$25,000~~40,000. This amount will also be the initial franchise fee for each additional franchise. The Initial Franchise Fee Deposit is refundable only if you: 1) require bank financing, 2) have paid one half of the Initial Franchise Fee, and 3) fail to obtain adequate financing within six (6) months of executing the Franchise Agreement. The Initial Franchise Fee is not otherwise refundable.

Note 2. You must secure suitable real estate for your Restaurant. Typical locations for traditional D.P. Dough Restaurants are 1,000 to 2,200 square feet. Normally, the real estate is leased. The amounts indicated assume that real estate is leased and reflect a typical range of monthly rentals. The amount of your rent is dependent upon factors such as size, condition, market prices, and location. Neither Calzone King, LLC, nor its affiliates if any, will lease real estate to you. The amount of rent, the time at which the rent is due and to whom the rent is paid is subject to negotiation by you and the landlord. Security deposits are payable to landlords and utility companies. We will review your lease to make sure that it is suitable for Calzone King, LLC. We will not review your lease on your behalf. You are encouraged to retain a real estate attorney to represent your interests for lease review and negotiation.

Note 3. The amount shown is for the purchase of equipment and fixtures for a traditional restaurant.

Note 5. You must spend a minimum of One Thousand Five Hundred Dollars (\$1,500) on local advertising at the time your Restaurant opens. The high end of the range reflects Restaurants that elect to hold a Free Calzone Day upon grand opening (including food and labor costs for Free Calzone Day), which is recommended. The low end of the range reflects restaurants that open without a Free Calzone Day event.

Note 6. You must maintain the following insurance coverage: workers' compensation and occupational disease; general liability, including products liability; with a limit of not less than \$1,000,000 per occurrence, and non-owned and hired auto liability with a limit of not less than \$1,000,000 per occurrence. Calzone King, LLC must be listed as an additional insured on all policies. If you fail to obtain the required insurance, Calzone King, LLC may purchase the insurance on your behalf and charge you for it. Calzone King, LLC may

increase the minimum required amounts of insurance in the future upon thirty (30) days written notice.

Note 7. You will participate in at least ten (10), but up to twenty (20) days of hands-on training at a D.P. Dough location that will be approved by Calzone King, LLC. You are responsible for paying for your own living and travel expenses. You will not be charged any additional fee to be trained. You will not be paid during your training. You will be required to pass a written or electronic test at the conclusion of your training to be permitted to open your Restaurant. The remainder of your training will be provided by us at your Restaurant and via the online video classes.

Note 8. This estimates your initial start-up expenses, including payroll costs. These estimates are for owner-operated stores and no owner's draw or salary is included in the estimate. These figures are our estimates. We cannot guarantee that you will not have additional expenses starting your business.

Note 9. We have relied on our experience in the restaurant business to complete these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer financing.

Note 10. The opening costs listed in this Item 7 do not include the offset in potential revenue that many franchisees receive in the form of tenant improvement credits from commercial landlords.. The amount of the expense for your leasehold improvements will vary depending upon the existing condition of the real estate, including but not limited to, whether demolition is required, whether additional plumbing or electrical work is required, the status of the HVAC system, and any additional requirements of governmental entities.

Note 11. Vulsys is the iPad based point of sale software that is currently the only approved point of sale software for use by new D.P. Dough restaurants. Vulsys is not affiliated with Calzone King, LLC.

Item 8: Restrictions on Sources of Products and Services

Centro is currently the only Approved Supplier for the Point of Sale Software System ("Centro") that you will be required to purchase. We will not allow alternative suppliers for this item. Centro is not an affiliate of Calzone King, LLC.

Required Purchases:

The consistency of taste and quality of all D.P. Dough food products is at the core of the continued success of the D.P. Dough brand and the future success of your Restaurant. Accordingly, to ensure quality across all D.P. Dough Restaurants, you must purchase all of your food and beverage ingredients and supplies, including, but not limited to cheese, meat, vegetables, dough balls, boxes, flour, sauce, bags, cups, napkins, straws, drinks,

beverage supplies, menus, and salad containers (collectively, “the Food Products”) from a distributor who is an Approved Supplier by us in the area in which your Restaurant is located.

You will be required to use a food distributor that is approved by Calzone King, LLC. Currently, Calzone King, LLC has multiple approved distributors depending on the geographic region that you operate in. In exchange for administering regional or national distribution agreements, Calzone King, LLC may derive revenue from your purchases from distributors.

We may require that you purchase from a designated supplier of other goods and services in the future. Such requirements will be communicated to you through the Operating Manual and System.

Approval of Alternative Suppliers:

You may suggest a new distributor for approval by us. We may then require you to test the products of the proposed distributor to the extent we deem necessary, and may, subject solely to our discretion, approve the proposed distributor as a designated distributor for some or all items. You will pay the cost of any such testing of proposed alternative food products. Such testing must be in a form determined by us, which shall be relayed to you at the time you seek approval of an alternate distributor. We will approve or disapprove of the proposed alternative distributor within 30 days of our receipt of the product tests that we require. We do not charge any fee to approve an alternative distributor.

Ownership Interest in Suppliers:

We do not have an ownership interest in any distributors or manufacturers of the food products that you are required to purchase from Approved Suppliers.

Revenue from Franchisee Purchases:

Neither we nor our affiliates sell products or services directly to our franchisees. Therefore, we derive no revenue from those activities. However, we may receive payments from designated and approved suppliers on account of franchisees’ purchases of required and approved items from those suppliers. In 2023~~+~~, we received a total of \$427,695,575,630 in administration fees and rebates from franchisee food purchases.

Cooperatives:

We do not have any purchasing or distribution cooperatives at this time.

Negotiated Prices:

We negotiate purchase agreements with food manufacturers for meats, cheeses, dough balls, boxes, beverages and other Food Products. We also negotiate purchase agreements for non-Food Products, such as paper towels and cleaning products.

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

1. If you request it, we will travel to your Restaurant and provide on-site assistance following the grand opening of your Restaurant. If you request our presence for any time after the grand opening, you must pay us the actual travel expenses that we incur. We must receive a travel deposit to be provided prior to scheduling post-opening travel. The amount of the travel deposit will depend upon the amount of days that you request for us to be on site. (Franchise Agreement, Section 3).

2. Periodically meet or consult with you concerning the operation of your Restaurant. We do not have an obligation to meet or consult with you at any specific time, rate, or frequency (Franchise Agreement, Section 3).

3. Loan you a copy of the Operating Manual, which currently contains 240 pages, but is regularly updated via the online intranet. The Operating Manual is strictly confidential and remains our property. We may modify the Operating Manual, but any alteration of the Operating Manual will not modify your status and rights under the Franchise Agreement (Franchise Agreement, Section 2).

Advertising/Marketing

The Ad Charge of one percent (1%) of Net Sales will be debited on a weekly basis from your bank account. Restaurants owned by us (if any) or by our officers (if any) will be subject to the same Ad Charge as any other D.P. Dough Restaurant.

The funds from the Ad Charge will be used for national advertising, marketing, and public relations campaigns, through a number of means, including, but not limited to Internet, video, print media, television, billboards, or any other advertising or marketing medium. The funds from the Ad Charge will be spent by and controlled by us. The Ad Charge funds will be held in a separate Ad Fund.

There is not currently an advertising council that is composed of franchisees.

In the most recently concluded fiscal year ending December 31, 2023~~2~~, as set forth in the audited financial statements attached to this Disclosure Document, a total of \$~~322,837~~367,643 was collected through the Ad Fund for the Ad Charge. A total of \$~~287,487~~390,083 was spent by the Ad Fund as follows:

- 40% was paid to contractors to perform marketing administrative and planning services, including graphic design, social media fulfillment, and video content.
- 4 % of spending was for social media and email marketing
- 30% of spending was for text message marketing.
- 10% of spending was for bulk printing.
- 12% of spending was for branded merchandise and promotions.
- 4% of spending was for miscellaneous equipment and software expenses.

A total of \$~~305,004~~350 was left in the Ad Fund at the end of 2023~~2~~ and was carried forward

acknowledgement of franchise agreement termination, you will be provided with a refund of fifty percent (50%) of the Initial Franchise Fee. In the event that you have paid less than fifty percent (50%) of the Initial Franchise Fee to Calzone King at the time the notice of termination is provided, Calzone King shall not be obligated to issue any refund to you to effectuate the termination of the Franchise Agreement. The determination of whether you have failed to successfully complete the training program shall be in the sole commercially reasonable discretion of Calzone King, which may consider matters such as whether you missed scheduled training days, whether you were distracted and not fully engaged in training, whether you repeatedly failed to follow directions such that your ability to operate a D.P. Dough restaurant is called into question, and any other similar matter that would be commercially reasonable to consider.

All training is ~~provided~~ overseen by Jason Griffin, however your trainer may someone other than Jason Griffin who is overseen by Jason Griffin (and any applicable assistants). Jason Griffin has experience offering training to new employees, including managers, drivers, and kitchen workers based upon his prior experience as an owner and operator of multiple Calios and D.P. Dough restaurants. Jason has been working with the D.P. Dough brand since Calzone King acquired it in 2019. Jason’s experience in the field of food service franchising is with the D.P. Dough brand and Calios. Jason has been an employee of franchisor since January 2019.

The training program is conducted after you have executed the Franchise Agreement, paid any applicable fees, obtained all financing, and executed a lease for a suitable location that we approve for your Restaurant. The training program consists of three components: 1) 10-20 Days of D.P. Dough Immersion Training in a Designated Location; 2) Online training at your own pace, and 3) On Site training at your Restaurant.

For the D.P. Dough Immersion Training in, you will be required to pay for your own living and travel expenses. You will not be charged any additional fee to be trained. You will not be paid during your training.

TRAINING PROGRAM

Subject	Hours of Classroom or Web-Based Training	Hours of In-Person Training	Location
Operational Procedures	2-4	75-150	Approved Locations
Management Procedures/ Responsibility	1-2	50	Approved Locations + On Site Prior To Opening
Management Opening and Closing Procedures	1-2	10	On Site Prior To Opening
Operations, Laws	2-4	15	On Site Prior To

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.

This historic financial performance representation below relates only to a subset of the ~~562~~ D.P. Dough restaurants in operation during ~~2023~~.

The following Table 1 represents the Average Net Sales for the ~~forty-two~~ thirty-three (33) Reporting Restaurants as set forth in quarters. “Net Sales” means all sales of any nature made from the Restaurant, regardless of the nature of the products sold, including off site and online sales and all fees and charges received for deliveries, less any applicable sales tax, voids, or comps. “Reporting Restaurants” are franchisee and corporate locations that ~~were have been~~ open for business to the public for a period of twenty four (24) consecutive months without being closed, other than on approved holidays. Unless otherwise noted, each quarter ~~tile~~ represents the average of the eleven (11) Reporting Restaurants in the respective quarter as noted. The Fourth Quartile has ten (10) Reporting Restaurants.

TABLE 1
Average Annual Net Sales of Reporting Restaurants by Quarteriles

Quarter	Average Annual Net Sales	Minimum Net Sales	Maximum Net Sales	# of Restaurants Above Average	% of Restaurants Above Average
Top Quartile	\$1,239,943,229,357	\$1,044,832,23,756	\$1,634,666,662,654	44	36.36% 36.36%
Second Quartile	\$897,255,878,476	\$805,246,802,537	\$1,029,038,967,914	56	45.45% 54.54%
Third Quartile	\$683,035,647,258	\$609,145,553,532	\$760,101,769,948	65	45.45% 54.54%
Fourth Quartile (109 Restaurants)	\$466,057,353,064	\$370,462,225,456	\$586,997,441,435	44	44.44% 40%

Notes on Table 1

Calzone King, LLC possesses written substantiation for all Reporting Restaurants.

The median Net Sales for all Reporting Restaurants in 2022 was \$803,150,805,246. The average Net Sales for all Reporting Restaurants in 2022 was \$797,228,829,840.

The dates when the reported level of financial performance was achieved for Reporting Restaurants are January 1, 2023 – December 31, 2023. The total number of outlets that existed during that period was fifty-two six (562). The total number of outlets whose actual financial performance data was used in arriving at the representation is forty-two three (432). Restaurants that were not open for twenty four (24) consecutive months as of December 31, 2023 or were closed during 2023, other than on approved holidays, were not included in the Reporting Restaurants. Calzone King possesses sales information via the approved point of sale system for all Reporting Restaurants.

The term “Net Sales” means all revenue collected by each Reporting Restaurant, minus taxes, voids, and comps.

TABLE 2
Average Annual Net Sales of Corporate Owned Reporting Restaurants

<u>Halves Individual Restaurant Disclosed (Each contains # of Restaurants Noted)</u>	<u>Average Annual Net Sales</u>
Top Half (2 Restaurants) Restaurant 1	\$966,906,1,264,486
Bottom Half (2 Restaurants) Restaurant	\$441,171,745,512

Notes on Table 2

The median Net Sales of Corporate owned Reporting Restaurants in 2023~~2~~ was \$~~548,319~~1,004,999. The average Net Sales of Corporate owned Reporting Restaurants in 2023~~2~~ was \$~~1,004,999~~\$704,039.

TABLE 3
Average Annual Net Sales of Franchisee Owned Reporting Restaurants

<u>Third Quartile</u> (Number of Restaurants)	Average Annual Net Sales	Minimum Net Sales	Maximum Net Sales	# of Restaurants Above Average	% of Restaurants Above Average
Top <u>Third</u> <u>Quartile</u> (10 <u>2</u> Restaurants)	\$ 1,237,489 <u>1,180,832</u>	\$ 1,044,832 <u>957,742</u>	\$ 1,634,666 <u>1,662,654</u>	35 <u>3</u>	41.66% <u>30%</u>
Middle <u>Second</u> <u>Third Quartile</u> (10 <u>3</u> Restaurants)	\$ 906,456 <u>812,171</u>	\$ 812,122 <u>649,716</u>	\$ 1,029,038 <u>913,403</u>	57 <u>7</u>	53.84% <u>50%</u>
Bottom <u>Third</u> <u>Quartile</u> <u>Third</u> (10 <u>3</u> Restaurants)	\$ 696,397 <u>456,863</u>	\$ 614,463 <u>225,456</u>	\$ 805,246 <u>644,536</u>	64 <u>4</u>	46.15% <u>40%</u>
<u>Fourth Quartile</u> (<u>1</u> Restaurants)	\$ <u>479,065</u>	\$ <u>370,462</u>	\$ <u>609,145</u>	<u>5</u>	<u>45.45%</u>

Notes on Table 3

There were 41 Franchisee Owned Reporting Restaurants during the reporting period. The median Net Sales of Franchisee owned Reporting Restaurants in 2023~~2~~ was \$~~913,126~~805,246. The average Net Sales of all Franchisee owned Reporting Restaurants in 2023~~2~~ was \$~~730,177~~821,296.

TABLE 4A
Average Food & Labor Cost For Franchisee Survey Reporting Restaurants

The following Table 4A represents the Average Food and Labor Cost as a percentage of Net Sales for Franchisee Survey Reporting Restaurants. “Franchisee Survey Reporting Restaurants” are restaurants owned by franchisees that responded to a survey that was sent to them by Calzone King regarding food cost, labor cost, and EBITDA. There are eight (8) Franchisee Survey Reporting Restaurants. All other franchisees failed to timely respond to the survey as requested by Calzone King.

	Average Cost %	Median Cost %	Restaurants	Min % Cost	Max % Cost	# of Restaurants Below Avg Cost	% of Restaurants Below Avg Cost
Food Cost	27.73%	28.35%	8	21.00%	32.22%	4	50%
Labor Cost	33.58%	34.66%	8	25.12%	40.00%	3	37.5%

Notes on Table 4A

“Food Cost” means the cost of all food items, including paper products and cleaning supplies.

“Labor Cost” means the cost of employee wages, plus the cost of employer payroll taxes attributable to employee wages. Labor Cost also includes any wages that the owner is paid through employee payroll.

The Franchisee Survey Reporting Restaurants is a different subset of restaurants than the Reporting Restaurants listed in Table 1. The basis for this is that Calzone King has access to every restaurant’s Net Sales information through the point of sale system. However, Calzone King relies on franchisees to timely submit expense information. In some cases, franchisees do not provide the expense information timely, which leads to their restaurants not being included in the Franchisee Survey Reporting Restaurants subset.

The failure of these franchisees to report their numbers may result in the data not being representative of the data for all franchisees. Calzone King has no way to know what the data is for restaurants that did not report their expenses.

TABLE 4B

Average Food & Labor Cost For Franchisor Owned Reporting Restaurants

The following Table 4B represents the Average Food and Labor Cost as a percentage of Net Sales for Franchisor Owned Reporting Restaurants. “Franchisor Owned Reporting Restaurants” are restaurants owned by franchisor or its affiliates that responded to a survey that was sent to each respective affiliate by Calzone King regarding food cost, labor cost, and EBITDA. There are two (2) Franchisee Survey Reporting Restaurants. The other two (2) corporate affiliates failed to provide the survey response in time to be included in this Disclosure Document.

	Average Cost %	Median Cost %	Restaurants	Min % Cost	Max % Cost	# of Restaurants Below Avg Cost	% of Restaurants Below Avg Cost
Food	26.50%	26.50%	2	24.99%	28.00%	1	50%

Cost							
Labor Cost	35.16%	35.16%	2	34.50%	35.82%	1	50%

Notes on Table 4B

“Food Cost” means the cost of all food items, including paper products and cleaning supplies.

“Labor Cost” means the cost of employee wages, plus the cost of employer payroll taxes attributable to employee wages. Labor Cost also includes any wages that the owner is paid through employee payroll.

The failure of these corporate affiliates to report their numbers may result in the data not being representative of the data for all corporate affiliates.

**TABLE 5A
EBITDA (Earnings Before Interest Taxes, Depreciation, and Amortization)
For Franchisee Survey Reporting Restaurants**

The following Table 5A represents the Average EBITDA (earnings before interest, depreciation, and amortization) as a percentage of Net Sales for Franchisee Survey Reporting Restaurants. “Franchisee Survey Reporting Restaurants” are restaurants owned by franchisees that responded to a survey that was sent to them by Calzone King regarding food cost, labor cost, and EBITDA. There are eight (8) Franchisee Survey Reporting Restaurants. All other franchisees failed to timely respond to the survey as requested by Calzone King.

	Average EBITDA	Median EBITDA	Restaurants	Min EBITDA	Max EBITDA	# of Restaurants Above Average	% of Restaurants Above Average
As a Percentage	17.46%	19.03%	8	7.25%	24.72%	4	50%
In Dollars	\$189,618	\$187,517	8	\$49,937	\$361,246	4	50%

Notes on Table 5A

The Franchisee Survey Reporting Restaurants is a different subset of restaurants than the Reporting Restaurants listed in Table 1. The basis for this is that Calzone King has access to every restaurant’s Net Sales information via the point of sale system, whether the restaurant submits expense information or not. However, Calzone King relies on franchisees to timely submit expense information. In some cases, franchisees do not provide the expense information timely, which leads to their restaurants not being included in Franchisee Survey

Reporting Restaurants subset.

TABLE 5B
EBITDA (Earnings Before Interest Taxes, Depreciation, and Amortization)
For Franchisor Owned Restaurants

The following Table 5B represents the Average EBITDA (earnings before interest, depreciation, and amortization) as a percentage of Net Sales for Franchisor Owned Reporting Restaurants. “Franchisor Owned Reporting Restaurants” are restaurants owned by franchisor or its affiliates that responded to a survey that was sent to each respective affiliate by Calzone King regarding food cost, labor cost, and EBITDA. There are two (2) Franchisee Survey Reporting Restaurants. The other two (2) corporate affiliates failed to provide the survey response in time to be included in this Disclosure Document.

	Average EBITDA	Median EBITDA	Restaurants	Min EBITDA	Max EBITDA	# of Restaurants Above Average	% of Restaurants Above Average
As a Percentage	19.7%	19.7%	2	18.31%	21.09%	1	50%
In Dollars	\$194,821	\$194,821	2	\$120,000	\$269,642	1	50%

Notes on Table 5B

The Franchisor Owned Reporting Restaurants do not pay royalties to franchisor. The savings in royalties would not be applicable to a franchisee.

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

Written substantiation of the historic financial performance representation will be made available to you upon reasonable request.

Item 20:
Outlets And Franchise Information

Table No. 1
Systemwide Outlet Summary for 20210-20232

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	28	28	No Change
	2021	28	443	+165

	2022	443	5048	+65
	<u>2023</u>	<u>50</u>	<u>54</u>	<u>+4</u>
Company Owned	2020	11	12	+1
	2021	<u>11</u> 2	<u>7</u> 9	-4 <u>3</u>
	2022	<u>7</u> 9	<u>2</u>	-5
	<u>2023</u>	<u>2</u>	<u>24</u>	<u>No Change</u>
Total Outlets	2020	39	40	+1
	2021	<u>39</u> 40	<u>51</u> 2	+12
	2022	<u>51</u> 2	<u>52</u>	No Change <u>+1</u>
	<u>2023</u>	<u>52</u>	<u>56</u>	<u>+4</u>

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor) for years ~~20210-20232~~

State	Year	Number of Transfers
Arizona	2020	0
	2021	0
	2022	1
	<u>2023</u>	<u>0</u>
Delaware	2020	0
	2021	1
	2022	0
	<u>2023</u>	<u>0</u>
TOTAL	2020	0
	2021	1
	2022	1
	<u>2023</u>	<u>0</u>

Table No. 3
Status of Franchise Outlets
for years ~~20210-20232~~

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-renewals	Re-acquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of Year
Arizona	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>							
Colorado	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	1	0	0	0	0	5
	<u>2023</u>	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>
Connecticut	2020	1	0	0	0	0	0	1

	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>							
Delaware	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>							
Florida	2020	0	0	0	0	0	0	0
	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	1	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Georgia	2020	4	0	0	0	0	0	4
	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Illinois	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>
Iowa	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>							
Kansas	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Louisiana	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Maryland	2020	4	0	0	0	0	4	0
	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>
Massachusetts	<u>2021</u>	<u>0</u>						
	<u>2022</u>	<u>0</u>						
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Michigan (Note 1)(Note 4)	2020	0	0	0	0	0	0	0
	2021	0	2	0	0	0	0	2
	2022	2	0	<u>0</u>	0	<u>0</u>	0	3
	<u>2023</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>
Minnesota	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	<u>2023</u>							
Nebraska	2020	4	4	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>

New York (Note 2)	2020	<u>5</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>4</u>
	2021	<u>54</u>	<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>75</u>
	2022	<u>75</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>64</u>
	2023	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
North Carolina	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023							
Ohio (Note 3)(Note 2)	2020	0	0	0	0	0	0	0
	2021	0	2	0	0	0	0	2
	2022	2	<u>0</u>	0	0	0	0	5
	2023	<u>5</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6</u>
Oklahoma	2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2023	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Pennsylvania	2020	4	1	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	<u>5</u>	<u>0</u>					<u>5</u>
South Carolina	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	<u>0</u>	1	0	0	0	0	1
	2023	<u>1</u>	<u>0</u>					<u>1</u>
Tennessee	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	<u>1</u>	<u>0</u>	<u>0</u>				<u>1</u>
Texas	2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2023	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Virginia	2020	1	0	0	0	1	0	0
	2021	0	2	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	<u>2</u>	<u>0</u>			<u>0</u>		<u>2</u>
West Virginia (Note 4)(Note 3)	2020	1	0	0	0	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	<u>0</u>	0	0	0	0	3
	2023	<u>3</u>	<u>0</u>					<u>3</u>
Wyoming	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	1	0	0	0
	2023	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>			<u>0</u>
Wisconsin	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	<u>1</u>	1
	2023							<u>0</u>
Totals (Note 5.)	2020	28	3	0	0	1	2	28
	2021	28	16	1	0	0	0	443
	2022	443	44	02	1	02	2	4850
	2023	50	7	0	0	0	3	54

Note 1. Michigan. At the start of 2022, there were 2 franchised units and one company owned unit in Michigan. During the year, 2 franchised units were re-acquired by the franchisor and sold to a franchisee, along with 1 other company owned unit. Thus, the total number of franchised units in Michigan at the end of 2022 was 3, even though there were no new locations opened.

Note 2. New York. In 2021 there were 5 outlets open at the beginning of the year. 2 new outlets were opened. 1 outlet was terminated by franchisor. Additionally, not shown on the chart, is that 1 outlet was sold to a franchisee by the franchisor, thus the total number of franchised outlets at the end of 2021 was 7 (5 at the start + 2 new outlets + 1 outlet acquired by sale from franchisor – 1 termination). ~~Note 1. Two Michigan outlets that were formerly owned by a franchisee were terminated due to non-payment of royalties under the Franchise Agreement. Franchisor acquired those two outlets, and then sold those two outlets, along with another Michigan outlet that was previously owned by Franchisor, to a new Franchisee. Thus, the total franchisee outlets in the State of Michigan at the end of 2022 were 3.~~

Note 3. Ohio. In 2022, 3 outlets were sold from franchisor to a franchisee, resulting in the total franchised outlets at the end of the year being 5.

Note 4. West Virginia. In 2022, 1 outlet was sold from franchisor to a franchisee in West Virginia, resulting in the total outlets at the end of the year being 3.

Note 5. For the 2022 total numbers, there were 5 units that were sold to franchisees from the franchisor in 2022, which are not captured in the table above, but are addressed in the above notes.

~~Note 2. Three outlets that were formerly owned by Franchisor were sold to a Franchisee in 2022, making 5 the total number of Franchised outlets at the end of 2022 in the State of Ohio.~~

~~Note 3. One outlet was sold from Franchisor to a franchisee in 2022 in the State of West Virginia, making 3 the total of franchised outlets at the end of 2022 in the State of West Virginia.~~

Table No. 4
Status of Company Owned Outlets
for years 20210-20232

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of

				Franchisees			Year
Colorado	2020	1	0	0	0	0	1
	2021	1	0	0	1	0	0
	2022	0	0	0	0	0	0
	<u>2023</u>	<u>0</u>			<u>0</u>		<u>0</u>
Kansas	2020	1	0	0	0	1	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Michigan	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	2	0	3	0
	<u>2023</u>	<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>
New York (Note 1)	2020	34	0	0	0	10	24
	2021	24	0	0	0	0	24
	2022	24	0	0	0	00	24
	<u>2023</u>						
Ohio	2020	3	1	0	0	0	4
	2021	4	0	0	0	1	3
	2022	3	0	0	0	3	0
	<u>2023</u>	<u>0</u>	<u>0</u>			<u>0</u>	<u>0</u>
Virginia	2020	0	0	1	0	0	1
	2021	1	0	0	0	1	0
	2022	0	0	0	0	0	0
	<u>2023</u>	<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>
West Virginia	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	1	0
	<u>2023</u>	<u>0</u>				<u>0</u>	<u>0</u>
TOTALS	2020	11	1	1	10	1	12
	2021	112	0	0	0	32	79
	2022	79	0	2	0	7	24
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>		<u>0</u>	<u>2</u>

Note 1. Fredonia was previously incorrectly classified as a company-owned outlet. Syracuse was sold from franchisor to a franchisee in 2021.

Table No. 5
Projected Openings as of December 31, 2023~~2~~

State	Franchise Agreements Signed, but Outlet Not Opened	Projected New Franchise Outlet in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Colorado	1	1	0
Texas	1	1	0
Connecticut	1	1	0

<u>Idaho</u>	<u>1</u>	<u>1</u>	<u>0</u>
<u>IllinoisOhio</u>	<u>01</u>	<u>01</u>	<u>40</u>
TOTAL	43	53	04

Current Franchisee Contact Information

Arizona

Tempe, Arizona	Ahmed Abdelhak	(480) 373-6844	933 E University Drive, Tempe, AZ 85281
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Colorado

Outlet	Franchisee Name	Store Telephone Number	Store Address
Colorado Springs	Tony Bartolone	(719) 268-2777	4239 N. Nevada Ave., Colorado Springs, CO 80907
Denver	Chris Albert	303-839-9663	1228 E. Colfax Ave Denver, CO 80218
Ft. Collins	Mike Davie, Tony Bartolone	970-224-0202	634 S. College Ave Fort Collins, CO 80524
Greeley	Mike Davie, Tony Bartolone	970-336-8888	901 16th Street Greeley, CO 80631
Boulder	Akshaykumar Solanki	720-452-5700	1310 College Ave. S., Ste 270, Boulder, CO 80302

Connecticut

Storrs	Cory Hill,	860-429-7577	1232 Storrs Rd # 5 Storrs Mansfield, CT 06268
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Delaware

Newark	Phanendra Gottipati, Zahid Aslam, and Zabin Nisa	202-550-1815	257 S. Main St, Newark, DE 19711
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Florida

Tallahassee	Colin Pickert	850-296-1116	444 W. College Ave, Tallahassee, FL 32301
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Georgia

Athens	David Michael	(706) 842-2828	180 W Broad Street, Athens, Georgia, 30601
Statesboro	David Michael	(912) 732-8478	1550 Chandler Road, Suite A, Statesboro, GA 30458

Illinois

Champaign	Steve Fiala, Brian Plotkin	217-365-9663	33 East Green St Champaign, IL 61820
Normal	Ryan Fiala	309-888-9663	121 E. Beaufort Street Normal, IL 61761
<u>Chicago – Lincoln Park</u>	<u>Frank Fatehali</u>	<u>312-900-0332</u>	<u>1751 N. Sheffield Ave., Chicago, IL 60614</u>
<u>Dekalb</u>	<u>Frank Fatehali</u>	<u>815-766-3199</u>	<u>215 W. Lincoln Highway, Dekalb, IL 60115</u>

Iowa

Iowa City	Jon Sewell	319-354-3344	519 E. Washington St., Iowa City, IA 52240
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Kansas

Manhattan	Nickolas and Cory Rowan	785-712-2778	1120b Moro St., Manhattan, KS 66502
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Louisiana

<u>Baton Rouge</u>	<u>Akshaykumar Solanki</u>	<u>225-778-8828</u>	<u>3272 Highland Road, Baton Rouge, LA 70802</u>
New Orleans - Freret St.	Akshaykumar Solanki	(504-)544-9400	5010 Freret St., New Orleans, LA 70115
New Orleans – French Quarter	Akshaykumar Solanki	(504-)544-9400	1133 Decatur Street, New Orleans, LA 70116

Maryland

Towson	Corey Polyoka	(443) 846-0111	17 W. Pennsylvania Ave., Suite 100, Towson, MD 21204
College Park	Corey Polyoka	(443) 846-0111	4200 Hartwick Rd, Ste D, College Park, MD 20740

Massachusetts

<u>Amherst</u>	<u>Cory Hill</u>	<u>413-461-7911</u>	<u>18 N. Pleasant St., Amherst, MA 01002</u>
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Michigan

Ypsilanti	Kayla Walser	(740-)312-9047	729 W. Cross St, Ypsilanti, MI 48197
East Lansing	Kayla Walser	(740-)312-9047	553 E. Grand River Ave., East Lansing, MI 48823
Kalamazoo	Kayla Walser	(740-)312-9047	2711 W. Michigan Ave, Kalamazoo, MI 49006

Minnesota

Minneapolis	Brian and Tom Van Dyke	(612-)353-4831	1501 University Ave SE, Minneapolis, MN 55414
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Nebraska

Lincoln	Nickolas and Cory Rowan	(531-) 220-0101	1451 O Street, Lincoln, NE 68508
Kearney	Nickolas and Cory Rowan	(308-) 270-5678	105 W. 11 th St, Kearney, NE 68847

New York

Ithaca	Eric Sears	607-277-7772	114 West Green Street Ithaca, NY 14850
Binghamton	Eric Sears	607-930-9300	81 State Street, Binghamton, NY 13901
Rochester	Dan Dean	(585-) 270-8020	400 Jefferson Road, Henrietta, NY 14623
Brockport	Dan Dean	(585-) 431-3753	53 N. Main St, Brockport, NY 14420
<u>Fredonia</u>	<u>Skye Wallace</u>	<u>716-679-9664</u>	<u>13 E. Main St., Fredonia, NY 14063</u>
<u>Syracuse</u>	<u>Stephen Taylor</u>	<u>315-422-9664</u>	<u>315 S. Clinton St., Syracuse, NY 13202</u>

North Carolina

Raleigh	Matt Eastman	919-829-1525	2109 Avent Ferry Road Raleigh, NC 27606
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Ohio

Akron	Devine Redding	234-260-1600	20 E. Exchange St., Akron, OH 44308
Kent	Devine Redding	330-968-1777	215 S. Water St., #104, Kent, OH 44240
Athens	Kayla Walser	(740-0) 312-9047	394 Richland Ave, Athens, OH 45701

Columbus	Kayla Walser	(740-)312-9047	1259 N High St, Columbus, OH 43201
Bowling Green	Kayla Walser	(740-)312-9047	140 E Wooster St, Bowling Green, OH 43402
<u>Cleveland</u>	<u>Devine Redding</u>	<u>216-243-5252</u>	<u>230 Euclid Ave,</u> <u>Cleveland, OH</u> <u>44114</u>

Oklahoma

<u>Stillwater</u>	<u>David Smith</u>	<u>405-332-7999</u>	<u>524 W. 6th Avenue,</u> <u>Stillwater, OK 74074</u>
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Pennsylvania

State College	Dominike Cook	814-237-4747	401 East Beaver Avenue State College, PA 16801
Westchester	Bruce Wray	267-358-8853	7 W. Gay St, Westchester, PA 19380
Philadelphia	Bruce Wray	267-358-8853	3235 Powelton Ave., Philadelphia, PA 19104
Bloomsburg	Bruce Wray	267-358-8853	102 E Main St., Bloomsburg, PA, 17815
Wilkes-Barre	Bruce Wray	272-268-8600	41 S. Main St, Wilkes-Barre, PA18701

South Carolina

<u>Clemson</u>	<u>David Michael</u>	<u>864-778-4437</u>	<u>102 Fendley St, Suite</u> <u>C, Clemson, SC</u> <u>29631</u>
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Tennessee

Knoxville	TJ Johnson and Jaclyn Johnson	919-829-1525	1823 Cumberland Ave., Knoxville, TN, 37916
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Texas

<u>Denton</u>	<u>Randy McFadden</u>	<u>940-331-9333</u>	<u>1216 W. Hickory St., Denton, TX 76201</u>
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Virginia

Blacksburg	Kristina HarveyDominik Cook	540-951-9663	215 North Main Street Blacksburg, VA 24060
Radford	Kristina HarveyDominik Cook	540-744-1200	308 Tyler Ave., Radford, VA 24141

West Virginia

Huntington	Jaclyn Johnson, Tim Johnson	304-529-0005	1520 4 th Avenue Huntington, WV 25701
Charleston	Jaclyn Johnson, Tim Johnson	304-553-0515	166 Summers St., Charleston, WV 25301
Morgantown	Stephen Taylor	304-292-2444	408 High St, Morgantown, WV 26505

Wisconsin

Milwaukee	Mike Styke	(920) 901-0496	1515 E North Ave, Milwaukee, WI 53202
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Former Franchisee Contact Information

There are no franchisees with whom we have not communicated with 10 weeks prior to the issuance date of this Disclosure Document. The franchisees below left the system in 2023~~2~~.

Albany, NY	Nick Warehol	518-396-3900	212 Western Avenue Albany, NY 12203
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Tampa, FL	Michael Foote	202-550-1815	223 S. Howard Drive, Tampa, FL 33606
Tempe, Arizona	Jardin Ratzken	480-373-6844	933 E University Drive, Tempe, AZ 85281
State College, PA	Peter Gardella	814-935-3715	401 East Beaver Avenue State College, PA 16801
<u>College Park</u>	<u>Corey Polyoka</u>	<u>443-846-0111</u>	<u>4200 Hartwick Rd, Ste D, College Park, MD 20740</u>
<u>Towson</u>	<u>Corey Polyoka</u>	<u>443-846-0111</u>	<u>17 W. Pennsylvania Ave., Suite 100, Towson, MD 21204</u>
<u>Milwaukee</u>	<u>Mike Styke</u>	<u>(920) 901-0496</u>	<u>1515 E North Ave, Milwaukee, WI 53202</u>

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Franchisees Who Have Signed Agreements, But Not Yet Opened for Business

Fairfield, CT	Paul Atala & Jason Bonsignore	<u>Jbonsignore74@hotmail.com</u> , <u>Jbonsignore74@hotmail.com</u> , <u>paul_atala@yahoo.com</u>
Denton, TX	Randy McFadden	<u>mavericks_win@yahoo.com</u> , <u>mavericks_win@yahoo.com</u>
<u>Windsor, CO</u>	<u>Mike Davie and Tony Bartolone</u>	<u>losbartos@comcast.net</u> , <u>losbartos@comcast.net</u> , <u>m_davie21@hotmail.com</u>
<u>Boise, ID</u>	<u>Matt Eastman</u>	<u>dpdoughmatt@yahoo.com</u>
<u>Cleveland, OH – Uptown</u>	<u>Kayla Walser</u>	<u>Kayla.wolf@dpdough.com</u>

Confidentiality Agreements

During the last three fiscal years, we have not signed any confidentiality clauses with a

Item 21:
Financial Statements

Attached to this Disclosure Document as Exhibit E are our audited financial statements, which reflect the condition of the franchisor as of December 31, 2023~~2~~. Franchisor's fiscal year ends on December 31.

The financial statements represent the period from January 1, 2023~~2~~ through December 31, 2023~~2~~.

Item 22:
Contracts

The following agreements and other required exhibits are attached to this Disclosure Document in the pages immediately following:

Exhibit A	State Addenda to Disclosure Document
Exhibit B	State Franchise Administrators/Agents for Service of Process
Exhibit C	Table of Contents of Operating Manual
Exhibit D	Franchise Agreement
Exhibit E	Audited Financial Statement
Exhibit F	Receipts

F. Franchisee is hereby granted a license to use the System, including Calzone King's trademarks, service marks, goodwill, standard operating procedures and policies, and to benefit from the foregoing at the single location specified in Section 6 and subject to the terms of this Agreement. Nothing in this Agreement shall be construed to authorize Franchisee to use such trademarks, service marks, goodwill, standard operating procedures and policies at any other location or for any other purpose. Franchisee does not have the right to sub-license the use of the system, trademarks, service marks, goodwill, or standard operating procedures to any other party. Calzone King retains the exclusive ownership of all rights, title and interest in and to Calzone King's trademarks, service marks, goodwill, standard operating procedures and policies and the System.

3. Training and Obligations of Calzone King to Franchisee.

A. For any Franchisee's first D.P. Dough restaurant, prior to the opening of the Restaurant, Calzone King will provide, and Franchisee must successfully complete, a training program consisting of: (1) ten (10) to twenty (20) days (working eight (8) to twelve (12) hours per day) of in-store "immersion" training at an approved D.P. Dough location; (2) online training, which currently consists of approximately twenty (20) classes; and (3) at least fifteen (15) days of on-site training at your Location. Franchisee will not be compensated for training time. For the immersion training, Calzone King, in its sole discretion, will determine whether you or your representative require the additional ten (10) days of training. Calzone King may look to any commercially reasonable business consideration to determine if additional training is required, including, but not limited to, the skills of the trainee, trainee's ability to execute the System, and trainee's prior history of food service work. If Franchisee is not an individual, training will be provided to the Owner Operator and a General Manager/Assistant General Manager specified by Franchisee. All expenses related to participation in the training program (including all individuals being trained on behalf of the Franchisee), including travel, meals, and lodging, shall be paid by Franchisee.

B. In the event that, Franchisee, or the representatives Franchisee sends for training, fails to successfully complete the training program as directed by Calzone King, Calzone King may immediately terminate the Franchise Agreement by providing Franchisee with written notice of the failure to successfully complete the training program. In such an event, after Franchisee has executed an acknowledgement of termination of the franchise agreement and a release of claims against Calzone King (which will include a mutual release of claims against Franchisee), Calzone King shall provide a refund of fifty percent (50%) of the Initial Franchise Fee to Franchisee. In the event that Franchisee has paid less than fifty percent (50%) of the Initial Franchise Fee to Calzone King at the time the notice of termination is provided, Calzone King shall not be obligated to issue any refund to Franchisee to effectuate the termination of this Franchise Agreement under this paragraph and the termination shall be effectuated merely by Calzone King providing written notice to Franchisee. The determination of whether Franchisee has failed to successfully complete the training program shall be in the sole commercially reasonable discretion of Calzone King, which may consider matters such as whether the Franchisee missed scheduled training days, whether Franchisee was distracted and not fully engaged in training, whether Franchisee repeatedly failed to follow directions such that Franchisee's ability to operate a D.P. Dough restaurant is called into question, and any other similar matter that would be commercially reasonable to consider.

C. Calzone King shall assist Franchisee with: site selection, layout of the Restaurant, selection of fixtures and equipment, training, opening, marketing, identifying approved suppliers and distributors, and providing the System for operations at the Restaurant. Calzone King shall periodically meet and consult with Franchisee concerning the operations of the Restaurant. Calzone

King shall not, however, have any obligation to meet or consult with Franchisee at any specific times, rate, or frequency. Franchisee acknowledges that it would be impossible for Calzone King to meet and consult with each of its franchisees for an identical amount of time, and that the extent of Franchisee's meetings and consultations with Calzone King may be more or less than other franchisees. Calzone King will regularly provide best practices and procedures for Restaurant operations and quality control standards consistent with the D.P. Dough® System, as set forth in this Agreement.

~~D.~~—Calzone King shall provide ten days of on-site assistance at no additional cost. In the event that Franchisee elects to have the assistance of Calzone King beyond ten days Franchisee shall be responsible for paying for the reasonable travel expenses of Calzone King's representatives to travel to the Restaurant. Franchisee shall provide a deposit towards the travel expenses, which shall be in an amount to be determined by Calzone King based on the amount of time that you request for Calzone King to be onsite. ("Additional Opening Travel Deposit"). Calzone King shall have no obligation to provide more than ten days of training, unless Franchisee has paid the Additional Opening Travel Deposit. Within thirty (30) days after the Restaurant has opened for business, Calzone King shall provide a written statement to Franchisee which sets forth an explanation of Additional Opening Travel Deposit. To the extent the expenses are less than the amount that Franchisee paid as a deposit, Calzone King shall provide a refund of the Additional Opening Travel Deposit to Franchisee at the same time as the written statement is sent to Franchisee.

D.

4. Franchise Fees, Royalty Fees, Financial Reporting, Audit.

A. Franchisee shall pay Calzone King a franchise fee of ~~Twenty Five~~ Forty Thousand Dollars (~~\$4025,000~~) for the first franchise acquired ("Initial Franchise Fee"). There shall be a franchise fee of ~~Twenty Five~~ Forty Thousand Dollars (~~\$4025,000~~) for each additional franchise that Franchisee (or its owners) may acquire. The franchise fee shall be paid in full upon the execution of this Agreement, unless Franchisee requires bank financing to obtain the funds necessary for opening a new restaurant, as set forth in Item 7 of the then-current D.P. Dough Franchise Disclosure Document ("Opening Funds").

i. In the event that Franchisee requires bank financing to obtain Opening Funds, Franchisee shall pay one half of the Initial Franchise Fee, which is Twenty Thousand Dollars (\$12,500) ~~(\$12,500/20,000)~~ to Calzone King upon the execution of this Agreement ("Initial Franchise Fee Deposit"). The Initial Franchise Fee Deposit is not refundable under any circumstances. If you cannot secure financing, Calzone King will retain the Initial Franchise Fee Deposit as a fee for removing the territory from the market. The remainder of the Initial Franchise Fee shall be paid by Franchisee to Calzone King within seven (7) business days of Franchisee's receipt of the lender's disbursement of funds.

ii. In the event that Franchisee fails to obtain the Opening Funds, and fails to pay Calzone King the remaining Initial Franchise Fee ~~within six (6) months of the execution of this Agreement, Franchisee and Calzone King each have the option to terminate this Agreement. In such an event, Calzone King shall retain fifty-one hundred percent (100/50%) of the Initial Franchise Fee Deposit, which is not refundable and return fifty percent (50%) of the Initial Franchise Fee to Franchisee.~~

iii. For the sake of clarity, in the event Franchisee requires bank financing to obtain Opening Funds, Franchisee receiving said bank financing is a prerequisite to Calzone King

6. Location.

A. The physical address of the Restaurant shall be within one and one half (1.5) miles of the following University, College, or other Attraction: _____ (the "Location"). Calzone King will assist Franchisee in finding a suitable Location. The Location shall be selected by Franchisee, with assistance from Calzone King or its representative, but is subject to the written consent of Calzone King. Such consent shall not be unreasonably withheld. Franchisee shall use the services of a local commercial real estate broker selected by Franchisee and approved by Calzone King, which approval shall not be unreasonably withheld. In evaluating the site for approval, Calzone King takes into account local competition, parking, whether there is an unobstructed view of the Location from the street, the number of students and non-students within the geographic area of the proposed site, the median age of the area residents, the average income of such residents, the size of the store, the proximity of a college or university to the proposed site, and the culture of the nearby college or university. Calzone King shall act promptly to determine whether or not to approve Franchisee's proposed location, but shall provide an answer to Franchisee within ten (10) business days of the date when Franchisee submitted all of the information requested by Calzone King as it relates to the proposed location. In the event that Calzone King and Franchisee cannot agree on a Location, Franchisee must submit another location for Calzone King's approval within the otherwise applicable. The failure of Calzone King to approve a proposed location does not provide Franchisee with additional time to open. The opening time requirements are set forth in Section 4(B).

B. As long as this Agreement is in effect, and Franchisee is fully in compliance with this Agreement and not in default, Calzone King shall not establish, operate or enfranchise any other traditional D.P. Dough® restaurant within a **-three (3)** mile radius of the Restaurant (the "Territory").

C. Calzone King reserves the exclusive right to, directly or indirectly, sell and distribute, and license others to sell and distribute, prepackaged menu items under the Marks to retail outlets (i.e. grocery stores, markets, and convenience stores) in and outside of the Territory.

D. Franchisee shall not change the Location of the Restaurant without the prior written consent of Calzone King. If Calzone King elects to travel to the proposed new location, Franchisee agrees to pay to Calzone King the actual travel costs incurred by Calzone King to visit the proposed location, including, but not limited to airfare, hotel, gas, rental vehicles, and meals of Calzone King representatives ("Relocation Approval Expenses"). Said amount shall not exceed two thousand five hundred thousand dollars (\$2,500). If Calzone King in its sole discretion deems travel necessary, at the same time that Franchisee submits the written request for relocation, Franchisee shall pay a deposit of two thousand five hundred dollars (\$2,500) to Calzone King to be applied by Calzone King to the Relocation Approval Expenses. The remaining Relocation Approval Expenses due, if any, will be collected by D.P. Dough via Electronic Transfer within thirty (30) days of the Relocation Approval Travel.

E. Calzone King will not unreasonably withhold consent for relocation; provided, however, that Calzone King may withhold consent based on Franchisee's failure to demonstrate appropriate relocation funds sufficient to complete construction and buildout of the new location based on the required expenses for construction and buildout in Item 7 of the then-current Franchise Disclosure Document. In the event of such a relocation, the new location must follow the same interior design and construction standards as are required in the then-current Franchise Agreement.

7. Term.

A. This Agreement shall remain in effect for a term of ten (10) years, beginning on the earlier of 1) the date that the Restaurant is first open for business to the public, or 2) the date that is fifteen months after the Effective Date (the "Restaurant Opening Date"), except that this Agreement may terminate sooner upon Default by Franchisee as provided in Section 16, or Calzone King's acquisition of the Restaurant pursuant to a right of first refusal as provided in Section 15. For the sake of clarity, the Effective Date is not the start of the ten (10 year Term. The Restaurant Opening Date is the ~~start~~first day of the Term.

B. If Franchisee requests in writing during the last year of the initial ten (10) year term of the Agreement, Calzone King will renew the Franchise for a term of ten (10) years; provided that the Franchisee has not committed a material breach of this Agreement during the final five (5) years of the initial ten (10) year term of this Agreement. In the event of any extension or renewal, Franchisee shall execute the then current form of Calzone King's Franchise Agreement (the "New Agreement") no later than sixty (60) days prior to the end of the Term of this Agreement. Franchisor requires the sixty (60) day notice period to prepare plans for the market in the event that Franchisee does not renew. Franchisee shall pay to Calzone King a renewal fee of Two Thousand Five Hundred Dollars (\$2,500) at the time the New Agreement is signed.

C. Franchisee shall immediately remove all D.P. Dough signage or trade dress that identifies D.P. Dough upon the conclusion of the Term, whether the natural Term has ended or whether the Franchise Agreement was terminated. In the event that Franchisee fails to remove all D.P. Dough signage at the conclusion of the Term, Calzone King will remove all such items. In such an event, Franchisee shall pay Calzone King for its actual expenses in removing all D.P. Dough branding from the restaurant, including engaging third parties and/or travel costs, including mileage, rentals, gas, parking, tolls, hotels, and food on the road as applicable.

8. Restaurant Appearance And Equipment.

A. Franchisee shall install and erect at the Restaurant such signs, emblems, and caricatures, as are prescribed by Calzone King from time to time, subject to local ordinances. Franchisee shall not display any signs, emblems, or caricatures at the Restaurant other than those approved by Calzone King. Signs shall be purchased from Calzone King or from a vendor approved by Calzone King.

B. Franchisee shall maintain the Restaurant and all equipment and signs in good repair, sound operating condition, and in a clean and attractive appearance according to the standards of cleanliness, neatness, and sanitation established by Calzone King through the System.

C. Except with the prior written consent of Calzone King, Franchisee shall not sell any food products from its Restaurant that are not approved Calzone King menu items. Franchisee shall not share its Restaurant with any other business, nor shall Franchisee engage in co-branding without the prior written approval of Calzone King. Only Calzone King's franchised business may be conducted in the Restaurant.

D. Calzone King may require Franchisee to periodically remodel the Restaurant, but not more frequently than every five (5) years, and at a cost not to exceed Ten Thousand Dollars (\$10,000) in each respective five (5) year period. If such a requirement exists, Franchisee will be notified in writing of the requirements at least one year prior to the deadline for such remodeling.

E. Franchisee shall purchase and utilize integrated computer equipment, including a point of sale system and associated software. Franchisee is required to purchase the “Centro” point of sale system, which was made specifically for D.P. Dough. Calzone King may require Franchisee to replace computer equipment to the then-current computer equipment being used by new franchisees every five (5) years.

F. Calzone King shall have access to all data produced by the computer via high-speed Internet connection or the fastest data exchanger available in the designated market. Calzone King shall own all data created by and contained within the point of sale system, including, but not limited to, customer names, customer phone numbers, customer email addresses, and sales information.

G. Franchisee is required to provide Calzone King with an email address that Franchisee shall regularly review. Calzone King will send correspondence and communications to Franchisee through email or through the D.P. Dough Intranet.

H. Franchisee is required to purchase and utilize a video surveillance system with online access. Calzone King shall be granted access to the online video surveillance system within five (5) days after providing a written request to Franchisee. Calzone King will remotely monitor the activity of Franchisee’s Restaurant only after providing a written request for access and a written explanation of the reason why remote viewing access is being requested. Calzone King may designate the manufacturer, model number, and other similar requirements for the video surveillance system. Calzone King may require Franchisee to replace the video surveillance equipment every ten (10) years.

I. Franchisee shall promptly pay all distributors, suppliers, or vendors for all purchases made by Franchisee.

9. Obligations of Franchisee.

A. Franchisee agrees to fully and completely comply with the Operating Manual, the System, and all updates to it, as set forth in Section 2. Franchisee acknowledges that its permission to use the D.P. Dough® marks and System are expressly conditioned upon Franchisee’s strict compliance with the Operating Manual, and the System. Calzone King, through its System, shall control the days of operation, hours of operation, menu, advertising, marketing, food items, vendors, suppliers, décor, signage, and any other item that is addressed by the System or this Agreement. Franchisee and Calzone King shall mutually agree on the Location, and the menu prices.

B. Franchisee shall not open the Restaurant for business without the prior express consent of Calzone King. Calzone King shall designate the date on which Franchisee may open the Restaurant for business (“Grand Opening”). In the event that Franchisee opens the Restaurant for business without the prior express consent of Calzone King, there shall be a charge of two thousand five hundred dollars (\$2,500) per day for every day where, during any portion of that day, the Restaurant is open without the express written consent of Calzone King (“Unauthorized Grand Opening Fee”). The Unauthorized Grand Opening Fee may be collected via Electronic Payments and is subject to the Late Fee and the Interest Fee.

C. Franchisee must acquire equipment and fixtures as specified by Calzone King. The cost of such acquisitions are solely the responsibility of Franchisee. The current opening costs are listed in Item 7 of the current Franchise Disclosure Document.

D. Franchisee shall not purchase, utilize, dispense, or sell any item or product that does not conform to the standards and specifications required by Calzone King concerning portions, appearance, quality, coloring, flavoring, and other ingredients or characteristics. Calzone King shall prescribe these standards and specifications after the Agreement is signed, and periodically thereafter as the standards and specifications are changed, consistent with the System.

E. Franchisee shall purchase all of its ingredients and supplies from a distributor approved by Calzone King in the area in which the Restaurant is located. The purpose of this requirement is to ensure consistency across all D.P. Dough restaurants and to keep food cost as low as possible by purchasing items in higher volumes than if each D.P. Dough restaurant independently chose a food distributor or shopped for food items independently. Franchisee may suggest a new distributor for approval by Calzone King. Calzone King may then require Franchisee to test the products of the proposed distributor to the extent Calzone King deems necessary, and may, subject solely to Calzone King's discretion, approve the proposed distributor as a designated distributor for some or all items. Franchisee shall pay the cost of any such testing of alternative food products. Such testing shall be in a form determined by Calzone King, which shall be relayed to Franchisee at the time Franchisee seeks approval of an alternate distributor. Calzone King will approve or disapprove of the proposed alternate distributor within 30 days of Calzone King's receipt of the product tests set forth by Calzone King.

F. All employees of Franchisee, while engaged in the operation of the Restaurant, shall wear uniforms conforming in color and design to those standard in the System and approved by Calzone King. Franchisee shall purchase uniforms from a vendor designated by Calzone King, unless another vendor is approved by Calzone King. Such employees shall present a neat and clean appearance and shall render competent, sober, professional and courteous service to the patrons of the Restaurant.

G. To the furthest extent allowed under the applicable law, Franchisee shall indemnify, defend, and hold harmless Calzone King from any such claims, losses, or damages, including exemplary and punitive damages, attorney's fees and other costs or expenses incurred by Calzone King except to the extent that such claims, losses, or damages result from the intentional acts of Calzone King or its employees. In the event of such indemnity, Calzone King shall provide a written notice to Franchisee of the nature of the claim, losses, or damages and the extent and amount of the indemnity required by Franchisee ("Indemnity Notice"). Franchisee shall make said payment to Calzone King within thirty (30) days of the Indemnity Notice. -If any portion of this Section is for any reason declared invalid or unenforceable, the validity of the remaining portions of this Section shall not be affected, and such remaining portions shall remain in full force and effect as if this Section had been executed without the invalid portion. Franchisee agrees to assume the entire liability for all personal injury claims suffered by its own employees and waives any limitation of liability defense based upon the Worker's Compensation Act and cases decided there under. Franchisee agrees to indemnify and defend the Franchisor from and against all such loss, expense, damage or injury, including reasonable attorney's fees, which the Contractor may sustain as a result of personal injury claims by Subcontractor's employees.

H. Franchisee shall at all times maintain the following policies of insurance, each of which shall name Calzone King LLC, P.O. Box 229, McGraw, NY 13101, as an additional insured on a primary, non-contributory basis, with respect to sections H(ii)-(iv) only:

i. Workers' compensation and occupational disease insurance with minimum limits as required by law, but not less than One Million Dollars (\$1,000,000) per

occurrence. Franchisee shall provide a waiver of worker's compensation subrogation and/or any rights of reimbursement or recovery allowed under any workers compensation law or any other legal basis in favor of Franchisor;

ii. General liability insurance, including products liability coverage, with a limit of not less than One Million Dollars (\$1,000,000) per occurrence; and

iii. Non-owned and hired automobile liability insurance with a minimum of not less than One Million Dollars (\$1,000,000) per occurrence.

iv. If Franchisee owns vehicles that are used in deliveries for the business, owned automobile liability insurance with a minimum of not less than One Million Dollars (\$1,000,000) per occurrence.

v. If Franchisee has an umbrella insurance policy, it must add Calzone King, LLC as an additional insured to the maximum amount of the umbrella.

~~iv-vi.~~ Franchisee shall provide Calzone King with acceptable documentation to prove that it has been named as an additional insured as required by this Agreement, including but not limited to, Form CG 2029 (Grantor of Franchise Additional Insured Form).

(Collectively, "the Insurance"). All premiums for the Insurance shall be paid by Franchisee. Each insurance policy shall list Calzone King as an additional insured, on a primary, non-contributory basis, shall provide for thirty (30) days notice to Calzone King prior to cancellation of such insurance policy, and shall give Calzone King the right to pay any premium due to avoid cancellation of such insurance. **Franchisee expressly authorizes Calzone King to pay premiums on behalf of Franchisee in the event that Franchisee fails to obtain the Insurance (whether such failure is to renew the Insurance or to obtain the Insurance initially) within five (5) days of written notice provided by Calzone King. Franchisee shall reimburse Calzone King immediately upon demand for any amount paid by Calzone King on behalf of Franchisee to maintain an insurance policy. Calzone King may collect any amounts paid on Franchisee's behalf through Electronic Payments.** Upon demand, Franchisee shall furnish Calzone King with certificates of insurance, proof of payment of premiums, and copies of insurance policies, which evidence Franchisee's compliance with this Agreement within seven (7) days of the written demand from Calzone King. After that, for each seven (7) day period or fraction thereof where Franchisee fails to fully meet the requirements of this Section, Franchisee shall pay to Calzone King a late fee (the "Insurance Fee") of two hundred dollars (\$200) per week until Franchisee has fully complied with the requirements of this Section. Further, the failure to comply with the provisions of this paragraph shall trigger the Brand Standards Liquidated Damages provision set forth in Section 2(C) if proof of insurance that is compliant with this Agreement is not provided to Calzone King within seven (7) days of when the first two hundred dollar (\$200) weekly Insurance Fee is charged (which is fourteen days after the initial written demand from Calzone King). The Insurance Fee shall be subject to the Interest Fee if the same is not paid when due. Calzone King shall have the power to use Electronic Payments to collect the Insurance Fee and the Interest Fee.

I. Neither Calzone King nor Franchisee shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage, or any resulting loss of income and benefits (even though such loss or damage might have been occasioned by the negligence of such party, its agents or employees) if such loss or damage is covered by insurance benefiting the party suffering such loss or damage or is required to be covered

by insurance pursuant to this Franchise Agreement. Calzone King and Franchisee agree that deductibles under Franchisee's insurance policies and other amounts that are self-insured by Calzone King or Franchisee shall be deemed covered by insurance and all claims for recovery thereof are hereby waived. Franchisee and Calzone King shall require their respective insurance companies to include a standard waiver of subrogation provision in their respective policies.

~~I.J.~~ Franchisee shall comply with all state, federal, or local laws and regulations. Franchisee shall timely pay all taxes assessed by any taxing authority, federal, state, or local, against the Restaurant or the personal property used in the operation of the Restaurant. Franchisee shall keep up to date with any changes in law across all jurisdictions. Calzone King is not responsible for keeping franchisee up to date on any legal developments.

~~J.K.~~ Franchisee shall be personally involved in the conduct and operation of the Restaurant. If Franchisee is not an individual, then an individual who owns ten percent (10%) or more of the voting common stock, partnership interest, or membership interest of Franchisee shall be involved in the conduct and operation of the Restaurant. If applicable, the individual who will be personally involved (the "Owner Operator") is _____. The Owner Operator shall not be changed without the prior written consent of Calzone King. Any change made without such consent shall be a material breach of this Agreement. The Owner Operator, Franchisee, and the Guarantors of this Agreement shall promptly provide photo identification or other information reasonably requested by Calzone King to verify their identities.

~~K.L.~~ _____ Either the Owner Operator or a manager who has been trained in the System ("the Manager(s)") shall be at the Restaurant when the Restaurant is open for business. Calzone King may require the Owner Operator or the Manager(s) to successfully complete training as specified by Calzone King. Calzone King may adopt a program by which Managers must be "certified" by Calzone King. Such certification may require successfully completing training, passing tests, and a minimum amount of on the job experience. Owner Operator and Manager(s) must be able to adequately communicate (oral and written) with customers, employees, representatives of relevant government agencies, and others. **Calzone King SHALL NOT have ANY control, whether direct or indirect, over the hiring and firing of employees, the scheduling of individual employees, the compensation of employees, or any human resources issue within Franchisee's business. Franchisee shall have sole control and liability for all such issues.**

~~L.M.~~ _____ Franchisee shall notify Calzone King in writing within ten (10) days of the commencement of any action, suit, or proceeding or of the issuance of any order, writ, injunction, award or decree, of any court, agency, or other governmental instrumentality that may adversely affect the financial condition of Franchisee or its ability to meet its obligations under this Agreement.

~~M.N.~~ _____ Franchisee, Franchisee's Principals and the Owner Operator shall diligently devote their best efforts to the operation of the Restaurant.

~~N.O.~~ _____ The telephone number or numbers of the Restaurant shall be listed under the name "D.P. Dough" or "D.P. Dough [City Name]". Franchisee shall pay all telephone charges, costs, and deposits when due. Franchisee shall execute an Assignment of Telephone Number(s) in the form set forth on Attachment A. In the event that Franchisee fails to execute said Attachment A, Franchisee appoints Calzone King as its lawful power of attorney for the limited purpose of executing Attachment A and any future documents required to be executed by the telephone company.

~~O.P.~~ _____ Franchisee, the Owner Operator, or a manager designated on behalf of Franchisee, shall attend the D.P. Dough Conference periodically held by Calzone King. Calzone King shall provide Franchisee with adequate notice of the time, date, and location of each franchise meeting. Franchisee shall bear all expenses related to attendance at such meetings, including, but not limited to, travel, meals, and lodging. Calzone King shall charge a reasonable fee to pay for the actual costs of any franchise meeting. Franchisee shall pay to Calzone King Five Hundred Dollars (\$500) for each D.P. Dough Conference that Franchisee, Owner Operator or a manager designated by Franchisee or the Owner Operator fails to attend (“the Meeting Fee”). Franchisee shall pay the Meeting Fee within ten (10) days after the meeting was not attended. The Meeting Fee shall be subject to the Interest Fee if the same is not paid when due. Calzone King shall have the right to collect the Meeting Fee and Interest Fee through Electronic Payments.

~~P.Q.~~ _____ Upon written request by Calzone King, if Franchisee is a legal entity such as a limited liability company or corporation it shall provide the most recent signed and executed copy of Franchisee’s operating agreement, corporate by-laws, or regulations, as may be applicable to Calzone King within five (5) days of the written request by Calzone King.

~~R.~~ Upon the death or disability of the Owner Operator (or, if Franchisee is a legal entity, the majority owner of Franchisee), the Owner Operator or majority owner of Franchisee’s executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a new Owner/Operator, who must immediately schedule in-store training with Calzone King at the expense and within the timeframe we specify. If, in Calzone King’s judgment, the Restaurant is not being managed properly any time after the death or disability of the Owner Operator (or, if Franchisee is a legal entity, the majority owner of Franchisee), Calzone King may, but need not, assume the Restaurant’s management (or appoint a third party to assume its management). All funds from the Restaurant’s operation while it is under our (or the third party’s) management will be kept in a separate account, and all expenses will be charged to this account. Calzone King may charge Franchisee (in addition to the Royalty Fee, Ad Charge, and other amounts due under this Agreement), Six Hundred Dollars (\$600) per person per day, plus Calzone King’s (or its third party’s) direct out-of-pocket costs and expenses, including travel expenses such as hotel, airfare, meals on the road, mileage, and rental cars, if applicable, if Calzone King (or a third party) assume the Restaurant’s management under this Section. Calzone King (or a third party we choose) has a duty to utilize only reasonable efforts and, provided Calzone King is not grossly negligent and does not commit an act of willful misconduct, Calzone King will not be liable to you or your owners for any debts, losses, or obligations the Restaurant incurs, or to any of your creditors for any products, other assets, or services the Restaurant purchases, while we (or a third party) manage it. If we assume the Restaurant’s management (or appoint a third party to assume its management), we will operate the Restaurant for up to ninety (90) days. We will periodically evaluate whether or not a new Owner Operator is capable of resuming the Restaurant’s operation and will periodically discuss the Restaurant’s status with Franchisee or, if applicable, Owner Operator or majority Franchisee owner’s heirs or personal representative. For purposes of this Section, the term “disability” means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent Owner Operator or the majority Owner of Franchisee from supervising the Restaurant’s management and operation.

S. Calzone King reserves the right to require Franchisee to utilize an artificial intelligence phone answering system, which will require additional costs that are currently not known, so long as Calzone King uses good faith commercial reasonableness in the selection of the artificial intelligence vendor. Calzone King shall have no ownership interest in the artificial

A. Calzone King shall have a right of first refusal (the “Option”) to acquire any or all of the following assets upon the terms and conditions set forth below:

i. From the Franchisee: the Franchise, the Restaurant, the Franchisee’s interest in or rights to the premises occupied by the Restaurant, and any or all of the equipment, fixtures, equipment leases, and/or inventory used in connection with or located at the Restaurant (the “Option Assets”), and

ii. From an Owner: the stock, partnership, or membership interest of such Owner (the “Ownership Interest”).

B. If Franchisee or any Owner (the “Seller”) desires to sell or transfer any or all of the Option Assets or Ownership Interest to a third party, the Seller shall first obtain from the third party a written offer (the “Offer”) setting forth all material terms and conditions of the proposed sale or transfer. The Seller shall forward a copy of the offer to Calzone King. In addition, Franchisee shall forward to Calzone King whatever information pertinent to the business and operations of the Restaurant that Calzone King requests, including, but not limited to, a financial statement as of the end of Franchisee’s most recent fiscal year, in order to enable Calzone King to evaluate the Offer. Franchisee and Seller shall warrant the accuracy of all such information concerning the business and operation of the Restaurant. Calzone King shall then have the Option to purchase the Option Assets or Ownership Interest listed in the Offer. In order to accept the Offer, Calzone King must notify the Seller in writing of its exercise of the Option within thirty (30) days following the receipt by Calzone King of a copy of the Offer together with the requested financial information.

C. If Calzone King does not exercise its Option, and Calzone King does not prohibit the transfer, the Seller may accept the Offer and consummate the sale or transfer to the third party upon the same terms and conditions as set forth in the Offer. The consummation of said sale or transfer shall include the execution of the appropriate assignment forms containing terms satisfactory to Calzone King. At the option of Calzone King, the proposed transferee shall be required to execute the New Agreement. The New Agreement shall not increase royalties, nor shall the New Agreement extend the term of the Franchise Agreement that was last executed by the Seller.

D. Following the sale or transfer of the Franchise to a third party, the third party shall succeed to all of the Franchisee’s rights, obligations, and liabilities under this Agreement, and the Franchisee shall be released from further liability under this Agreement. The purchaser or transferee, if not a person, the stockholders, members, or partners of such purchaser or transferee, of any Option Assets or Ownership Interest, must execute the guaranty attached hereto as Attachment C.

E. In addition to the right of first refusal described in Sections 15(A)-(D), a transfer of any Option Assets or Ownership Interest shall be subject to the following conditions:

i. The proposed transferee must meet Calzone King’s then-current qualifications or standards, including, but not limited to the following:

1. The proposed transferee must have sufficient financial resources to operate a D.P. Dough restaurant.

vii. The failure to furnish Financial Information as required by Section 4(F).

viii. The failure to maintain insurance as required by Section 9(F).

ix. The unauthorized (attempted or actual) transfer or assignment of any Option Assets or Ownership Interests as defined in Section 15.

C. Calzone King may terminate this Agreement at any time if Franchisee defaults in any manner listed in this Section 16(C) and, following written notice of such default from Calzone King, fails to cure such default, within the following applicable periods of time:

i. Five (5) business days for any of the following defaults:

1. The unauthorized use of the Marks;

2. The operation of the Restaurant under any name other than “D.P. Dough”;

3. The use of food products or other supplies that do not meet the standards and specifications of Calzone King, or that were purchased from a supplier that was not approved by Calzone King; or

4. The unauthorized use or disclosure of confidential or proprietary information.

ii. Ten (10) business days in all other cases. However, notwithstanding the foregoing provisions of this Section 16(C), if a default is curable, but cannot be cured within the period of time specified above, Calzone King may not terminate this Agreement if Franchisee begins to cure such default within such period of time and continues thereafter to take such remedial action as is necessary to cure the default at the earliest feasible date.

D. The termination of this Agreement by Calzone King shall not in any way limit its right to recover damages or obtain other legal or equitable relief.

E. Upon the termination or expiration of this Agreement:

i. The Franchise shall terminate and Franchisee shall immediately cease being a franchisee of Calzone King.

ii. Franchisee shall promptly pay all sums owed to Calzone King.

iii. All property of Calzone King in the possession of Franchisee shall be promptly returned to Calzone King, including, but not limited to, the operating manuals and any other documents manifesting any part of the System.

iv. Franchisee must cease using the Marks and any variations thereof by which the public could be confused, deceived, or misled.

v. Franchisee shall immediately cease using the telephone or facsimile number or numbers identified with or assigned to the Restaurant and shall assign such telephone or

facsimile numbers to Calzone King. Calzone King shall have the power to use the Assignment of Telephone Numbers (Attachment A) for any purpose Calzone King deems appropriate in its sole discretion.

vi. Calzone King or its agents may enter the Restaurant and remove or permanently cover all signs or advertising identifiable in any way with the Calzone King image or System.

vii. In the case of the termination of this Agreement following the default of Franchisee, Calzone King shall have the option to acquire any or all of the following assets upon the terms and conditions of this paragraph: Franchisee's interest in or rights to the Restaurant premises or any or all of Franchisee's assets used in the operation of the Restaurant.

1. The purchase price for the assets and equipment of Franchisee shall be their fair market value, assuming use in a fast food calzone business similar to the business conducted prior to the termination of this Agreement. There shall be no allowance for goodwill or other similar intangible asset. If Franchisee's interest in the Restaurant premises is a leasehold interest, the consideration for the assignment of the lease shall be limited to the assumption by Calzone King of Franchisee's obligations under the lease with respect to the period of time commencing on the date of the lease assignment.

2. If Calzone King desires to exercise this option, it shall notify Franchisee in writing of its intent to exercise this option within thirty (30) days following the termination of this Agreement. In such notice, Calzone King shall set forth its estimate for the fair market value of the assets it desires to purchase. Calzone King may use the damages set forth in paragraph 16(E)(viii) as a credit towards the purchase of the assets without being required to pay any cash payments to Franchisee, except to the extent that the value of the assets exceeds the amount of the damages set forth in paragraph 16(E)(viii). If Franchisee and Calzone King cannot agree upon the fair market value of the assets, that Calzone King desires to purchase, either Calzone King or Franchisee may request the American Arbitration Association to select a sole arbitrator, who in turn shall appoint an independent appraiser to determine the fair market value of such assets. This determination shall be binding upon the parties, except that Calzone King shall have ten (10) days to decline to purchase such assets for the value determined by the appraiser, by written notice to Franchisee. The manner of determining the fair market value of such assets shall be determined without regard to Franchisee's desire to continue to operate the Restaurant or occupy the premises. Calzone King and Franchisee shall each bear fifty percent (50%) of the cost of such arbitration.

3. In connection with the purchase of any assets pursuant to this Section 16(E), Calzone King may audit the books and records of Franchisee concerning the Restaurant, and solicit all known creditors and suppliers to determine the balance due and owing to Calzone King, if any, from Franchisee. Calzone King may then advise Franchisee as to any amounts due and owing to creditors and suppliers. If it is determined that there are such creditors, Franchisee shall promptly furnish adequate evidence that such creditors have been paid in full. If any such amounts remain unpaid, Calzone King may pay the amounts due to such creditors and deduct such amounts from the purchase price for the assets otherwise due to Franchisee under this Section 16(E). The balance of the purchase price, if any, shall be paid to Franchisee at the closing. The closing shall take place within ten (10) days following the agreement of Calzone King and Franchisee regarding the fair market value of the assets to be purchased, or, if the fair market value of the assets is determined by an independent appraiser, within ten (10) days following the expiration of the ten (10) day period during which Calzone King may decline to purchase the assets

as the appraised value (i.e., within twenty (20) days after the independent appraiser determines the fair market value of the assets).

viii. In the event of the termination of this Agreement following Franchisee's default, Franchisee shall be liable to Calzone King for damages suffered by Calzone King. The parties acknowledge that the amount of actual damages suffered by Calzone King includes Royalty Fees and the Ad Charge during the remaining term of this Agreement, which may be difficult or impossible to measure. Therefore, the parties agree that, as to future Royalty Fees due under Section 4 of this Agreement and as to future Ad Charges due under Section 11 of this Agreement, but not for any other damages suffered by Calzone King, Franchisee shall pay an amount equal to the Minimum Royalty, as set forth in Section 4, and the Minimum Ad Charge, as set forth in Section 11, for each week for the remainder of the Term of this Agreement. These damages may be used as a credit towards purchasing the assets, such that Calzone King shall not be required to pay any cash to Franchisee for the assets except to the extent that the value of the assets exceeds the amount of the damages calculation hereunder. In the event that any court or arbitration tribunal interprets the payment required in this Section as liquidated damages and determines the same to be invalid or unenforceable because it is found to be either a penalty or not a reasonable estimate of actual damages, the amount of such payment shall be automatically amended to the extent necessary to be found to be valid and enforceable by such court or arbitration tribunal. In the event that Calzone King seizes or is given equipment to satisfy the damages it is owed, Calzone King may charge to Franchisee and Guarantor a commercially reasonable administrative fee for Calzone King's time in selling the equipment, plus any actual expenses incurred by Calzone King in obtaining, moving, transferring, storing, or selling the Equipment, including rental vehicles and hotel costs. It is agreed that Calzone King may charge a minimum rate of Four Hundred Dollars (\$400) per person for each 8 hour day that its employees or contractors are required to spend moving or traveling with the equipment. This fee shall be paid by Franchisee or Guarantor within five (5) days of receiving an invoice in writing from Calzone King.

ix. This list of consequences of termination of this Agreement set forth in this Section is not intended to limit, exclude, or act as a waiver of any other rights or remedies available to Calzone King, including the recovery of damages or equitable relief.

F. Calzone King has the right (but not the obligation), under the circumstances described below, to enter the Restaurant and assume the Restaurant's management (or to appoint a third party to assume its management). If Calzone King (or a third party) assume the Restaurant's management under this Section, you agree to pay Calzone King (in addition to the Royalty Fee, Ad Charge, and other amounts due under this Agreement) Six Hundred Dollars (\$600) per person per day, plus Calzone King's (or the third party's) direct out-of-pocket costs and expenses, including travel expenses such as hotel, airfare, meals on the road, mileage, and rental cars, if applicable, for up to ninety (90) days after we assume management. If Calzone King (or a third party) assumes the Restaurant's management, Franchisee acknowledges that Calzone King (or the third party) will have a duty to utilize only reasonable efforts and, provided we are not grossly negligent and do not commit an act of willful misconduct, will not be liable to you or your owners for any debts, losses, or obligations the Restaurant incurs, or to any of your creditors for any supplies, products, or other assets or services the Restaurant purchases, while Calzone Kings (or the third party) manages it. If Calzone King (or a third party) assumes the Restaurant's management under this Section, Calzone King (or the third party) may retain all, and need not pay you or otherwise account to you for any, Net Sales generated while we (or the third party) manage the Restaurant. Calzone King (or a third party) may assume the Restaurant's management under the following circumstances: (1) if you abandon or fail actively to operate the Restaurant; (2) if you fail to comply with any provision of this Agreement, including strictly following the System, and do not cure the failure within the time

ADDENDUM TO FRANCHISE AGREEMENT

If Franchisee's Restaurant is not located in Illinois, New York, Maryland, or Virginia, the provisions of this Addendum do not apply to the Franchise Agreement. Moreover, the respective addendums are applicable only to franchisees with Restaurants located in the respective states referenced.

1. With respect to Franchises governed by Illinois law:
 - a. Illinois law shall be applicable and the jurisdiction and venue for litigation shall be the state of Illinois.
 - b. Pursuant to Section 41 of the Illinois Disclosure Act, any condition, stipulation or provision in this Agreement that requires a prospective franchisee to assent to any waiver as a condition of purchase of the franchise is not intended to nor shall it act as a waiver of any portion of the Illinois Disclosure Act.
2. With respect to Franchises governed by New York law:

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 SERVICES OR 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 THIS 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 to be 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

Print: _____

Signed: _____ Date: _____

Print: _____

Signed: _____ Date: _____

Print: _____

Attachment D
ACH Authorization

I hereby authorize Calzone King, LLC to initiate automatic withdrawals from my account at the financial institution set forth below. Specifically, Calzone King, LLC is authorized to make any such automatic withdrawals as are authorized in the Franchise Agreement, which is incorporated into this Authorization as if fully restated. This authorization shall remain in effect until all payments that I am obligated to make pursuant to the Franchise Agreement have been made in full to Calzone King, LLC.

I agree not to hold Calzone King, LLC responsible or liable for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing the funds into my account.

Name of Financial Institution: _____

Routing Number: _____

Account Number: _____

Authorized Signature: _____

Print Name: _____ Date: _____

Please attach a voided check or deposit slip and promptly return this signed form to Calzone King, LLC.

Attachment E
LEASE ADDENDUM

WHEREAS, _____ (“Franchisee”) has entered into, or will soon be entering into, a Franchise Agreement with Calzone King, LLC (“Calzone King”). _____ (“Landlord”) owns the property located at _____ (“the Property”).

WHEREAS, Franchisee wishes to enter into a lease with Landlord for the Property (“the Lease”).

WHEREAS, Calzone King, for the protection of itself, Franchisee, and the D.P. Dough brand, requires certain terms to be included in the Lease Agreement between Franchisee and Landlord.

NOW, THEREFORE, Landlord, Calzone King, and Franchisee agree as follows:

1. Pre-Approval of Assignment. Calzone King shall have the right to receive an assignment of the Lease upon termination or expiration of the Franchise Agreement between Calzone King and Franchisee. The assignment to Calzone King shall become effective upon 1) Franchisee’s default of the Lease and failure to timely cure the default and 2) Calzone King’s election to cure the default by making the applicable payment to Landlord and Landlord accepting the same. Landlord further agrees that Calzone King may assign this lease to any Bona Fide Franchisee. A “Bona Fide Franchisee” is defined as a person or legal entity who has 1) entered into a Franchise Agreement with Calzone King, and 2) has a net worth of at least One Hundred Thousand Dollars (\$100,000) as documented by a personal financial statement. The assignment to a Bona Fide Franchisee shall become effective upon Calzone King providing notice of said assignment, as well as the associated personal financial statement to Landlord.

2. Opportunity for Calzone King to Cure Default. Landlord agrees to send to Calzone King a copy of any written notice of Lease default sent to Franchisee by Landlord. Landlord grants Calzone King the right (without any obligation) to cure any Lease default within fifteen (15) business days after expiration of the applicable cure period (if Franchisee fails to cure). Default notices should be send via email to jason.griffin@dpdough.com and matt.crumpton@dpdough.com. In the event that Calzone King exercises its option to cure the default of Franchisee, Calzone King shall be deemed to have been assigned the rights to the Lease on the same terms as the Franchisee who defaulted. In such an event, the security deposit held by Landlord for Franchisee’s benefit, if applicable, shall become the property of Franchisor. Franchisee expressly approves of this assignment.



MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE

I realize that this could be the most difficult decision I have ever made in my life. I realize that by reviewing these statements that I am making a commitment to protect, promote, champion, and execute the D.P. Dough brand.

The above statements have been thoroughly reviewed by a Calzone King, LLC representative and the potential franchisee listed below.

Potential Franchisee: _____

Signature: _____

Date: _____

CK Representative: _____

Signature: _____

Date: _____

Exhibit E
Audited Financial Statement

CALZONE KING, LLC AND SUBSIDIARY
FINANCIAL REPORT
December 31, 2023, 2022, and 2021

CALZONE KING, LLC
FINANCIAL REPORT
December 31, 2022, 2021, and 2020

CALZONE KING, LLC AND SUBSIDIARY

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CALZONE KING, LLC

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INDEPENDENT AUDITORS' REPORT

To the Members
Calzone King, LLC
Tully, New York

Opinion

We have audited the consolidated financial statements of Calzone King, LLC, and Subsidiary (limited liability companies), which comprise the consolidated balance sheets as of December 31, 2023, 2022, and 2021 and the related consolidated statements of income and changes in members' equity and cash flows for the years then ended and the related notes to the consolidated financial statements (collectively the "consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Calzone King, LLC and Subsidiary as of December 31, 2023, 2022, and 2021, 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 ("GAAP").

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 Auditors' Responsibilities for the Audits of the Consolidated Financial Statements section of our report. We are required to be independent of Calzone King, LLC and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Calzone King, LLC and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.



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INDEPENDENT AUDITORS' REPORT

To the Members
Calzone King, LLC
Tully, New York

Opinion

We have audited the accompanying financial statements of Calzone King, LLC, (a New York limited liability company), which comprise the balance sheets as of December 31, 2022, 2021, and 2020 and the related statements of income and changes in members' equity and cash flows for the years then ended and the related notes to the financial statements (collectively the "financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Calzone King, LLC as of December 31, 2022, 2021, and 2020, 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 ("GAAP").

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 Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of Calzone King, 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.

Change in Accounting Method Related to Leases

As discussed in Notes C and J to the financial statements, Calzone King, LLC changed their method of accounting for leases during the year ended December 31, 2022 due to the adoption of Accounting Standards Codification 842, *Leases*. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with GAAP; this includes 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.

Auditors' Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but it 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 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 consolidated 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 consolidated 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 consolidated 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 Calzone King, LLC and Subsidiary'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Calzone King, LLC and Subsidiary'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Columbus, Ohio
April 26, 2024

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 Calzone King, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but it 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 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 Calzone King, 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 Calzone King, 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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Columbus, Ohio
April 24, 2023

CALZONE KING, LLC AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

December 31, 2023, 2022, and 2021

	<u>2023</u>	<u>2022</u>	<u>2021</u>
ASSETS			
Current Assets			
Cash	\$ 302,840	\$ 409,007	\$ 634,035
Accounts receivable	54,199	49,464	32,220
Note receivables, current portion	<u>26,412</u>	<u>24,912</u>	<u>24,912</u>
Total current assets	383,451	483,383	691,167
Non-Current Assets			
Vehicles, net	77,335	98,427	-
Software, net	3,333	6,667	10,000
Goodwill, net	316,250	373,750	431,250
Intangibles, net	1,860,062	2,016,437	2,172,812
Note receivables, net of current portion	17,390	132,376	187,993
Right-of-use assets - operating, net	<u>223,128</u>	<u>279,385</u>	<u>-</u>
Total non-current assets	<u>2,497,498</u>	<u>2,907,042</u>	<u>2,802,055</u>
Total assets	<u>\$ 2,880,949</u>	<u>\$ 3,390,425</u>	<u>\$ 3,493,222</u>
LIABILITIES AND MEMBERS' EQUITY			
Current Liabilities			
Accounts payable	\$ 13,022	\$ 21,834	\$ 5,708
Deferred revenue	12,500	25,000	62,500
Current portion of operating lease liability	59,934	57,510	-
Current portion of long-term debt	<u>321,474</u>	<u>300,470</u>	<u>1,219,156</u>
Total current liabilities	406,930	404,814	1,287,364
Non-Current Liabilities			
Operating lease liability, net of current portion	161,575	221,879	-
Long-term debt, net of current portion	<u>2,133,338</u>	<u>1,971,158</u>	<u>1,471,879</u>
Total non-current liabilities	<u>2,294,913</u>	<u>2,193,037</u>	<u>1,471,879</u>
Total liabilities	2,701,843	2,597,851	2,759,243
Members' Equity			
	<u>179,106</u>	<u>792,574</u>	<u>733,979</u>
Total liabilities and members' equity	<u>\$ 2,880,949</u>	<u>\$ 3,390,425</u>	<u>\$ 3,493,222</u>

The accompanying notes are an integral part of these financial statements.

CALZONE KING, LLC

BALANCE SHEETS

December 31, 2022, 2021, and 2020

	2022	2021	2020
ASSETS			
Current Assets			
Cash	\$ 409,007	\$ 634,035	\$ 346,906
Accounts receivable	49,464	32,220	35,841
Note receivables, current portion	24,912	24,912	-
Total current assets	483,383	691,167	382,747
Non-Current Assets			
Vehicles, net	98,427	-	-
Software, net	6,667	10,000	-
Goodwill, net	373,750	431,250	488,750
Intangibles, net	2,016,437	2,172,812	2,329,187
Note receivables, net of current portion	132,376	187,993	98,523
Right-of-use assets - operating, net	279,385	-	-
Total non-current assets	2,907,042	2,802,055	2,916,460
Total assets	\$ 3,390,425	\$ 3,493,222	\$ 3,299,207
LIABILITIES AND MEMBERS' EQUITY			
Current Liabilities			
Accounts payable	\$ 21,834	\$ 5,708	\$ 3,580
Gift card liability	-	-	19,580
Deferred revenue	25,000	62,500	5,000
Current portion of operating lease liability	57,510	-	-
Current portion of long-term debt	788,045	1,219,156	272,145
Total current liabilities	892,389	1,287,364	300,305
Non-Current Liabilities			
Operating lease liability, net of current portion	221,879	-	-
Long-term debt, net of current portion	1,483,583	1,471,879	2,589,649
Total non-current liabilities	1,705,462	1,471,879	2,589,649
Total liabilities	2,597,851	2,759,243	2,889,954
Members' Equity			
Total liabilities and members' equity	\$ 3,390,425	\$ 3,493,222	\$ 3,299,207

The accompanying notes are an integral part of these financial statements.

CALZONE KING, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME AND CHANGES IN MEMBERS' EQUITY

Years ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Revenues			
Royalty fees	\$ 1,505,347	\$ 1,346,728	\$ 923,758
Advertising fees	367,643	322,837	259,664
Rebates	575,630	543,150	427,695
Franchisee start-up fees	150,500	55,500	31,819
Other	<u>78,287</u>	<u>48</u>	<u>20,259</u>
Total revenues	2,677,407	2,268,263	1,663,195
Operating Expenses			
Administrative expenses	33	-	717
Advertising and promotion	390,083	287,487	242,570
Amortization and depreciation	238,300	231,621	213,875
Equipment rental	15,400	16,804	15,400
Franchise support	53,538	77,325	-
Insurance	46,275	18,587	9,964
Licenses and permits	656	1,213	2,721
Other expenses	2,442	1,230	567
Payroll and related expenses	137,681	126,460	165,263
Postage	1,205	-	-
Professional fees	127,235	114,485	139,790
Rent	50,464	51,600	43,000
Repairs and maintenance	461	4,539	-
Royalties	45,553	71,935	59,675
Subscriptions	2,839	2,839	2,839
Travel	<u>2,604</u>	<u>36,713</u>	<u>33,812</u>
Total operating expenses	1,114,769	1,042,838	930,193
Income from operations	1,562,638	1,225,425	733,002

The accompanying notes are an integral part of these consolidated financial statements.

CALZONE KING, LLC

STATEMENTS OF INCOME AND CHANGES IN MEMBERS' EQUITY

Years ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Revenues			
Royalty fees	\$ 1,346,728	\$ 923,758	\$ 636,768
Advertising fees	322,837	259,664	160,672
Rebates	543,150	427,695	283,273
Franchisee start-up fees	55,500	31,819	-
Other	48	20,259	37
Total revenues	2,268,263	1,663,195	1,080,750
Operating Expenses			
Administrative expenses	-	717	6,824
Advertising and promotion	287,487	242,570	149,002
Amortization and depreciation	231,621	213,875	213,875
Equipment rental	16,804	15,400	-
Franchise support	77,325	-	-
Insurance	18,587	9,964	12,843
Licenses and permits	1,213	2,721	941
Other expenses	1,230	567	312
Payroll and related expenses	126,460	165,263	141,465
Postage	-	-	518
Professional fees	114,485	139,790	110,588
Rent	51,600	43,000	-
Repairs and maintenance	4,539	-	-
Royalties	71,935	59,675	39,442
Subscriptions	2,839	2,839	2,839
Travel	36,713	33,812	20,871
Total operating expenses	1,042,838	930,193	699,520
Income from operations	1,225,425	733,002	381,230

The accompanying notes are an integral part of these financial statements.

CALZONE KING, LLC AND SUBSIDIARY

**CONSOLIDATED STATEMENTS OF INCOME AND CHANGES IN MEMBERS' EQUITY
(CONTINUED)**

Years ended December 31, 2023, 2022, and 2021

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Other Income (Expense)			
Interest income	5,098	11	8
Interest expense	<u>(307,236)</u>	<u>(220,716)</u>	<u>(253,658)</u>
Total other income (expense)	<u>(302,138)</u>	<u>(220,705)</u>	<u>(253,650)</u>
Net income	1,260,500	1,004,720	479,352
Members' Equity			
Beginning of year	792,574	733,979	409,253
Member redemption	<u>(339,491)</u>	<u>(28,397)</u>	<u>(33,619)</u>
Member withdrawals	<u>(1,534,477)</u>	<u>(917,728)</u>	<u>(121,007)</u>
End of year	<u>\$ 179,106</u>	<u>\$ 792,574</u>	<u>\$ 733,979</u>

The accompanying notes are an integral part of these consolidated financial statements.

CALZONE KING, LLC

STATEMENTS OF INCOME AND CHANGES IN MEMBERS' EQUITY (CONTINUED)

Years ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Other Income/(Expenses)			
Interest income	11	8	-
Interest expense	(220,716)	(253,658)	(233,015)
Gain on forgiveness of Paycheck Protection Program loan	-	-	14,000
Gain on forgiveness of Economic Injury Disaster loan	-	-	5,000
Total other income/(expenses)	<u>(220,705)</u>	<u>(253,650)</u>	<u>(214,015)</u>
Net income	1,004,720	479,352	167,215
Members' Equity			
Beginning of period	733,979	409,253	253,038
Member redemption	(28,397)	(33,619)	-
Member withdrawals	<u>(917,728)</u>	<u>(121,007)</u>	<u>(11,000)</u>
End of period	<u>\$ 792,574</u>	<u>\$ 733,979</u>	<u>\$ 409,253</u>

The accompanying notes are an integral part of these financial statements.

CALZONE KING, LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Cash Flows from Operating Activities			
Net income	\$ 1,260,500	\$ 1,004,720	\$ 479,352
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	21,092	14,413	-
Amortization of software	3,334	3,333	-
Amortization of intangibles and goodwill	213,875	213,875	213,875
Amortization of right-of-use asset - operating	56,257	55,043	-
Amortization of debt issuance costs	131,403	11,701	12,976
(Increase) decrease in operating assets:			
Accounts receivable	(4,735)	(17,244)	(16,477)
Increase (decrease) in operating liabilities:			
Accounts payable	(8,812)	16,126	2,128
Gift card liability	-	-	(19,580)
Deferred revenue	(12,500)	(37,500)	57,500
Operating lease liability	(57,880)	(55,039)	-
Net cash flows provided by operating activities	1,602,534	1,209,428	729,774
Cash Flows from Investing Activities			
Purchase of vehicles	-	(160,829)	-
Proceeds from disposal of vehicles	-	47,989	-
Purchase of software	-	-	(10,000)
Payments received on note receivable	24,940	55,617	20,298
Payments made for note receivable	(15,000)	-	-
Payments made on behalf of member	-	-	(114,582)
Net cash provided by (used in) investing activities	9,940	(57,223)	(104,284)

The accompanying notes are an integral part of these consolidated financial statements.

CALZONE KING, LLC

STATEMENTS OF CASH FLOWS

Years ended December 31, 2022, 2021, and 2020

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities			
Cash received from:			
Franchisees	\$ 1,670,321	\$ 1,256,264	\$ 798,981
Others	543,198	428,374	302,890
Interest	<u>11</u>	<u>8</u>	<u>2,272</u>
	2,213,530	1,684,646	1,104,143
Cash paid for:			
Payroll and related expenses	126,460	165,263	141,465
Other costs	668,627	564,327	345,324
Interest	<u>209,015</u>	<u>225,282</u>	<u>218,202</u>
	<u>1,004,102</u>	<u>954,872</u>	<u>704,991</u>
Net cash provided by operating activities	1,209,428	729,774	399,152
Cash Flows from Investing Activities			
Purchase of vehicles	(160,829)	-	-
Proceeds from disposal of vehicles	47,989	-	-
Purchase of software	-	(10,000)	-
Payments received on note receivable	55,617	20,298	200,000
Payments made on behalf of member	<u>-</u>	<u>(114,582)</u>	<u>(98,523)</u>
Net cash provided by/(used in) investing activities	(57,223)	(104,284)	101,477
Cash Flows from Financing Activities			
Payments on short-term debts	-	-	(77,196)
Payments on long-term debts	(591,937)	(183,735)	(177,529)
Member distributions	(917,728)	(121,007)	(11,000)
Payments for member redemptions	(28,397)	(33,619)	-
Proceeds from long-term debt	160,829	-	-
Proceeds from Paycheck Protection Program loan	-	-	14,000
Proceeds from Economic Injury Disaster loan	<u>-</u>	<u>-</u>	<u>5,000</u>
Net cash used in financing activities	<u>(1,377,233)</u>	<u>(338,361)</u>	<u>(246,725)</u>
Net change in cash	(225,028)	287,129	253,904
Cash			
Beginning of year	<u>634,035</u>	<u>346,906</u>	<u>93,002</u>
End of year	<u>\$ 409,007</u>	<u>\$ 634,035</u>	<u>\$ 346,906</u>

The accompanying notes are an integral part of these financial statements.

CALZONE KING, LLC

STATEMENTS OF CASH FLOWS (CONTINUED)

Years ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Reconciliation of Net Income to Net Cash Provided by Operating Activities			
Net income	\$ 1,004,720	\$ 479,352	\$ 167,215
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	14,413	-	-
Amortization of software	3,333	-	-
Amortization of intangibles	213,875	213,875	213,875
Amortization of right-of-use asset - operating	55,043	-	-
Amortization of debt issuance costs	11,701	12,976	14,813
Gain on forgiveness of Paycheck Protection Program loan	-	-	(14,000)
Gain on forgiveness of Economic Injury Disaster loan	-	-	(5,000)
(Increase)/decrease in operating assets:			
Accounts receivable	(17,244)	(16,477)	(3,459)
Interest receivable	-	-	2,272
Increase/(decrease) in operating liabilities:			
Accounts payable	16,126	2,128	(1,144)
Gift card liability	-	(19,580)	19,580
Deferred revenue	(37,500)	57,500	5,000
Operating lease liability	(55,039)	-	-
 Net cash flows provided by operating activities	 <u>\$ 1,209,428</u>	 <u>\$ 729,774</u>	 <u>\$ 399,152</u>

The accompanying notes are an integral part of these financial statements.

CALZONE KING, LLC AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

Years ended December 31, 2023, 2022, and 2021

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash Flows from Financing Activities			
Payments on long-term debts	(948,219)	(591,937)	(183,735)
Member distributions	(1,430,931)	(917,728)	(121,007)
Payments for member redemptions	(339,491)	(28,397)	(33,619)
Proceeds from long-term debt	<u>1,000,000</u>	<u>160,829</u>	<u>-</u>
Net cash used in financing activities	<u>(1,718,641)</u>	<u>(1,377,233)</u>	<u>(338,361)</u>
Net change in cash	(106,167)	(225,028)	287,129
Cash			
Beginning of year	<u>409,007</u>	<u>634,035</u>	<u>346,906</u>
End of year	<u>\$ 302,840</u>	<u>\$ 409,007</u>	<u>\$ 634,035</u>
Supplemental Disclosures			
Interest paid	<u>\$ 307,236</u>	<u>\$ 220,716</u>	<u>\$ 253,658</u>
Operating right-of-use assets and lease liabilities from implementation of ASC 842	<u>\$ -</u>	<u>\$ 334,428</u>	<u>\$ -</u>
Noncash investing and financing transaction:			
Reclassification of Member note receivable as distributions	<u>\$ 103,546</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these consolidated financial statements.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023, 2022, and 2021

NOTE A - NATURE OF OPERATIONS

Calzone King, LLC (the "Company") is engaged in the business of licensing certain trademarks and franchise systems to franchisees of the D.P. Dough restaurants. The Company markets these franchises as the pizza alternative, selling calzones, salads, wings, and other items depending on the location. The main target market for these locations is within proximity of local college and university campuses. The Company works with over sixty franchisees in over twenty states throughout the United States.

Effective July 1, 2023, the Company purchased 100% of D.P. Dough Franchising, LLC, an Ohio limited liability company. The amount allocated to the purchase of D.P. Dough Franchising, LLC was immaterial. See Note I for further details regarding the note payables related to this transaction.

NOTE B - BASIS OF ACCOUNTING

1. *Basis of Accounting*

The accompanying consolidated financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

2. *Basis of Consolidation*

The consolidated financial statements include those accounts of the Company and those of its wholly owned subsidiary, D.P. Dough Franchising, LLC. As of and for the year ended December 31, 2023, D.P. Dough Franchising, LLC had no assets, liabilities, revenues, or expenses. Any intercompany activity has been eliminated in consolidation.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Company's significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows.

1. *Cash*

Cash includes all of the Company's checking and savings accounts with financial institutions. The Company's cash accounts are insured by the Federal Deposit Insurance Corporation up to specified limits. The cash balance that exceeded insured limits as of December 31, 2023, 2022, and 2021 was \$9,528, \$161,915, and \$384,035, respectively. The Company believes it is not exposed to any significant credit risk on its cash balances and has not experienced any loss in such accounts.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT

December 31, 2022, 2021, and 2020

NOTE A - NATURE OF OPERATIONS

Calzone King, LLC (the "Company") is engaged in the business of licensing certain trademarks and franchise systems to franchisees of the D.P. Dough restaurants. The Company markets these franchises as the pizza alternative, selling calzones, salads, wings, and other items depending on the location. The main target market for these locations is within proximity of local college and university campuses. The Company works with over fifty franchisees in over twenty states throughout the United States.

NOTE B - BASIS OF ACCOUNTING

1. *Basis of Accounting*

The accompanying financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

2. *Reclassifications*

Certain reclassifications of 2021 and 2020 balances have been made to conform to the 2022 presentation.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Company's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. *Cash*

Cash includes all of the Company's checking and savings accounts with financial institutions. The Company's cash accounts are insured by the Federal Deposit Insurance Corporation up to specified limits. The cash balance that exceeded insured limits as of December 31, 2022, 2021, and 2020 was \$161,915, \$384,035, and \$98,992, respectively. The Company believes it is not exposed to any significant credit risk on its cash balances and has not experienced any loss in such accounts.

2. *Accounts Receivable*

Accounts receivable consists of franchise and advertising fees from franchisees which are typically received weekly or monthly. The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. *Accounts Receivable*

Accounts receivable consists of franchise and advertising fees from franchisees which are typically received weekly or monthly. Accounts receivable are carried at their estimated collectible amounts, net of an allowance for credit losses. Management's estimate of the allowance for credit losses is based on historical sales and loss levels, the current economic environment, and the Company's expectations of future economic conditions. The Company will apply adjustments for specific factors and economic conditions as needed at each reporting date. As of December 31, 2023, 2022, and 2021, the Company has determined that no allowance for credit losses was needed. The accounts receivable balance as of December 31, 2020 was \$35,841.

3. *Vehicles*

Acquisitions of vehicles are capitalized at cost. Depreciation is recognized using the straight-line method over the vehicles' estimated useful lives. The estimated useful lives of vehicles for computing depreciation is 5 years. Expenditures for maintenance and repairs that do not extend the useful life of the vehicles are charged against operations in the period incurred.

4. *Software*

The Company developed a mobile application and capitalized the related programming and development costs. The application was placed in service during 2022 and the Company began amortizing software costs over the estimate useful life of the application, which was determined to be 3 years.

5. *Goodwill and Intangibles*

Goodwill, contracts, and proprietary systems

The Company accounts for goodwill, contracts, and proprietary systems from the purchase of the D.P. Dough franchising operations. The Company amortizes these items on the straight-line method over 10 years. The Company evaluated these items for impairment at the end of the year and determined there was no impairment necessary for the years ended December 31, 2023, 2022, and 2021.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. *Vehicles*

Acquisitions of vehicles are capitalized at cost. Depreciation is recognized using the straight-line method over the vehicles' estimated useful lives. The estimated useful lives of vehicles for computing depreciation is 5 years. Expenditures for maintenance and repairs that do not extend the useful life of the vehicles are charged against operations in the period incurred.

4. *Software*

The Company developed a mobile application and capitalized the related programming and development costs. The application was placed in service during 2022 and the Company began amortizing software costs over the estimate useful life of the application, which was determined to be 3 years.

5. *Goodwill and Intangibles*

Goodwill, contracts, and proprietary systems

The Company accounts for goodwill, contracts, and proprietary systems from the purchase of the D.P. Dough franchising operations. The Company amortizes these items on the straight-line method over 10 years. The Company evaluated these items for impairment at the end of the year and determined there was no impairment necessary for the years ended December 31, 2022, 2021, and 2020.

Trademarks

In 2019, the Company purchased the right to use certain trademarks from an unrelated party. These trademarks are considered to be available to the Company indefinitely. Therefore, these costs have not been amortized.

Intangible assets with an indefinite life are tested for impairment whenever events or circumstances indicate that the carrying amount of the asset may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the estimated undiscounted cash flows used in determining the fair value of the asset. The amount of the impairment loss is calculated by the excess of the asset's carrying value over its fair value. Fair value is generally determined using a discounted cash flow analysis. No impairment loss was recognized as of December 31, 2022, 2021, or 2020.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. *Goodwill and Intangibles (continued)*

Trademarks

In 2019, the Company purchased the right to use certain trademarks from an unrelated party. These trademarks are considered to be available to the Company indefinitely. Therefore, these costs have not been amortized.

Intangible assets with an indefinite life are tested for impairment whenever events or circumstances indicate that the carrying amount of the asset may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the estimated undiscounted cash flows used in determining the fair value of the asset. The amount of the impairment loss is calculated by the excess of the asset's carrying value over its fair value. Fair value is generally determined using a discounted cash flow analysis. No impairment loss was recognized as of December 31, 2023, 2022, or 2021.

6. *Leases*

The Company recognizes right-of-use ("ROU") assets and lease liabilities at the inception of a contract that is or contains a lease. ROU assets and lease liabilities are recognized at the present value of future payments over the lease term as defined in the agreement. If the rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate to discount future lease payments. Lease term is defined as the non-cancellable period of the lease plus any options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option.

7. *Revenue Recognition*

Royalty fees

Ongoing royalty fee revenues are based on a percentage of a franchisee's sales and are due by the fifteenth of the following month. Royalty fee revenue is recognized when the sales occur and is recorded weekly or monthly.

Advertising fees

Franchisees pay a percentage of sales for advertising and social media management. The Company provides advertising and social media services and materials for these fees. Revenue is recognized when the sales occur and is recorded weekly or monthly.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. *Revenue Recognition*

Royalty fees

Ongoing royalty fee revenues are based on a percentage of a franchisee's sales and are due by the fifteenth of the following month. Royalty fee revenue is recognized when the sales occur and is recorded weekly or monthly.

Advertising fees

Franchisees pay a percentage of sales for advertising and social media management. The Company provides advertising and social media services and materials for these fees. Revenue is recognized when the sales occur and is recorded weekly or monthly.

Rebates

The Company works with specific vendors to develop relationships. These vendors are used by franchisees to purchase items and ingredients for their products. The Company receives rebates from vendors based on the number of items purchased by franchisees. Since the Company is unaware of the franchisee's purchases, rebate revenue is recognized when received.

Franchise start-up fees

The Company's performance obligations include assisting with site selection, restaurant layout, selection of fixtures and equipment, training, opening, marketing, identifying approved suppliers and distributors, and providing the system for operations. The Company considers all of these activities as one performance obligation. The revenue from franchise start-up fees is recognized when the new franchise location is opened. Any fees received prior to opening are reported as deferred revenue on the balance sheet. The Company had franchise start-up fee revenues of \$55,500 and \$31,819 for the years ended December 31, 2022 and 2021, respectively. The Company had no franchise start-up fee revenues for the year ended December 31, 2020. Deferred revenue for franchise start-up fees as of December 31, 2022, 2021, and 2020 was \$25,000, \$62,500, and \$5,000, respectively.

7. *Advertising and Promotion Expenses*

The Company expenses the cost of advertising and promotion as incurred.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Rebates

The Company works with specific vendors to develop relationships. These vendors are used by franchisees to purchase items and ingredients for their products. The Company receives rebates from vendors based on the number of items purchased by franchisees. Since the Company is unaware of the franchisee's purchases, rebate revenue is recognized when received.

Franchise start-up fees

The Company's performance obligations include assisting with site selection, restaurant layout, selection of fixtures and equipment, training, opening, marketing, identifying approved suppliers and distributors, and providing the system for operations. The Company considers all of these activities as one performance obligation. The revenue from franchise start-up fees is recognized when the new franchise location is opened. Any fees received prior to opening are reported as deferred revenue on the consolidated balance sheet. The Company had franchise start-up fee revenues of \$150,500 and \$55,500 and \$31,819 for the years ended December 31, 2023, 2022, and 2021, respectively. Deferred revenue for franchise start-up fees as of December 31, 2023, 2022, and 2021 was \$12,500, \$25,000, and \$62,500, respectively. Deferred revenue from start-up fees was \$5,000 as of December 31, 2020.

8. *Advertising and Promotion Expenses*

The Company expenses the cost of advertising and promotion as incurred.

9. *Income Taxes*

The Company and D.P. Dough Franchising, LLC are limited liability companies, treated as partnerships for federal, state, and local income tax purposes. D.P. Dough Franchising, LLC is a single member LLC and its tax attributes are included along with the Company's tax return. The income of the Company is included in the federal, state, and local income tax returns of the members. Accordingly, no provision for federal, state, or local income taxes is included in the consolidated financial statements.

The Company evaluates tax positions taken, or expected to be taken, in their tax return. The Company's evaluation on December 31, 2023, 2022, and 2021, revealed no uncertain tax positions that would have a material impact on the consolidated financial statements. The Company does not believe that any reasonably possible changes in income tax positions will occur within the next twelve months that will have a material impact on the financial statements.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. *Income Taxes*

The Company, a limited liability company, is treated as a partnership for federal, state, and local income tax purposes. Therefore, the income of the Company is included in the federal, state, and local income tax returns of the members. Accordingly, no provision for federal, state, or local income taxes is included in the financial statements.

The Company evaluates tax positions taken, or expected to be taken, in their tax return. The Company's evaluation on December 31, 2022, 2021, and 2020, revealed no uncertain tax positions that would have a material impact on the financial statements. The Company does not believe that any reasonably possible changes in income tax positions will occur within the next twelve months that will have a material impact on the financial statements.

9. *Use of Management's Estimates*

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Accordingly, actual results could differ from those estimates.

10. *New Accounting Pronouncement*

In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)*, and has subsequently issued supplemental and clarifying ASUs (collectively "ASC 842"), to increase transparency and comparability among organizations by requiring the recognition of right-of-use ("ROU") assets and lease liabilities on the balance sheet. Most prominent among the changes in ASC 842 is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under ASC 842, disclosures are required to meet the objective of enabling users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Company adopted ASC 842 effective January 1, 2022, and measured and recognized leases existing at, or entered into after January 1, 2022 (the beginning of the period of adoption) through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the years ended December 31, 2021 and 2020 are made under prior lease guidance in ASC 840.

Upon its adoption of ASC 842 on January 1, 2022, the Company adopted the package of practical expedients for all leases that commenced before the effective date of January 1, 2022. Accordingly, the Company 1.) did not reassess whether expired or existing contracts are or contain leases, 2.) did not reassess the lease classification for any expired or existing lease, and 3.) did not reassess initial direct costs for any existing leases.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. *Use of Management's Estimates*

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Accordingly, actual results could differ from those estimates.

11. *New Accounting Pronouncement*

As of January 1, 2023, the Company adopted Accounting Standards Update No. 2016-13, *Financial Instruments – Credit Losses (Topic 326)* ("ASC 326"). ASC 326 replaced the incurred loss model for measuring the allowance for credit losses with a new model that reflects current expected credit losses ("CECL") that are expected to occur over the lifetime of the underlying asset. The CECL methodology is applicable to financial assets that are measured at amortized cost, including trade accounts receivable, licensing fees accounts receivable, and contract assets. The Company adopted ASC 326 using a modified retrospective approach, which did not have a material impact to the consolidated financial statements.

NOTE D - NOTE RECEIVABLES

In 2020, one of the members entered into a settlement agreement with a former franchisee. The settlement agreement requires the Member to pay the former franchisee \$110,000 at an interest rate of 5.0% along with rent payments for the former franchisee's location. During the years ended December 31, 2023, 2022, and 2021, the Company made the required settlement payments on behalf of the Member. In 2023 the Company and the Member agreed to remove the note receivable as a distribution.

During 2021, the Company entered into an agreement with a new franchisee. The terms of this agreement requires the new franchisee to make monthly payments of \$2,076 to the Company, interest free, until March 2025 for a total of \$103,792. The payments to the Company are to be used to make payments on the Member's settlement agreement described in Note L, on the Member's behalf. The Company recorded a note receivable and note payable on behalf of the Member on the consolidated balance sheet in accordance with these terms. As of December 31, 2023 and 2022, the balance of note receivable under this agreement was \$30,052 and \$53,742, respectively. The balance of the note payable under this agreement as of December 31, 2023, 2022, and 2021 was \$30,052, \$53,972, and \$78,882, respectively. During 2022, the Company entered into an agreement for the franchisee to make additional monthly payments of \$2,028, interest free, through February 2023 for missed payments throughout 2021. The remaining balance of these additional monthly payments at December 31, 2023 was \$4,056 and was paid in full during 2023.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

10. *New Accounting Pronouncement (Continued)*

As a result of the adoption of ASC 842, the Company recognized on January 1, 2022 a lease liability of \$334,428 which represents the present value of the remaining operating lease payments, discounted using the incremental borrowing rate of 4.49%, and an ROU asset of \$334,428.

The adoption of ASC 842 had a material impact on the Company's balance sheet but did not have an impact on the Company's statement of income and changes in members' equity or statement of cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases.

NOTE D - NOTE RECEIVABLES

In November 2019, the Company entered into a note receivable agreement for \$200,000 at an interest rate of 7.5%. The entire balance plus interest was due upon maturity at January 10, 2020. The balance plus interest was collected in February 2020.

In 2020, one of the members entered into a settlement agreement with a former franchisee. The settlement agreement requires the Member to pay the former franchisee \$110,000 at an interest rate of 5.0% along with rent payments for the former franchisee's location. During the years ended December 31, 2022, 2021, and 2020, the Company made the required settlement payments on behalf of the Member and there is expected repayment either from the Member, or from a new franchisee that is taking over the location of the aforementioned former franchisee.

During 2021, the Company entered into an agreement with a new franchisee. The terms of this agreement requires the new franchisee to make monthly payments of \$2,076 to the Company, interest free, until March 2025 for a total of \$103,792. The payments to the Company are to be used to make payments on the Member's settlement agreement described in Note L, on the Member's behalf. The Company recorded a note receivable and note payable on behalf of the Member on the balance sheet in accordance with these terms. As of December 31, 2022 and 2021, the balance of note receivable under this agreement was \$53,742 and \$109,359, respectively. The balance of the note payable under this agreement as of December 31, 2022 and 2021 was \$53,972 and \$78,882, respectively. During 2022, the Company entered into an agreement for the franchisee to make additional monthly payments of \$2,028, interest free, through February 2023 for missed payments throughout 2021. The remaining balance of these additional monthly payments at December 31, 2022 was \$4,056 and is included in the note receivable balance above.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE D - NOTE RECEIVABLES (CONTINUED)

During 2023 the Company entered into an agreement with a former franchisee to make payments on unpaid fees. The note was originally \$15,000 requiring interest free monthly payments of \$125 through February 2033.

Note receivables as of December 31, were as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Unrelated franchisee	\$ 13,750	\$ -	\$ -
Related parties:			
Member	-	103,546	103,546
Franchisee, on behalf of Member	<u>30,052</u>	<u>53,742</u>	<u>109,359</u>
	43,802	157,288	212,905
Payments due within one year	<u>(26,412)</u>	<u>(24,912)</u>	<u>(24,912)</u>
	<u>\$ 17,390</u>	<u>\$ 132,376</u>	<u>\$ 187,993</u>

NOTE E - VEHICLES

The following is a summary of vehicles at cost, less accumulated depreciation as of December 31:

	<u>2023</u>	<u>2022</u>
Vehicles	\$ 105,457	\$ 105,457
Less: Accumulated depreciation	<u>(28,122)</u>	<u>(7,030)</u>
	<u>\$ 77,335</u>	<u>\$ 98,427</u>

Depreciation expense for the years ended December 31, 2023 and 2022 was \$21,092 and \$14,413, respectively.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE D - NOTE RECEIVABLES (CONTINUED)

Note receivables as of December 31, were as follows:

	2022	2021	2020
Related parties:			
Member	\$ 103,546	\$ 103,546	\$ 98,523
Franchisee, on behalf of Member	53,742	109,359	-
	157,288	212,905	98,523
Payments due within one year	(24,912)	(24,912)	-
	\$ 132,376	\$ 187,993	\$ 98,523

NOTE E - VEHICLES

The following is a summary of vehicles at cost, less accumulated depreciation as of December 31, 2022:

Vehicles	\$ 105,457
Less: Accumulated depreciation	(7,030)
	\$ 98,427

Depreciation expense for the year ended December 31, 2022 was \$14,413.

NOTE F - SOFTWARE

The following is a summary of software at cost, less accumulated amortization as of December 31, 2022 and 2021:

	2022	2021
Software	\$ 10,000	\$ 10,000
Less: Accumulated amortization	(3,333)	-
	\$ 6,667	\$ 10,000

Amortization expense for software for the year ended December 31, 2022 was \$3,333.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE F - SOFTWARE

The following is a summary of software at cost, less accumulated amortization as of December 31:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Software	\$ 10,000	\$ 10,000	\$ 10,000
Less: Accumulated amortization	<u>(6,667)</u>	<u>(3,333)</u>	<u>-</u>
	<u>\$ 3,333</u>	<u>\$ 6,667</u>	<u>\$ 10,000</u>

Amortization expense for software for the years ended December 31, 2023 and 2022 was \$3,334 and \$3,333, respectively.

NOTE G - GOODWILL AND INTANGIBLES

Goodwill and intangible assets consist of the following at December 31:

	<u>2023</u>				
	<u>Goodwill</u>	<u>Trademarks</u>	<u>Contracts</u>	<u>Proprietary Systems</u>	<u>Total Intangibles</u>
Cost	\$ 575,000	\$ 1,000,000	\$ 563,749	\$ 1,000,000	\$ 2,563,749
Less: Accumulated amortization	<u>(258,750)</u>	<u>-</u>	<u>(253,687)</u>	<u>(450,000)</u>	<u>(703,687)</u>
	<u>\$ 316,250</u>	<u>\$ 1,000,000</u>	<u>\$ 310,062</u>	<u>\$ 550,000</u>	<u>\$ 1,860,062</u>
	<u>2022</u>				
	<u>Goodwill</u>	<u>Trademarks</u>	<u>Contracts</u>	<u>Proprietary Systems</u>	<u>Total Intangibles</u>
Cost	\$ 575,000	\$ 1,000,000	\$ 563,749	\$ 1,000,000	\$ 2,563,749
Less: Accumulated amortization	<u>(201,250)</u>	<u>-</u>	<u>(197,312)</u>	<u>(350,000)</u>	<u>(547,312)</u>
	<u>\$ 373,750</u>	<u>\$ 1,000,000</u>	<u>\$ 366,437</u>	<u>\$ 650,000</u>	<u>\$ 2,016,437</u>

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE G - GOODWILL AND INTANGIBLES

Goodwill and intangible assets consist of the following at December 31, 2022, 2021, and 2020:

<u>2022</u>	Intangibles				
	<u>Goodwill</u>	<u>Trademarks</u>	<u>Contracts</u>	<u>Proprietary Systems</u>	<u>Total Intangibles</u>
Cost	\$ 575,000	\$ 1,000,000	\$ 563,749	\$ 1,000,000	\$ 2,563,749
Less: Accumulated amortization	<u>(201,250)</u>	<u>-</u>	<u>(197,312)</u>	<u>(350,000)</u>	<u>(547,312)</u>
	<u>\$ 373,750</u>	<u>\$ 1,000,000</u>	<u>\$ 366,437</u>	<u>\$ 650,000</u>	<u>\$ 2,016,437</u>
<u>2021</u>	Intangibles				
	<u>Goodwill</u>	<u>Trademarks</u>	<u>Contracts</u>	<u>Proprietary Systems</u>	<u>Total Intangibles</u>
Cost	\$ 575,000	\$ 1,000,000	\$ 563,749	\$ 1,000,000	\$ 2,563,749
Less: Accumulated amortization	<u>(143,750)</u>	<u>-</u>	<u>(140,937)</u>	<u>(250,000)</u>	<u>(390,937)</u>
	<u>\$ 431,250</u>	<u>\$ 1,000,000</u>	<u>\$ 422,812</u>	<u>\$ 750,000</u>	<u>\$ 2,172,812</u>
<u>2020</u>	Intangibles				
	<u>Goodwill</u>	<u>Trademarks</u>	<u>Contracts</u>	<u>Proprietary Systems</u>	<u>Total Intangibles</u>
Cost	\$ 575,000	\$ 1,000,000	\$ 563,749	\$ 1,000,000	\$ 2,563,749
Less: Accumulated amortization	<u>(86,250)</u>	<u>-</u>	<u>(84,562)</u>	<u>(150,000)</u>	<u>(234,562)</u>
	<u>\$ 488,750</u>	<u>\$ 1,000,000</u>	<u>\$ 479,187</u>	<u>\$ 850,000</u>	<u>\$ 2,329,187</u>

Amortization expense for goodwill and intangibles for each of the years ended December 31, 2022, 2021, and 2020 was \$213,875.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE G - GOODWILL AND INTANGIBLES (CONTINUED)

<u>2021</u>	Intangibles				<u>Total</u>
	<u>Goodwill</u>	<u>Trademarks</u>	<u>Contracts</u>	<u>Proprietary Systems</u>	
Cost	\$ 575,000	\$ 1,000,000	\$ 563,749	\$ 1,000,000	\$ 2,563,749
Less: Accumulated amortization	<u>(143,750)</u>	<u>-</u>	<u>(140,937)</u>	<u>(250,000)</u>	<u>(390,937)</u>
	<u>\$ 431,250</u>	<u>\$ 1,000,000</u>	<u>\$ 422,812</u>	<u>\$ 750,000</u>	<u>\$ 2,172,812</u>

Amortization expense for goodwill for each of the years ended December 31, 2023, 2022, and 2021 was \$57,500. Amortization expense for other intangibles for each of the years ended December 31, 2023, 2022, and 2021 was \$156,375.

NOTE I - LONG-TERM DEBT

At December 31, 2023, 2022, and 2021, the long-term debt consisted of the following, which are all unsecured unless otherwise noted:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
* Note payable due in monthly installments of \$6,000, interest at 4% over the prime rate, with a minimum rate of 8.5% (currently at 8.5%), with a balloon payment of the remaining balance due in June 2023	\$ -	\$ 690,761	\$ 1,011,502
** Note payable to D.P. Dough, monthly installments over 10 years at 7%. Monthly payments over the term of the note are as follows: \$12,000 from January 2020 through June 2020, \$25,086 from July 2020 through June 2023, \$23,222 from July 2023 through December 2029, and \$15,405 in January 2030	-	1,558,935	1,743,755
Note payable on behalf of a Member due in monthly installments of \$2,076, interest free, with the final payment due in March 2025	29,438	53,972	78,882

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE H - SHORT-TERM NOTES PAYABLE

The Company had a \$75,000 short-term note payable to D.P. Dough, payable in monthly installments of \$6,818, interest free from August 2019 through June 2020. The balance of this note was paid during 2020.

The Company had a \$45,936 short-term note payable to the original owner of the D.P. Dough franchise, payable in monthly and/or quarterly payments beginning in July 2019 through December 2020. The balance of this note was paid in 2020.

NOTE I - LONG-TERM DEBT

At December 31, 2022, 2021, and 2020, the long-term debt consisted of the following, which are all unsecured unless otherwise noted:

	2022	2021	2020
* Note payable due in monthly installments of \$6,000, interest at 4% over the prime rate, with a minimum rate of 8.5% (currently at 8.5%), with a balloon payment of the remaining balance due in June 2023	\$ 690,761	\$ 1,011,502	\$ 1,046,682
Loan acquisition fees payable due in annual installments of \$55,000, interest free, with the final payment due in June 2021	-	-	54,993
Note payable to D.P. Dough, monthly installments over 10 years at 7%. Monthly payments over the term of the note are as follows: \$12,000 from January 2020 through June 2020, \$25,086 from July 2020 through June 2023, \$23,222 from July 2023 through December 2029, and \$15,405 in January 2030	1,558,935	1,743,755	1,916,199
Note payable on behalf of a Member due in monthly installments of \$2,076, interest free, with the final payment due in March 2025	53,972	78,882	-

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE I - LONG-TERM DEBT (CONTINUED)

	2023	2022	2021
Note payable for the purchase of a vehicle, due in monthly installments of \$2,038, including interest of 5.99%, through July 2027. The note is secured by the related vehicle.	\$ 79,578	\$ 99,363	\$ -
Note payable to a financial institution due in monthly installments of \$12,449, including interest at 8.47%, through September 2028. The note is secured by the Company's assets.	983,950	-	-
** Note payable to a company, due in monthly installments of \$23,674, including interest at 7.00%, through June 2029.	1,293,758	-	-
** Note payable to a company, due in monthly installments of \$1,246, including interest at 7.00%, through June 2029.	68,088	-	-
	2,454,812	2,403,031	2,834,139
Less: Unamortized debt issuance costs	-	(131,403)	(143,104)
Net principal amount due	2,454,812	2,271,628	2,691,035
Less: Principal due within one year	(321,474)	(300,470)	(1,219,156)
	<u>\$2,133,338</u>	<u>\$1,971,158</u>	<u>\$1,471,879</u>

* This note payable is with a financial services company that is partially owned by one of the members. A portion of the note's principal was transferred to a related company that is owned by a Member. \$1,000,000 of the principal of the note was received by The Company and \$200,000 was received by the other company. The payments, including principal, interest, and debt issuance costs are paid by both companies. The Company could be held liable for the entire balance of the note payable if the other company stops making payments. During 2022, the remaining portion of the note that was transferred to a related company that is owned by a Member was paid in full.

** The two note payables issued in 2023 were used to purchase D.P. Dough Franchising, LLC, which was used to replace the original note payable with D.P. Dough. The amount of the D.P. Dough note payable at the time of the purchase was \$1,461,658.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE I - LONG-TERM DEBT (CONTINUED)

	2022	2021	2020
Note payable for the purchase of a vehicle, due in monthly installments of \$2,038, including interest of 5.99%, through July 2027. The note is secured by the related vehicle.	\$ 99,363	\$ -	\$ -
	2,403,031	2,834,139	3,017,874
Less: Unamortized debt issuance costs	<u>(131,403)</u>	<u>(143,104)</u>	<u>(156,080)</u>
Net principal amount due	2,271,628	2,691,035	2,861,794
Less: Principal due within one year	<u>(788,045)</u>	<u>(1,219,156)</u>	<u>(272,145)</u>
	<u>\$ 1,483,583</u>	<u>\$ 1,471,879</u>	<u>\$ 2,589,649</u>

* This note payable is with a financial services company that is partially owned by one of the members. A portion of the note's principal was transferred to a related company that is owned by a Member. \$1,000,000 of the principal of the note was received by The Company and ~~\$200,000 was received by the other company. The payments, including principal, interest, and debt issuance costs are paid by both companies. The Company could be held liable for the entire balance of the note payable if the other company stops making payments. During 2022, the remaining portion of the note that was transferred to a related company that is owned by a Member was paid in full.~~

The unamortized debt issuance costs are included with the current portion of long-term debt on the balance sheet since it is related to a note payable that is due within one year of the balance sheet date.

The following are maturities of long-term debt as of December 31, 2022:

Year ending December 31:	
2023	\$ 919,448
2024	233,686
2025	229,881
2026	239,591
2027	248,453
Thereafter	<u>531,972</u>
Total	<u>\$ 2,403,031</u>

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE I - LONG-TERM DEBT (CONTINUED)

The following are maturities of long-term debt as of December 31, 2023:

Year ending December 31:	
2024	\$ 321,474
2025	327,998
2026	345,642
2027	359,220
2028	953,970
Thereafter	<u>146,508</u>
Total	<u>\$2,454,812</u>

NOTE J - LEASE AGREEMENTS

During 2021, the Company entered into an operating lease agreement for office space. A Member of the Company is also part owner of the lessor. The agreement is a month-to-month lease and requires payments of \$4,300 each month. The Company anticipates operating under this lease through December 2027. Rent expense under the office space lease for the years ended December 31, 2023, 2022, and 2021 was \$50,464, \$51,600, and \$43,000, respectively.

During 2021, the Company entered into an operating lease with a Member for a vehicle for monthly payments of \$1,400 ending December 2025. Rent expense for this vehicle lease for the years ended December 31, 2023, 2022, 2021 was \$15,400, \$16,804, and \$15,400, respectively.

Cash paid against the lease liabilities under these arrangements was \$68,400 during the year ended December 31, 2023 and 2022.

The following table displays the undiscounted cash flows related to operating leases as of December 31, 2023, along with a reconciliation to the discounted amount recorded on the balance sheet. Minimum future lease payments under non-cancellable leases as of December 31, 2023 were as follows:

Year ended December 31:	
2024	\$ 68,400
2025	68,400
2026	51,600
2027	<u>51,600</u>
Total undiscounted cash flows	240,000
Impact of present value discount	<u>(18,491)</u>
Total operating lease liabilities	<u>\$ 221,509</u>

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE J - LEASE AGREEMENTS

During 2021, the Company entered into an operating lease agreement for office space. A Member of the Company is also part owner of the lessor. The agreement is a month-to-month lease and requires payments of \$4,300 each month. The Company anticipates operating under this lease through December 2027. Rent expense under the office space lease for the years ended December 31, 2022 and 2021 was \$51,600 and \$43,000, respectively.

During 2021, the Company entered into an operating lease with a Member for a vehicle for monthly payments of \$1,400 ending December 2025. Rent expense for this vehicle lease for the years ended December 31, 2022 and 2021 was \$16,804 and \$15,400, respectively.

Cash paid against the lease liabilities under these arrangements was \$68,400 during the year ended December 31, 2022.

The following table displays the undiscounted cash flows related to operating leases as of December 31, 2022, along with a reconciliation to the discounted amount recorded on the balance sheet. Minimum future lease payments under non-cancellable leases as of December 31, 2022 were as follows:

Year ended December 31:	
2023	\$ 68,400
2024	68,400
2025	68,418
2026	51,600
2027	<u>51,600</u>
Total undiscounted cash flows	308,418
Impact of present value discount	<u>(29,029)</u>
Total operating lease liabilities	<u>\$ 279,389</u>

The weighted average remaining term of the Company's leases as of December 31, 2022 was 4.59 years.

The following is a summary of the Company's operating right-of-use assets, less accumulated amortization as of December 31, 2022:

Right-of-use assets - operating	\$ 334,428
Less: Accumulated amortization	<u>(55,043)</u>
Right-of-use assets - operating, net	<u>\$ 279,385</u>

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE J - LEASE AGREEMENTS (CONTINUED)

The weighted average remaining term of the Company's leases as of December 31, 2023 and 2022 was 3.64 and 4.59 years, respectively.

The weighted average discount rate as of December 31, 2023 and 2022 was 4.49%.

The following is a summary of the Company's operating right-of-use assets, less accumulated amortization as of December 31, 2023:

Right-of-use assets - operating	\$ 334,428
Less: Accumulated amortization	<u>(111,300)</u>
Right-of-use assets - operating, net	<u>\$ 223,128</u>

NOTE K - ROYALTY EXPENSES

The Company assumed the royalty to the original creator of the D. P. Dough franchise. The royalty is 7.5% of the monthly royalties the Company collects from the franchisees and is payable in perpetuity.

The original creator is disputing royalties paid to him for specific restaurants. There is currently no legal determination of these disputes, therefore no provision has been recorded on the consolidated financial statements.

NOTE L - RELATED PARTY TRANSACTIONS

Companies owned by Members perform bookkeeping services, tax services, legal services, advertising, and provide supplies and materials for the Company and were paid \$90,125, \$45,883, and \$60,613 for the years ended December 31, 2023, 2022, and 2021.

During 2021, the Company entered into an agreement with a Member to redeem the Member's interest in the Company. The agreement requires monthly payments to the Member, including interest at 7%, through December 2030. During the years ended December 31, 2022 and 2021, the Company paid \$28,397 and \$33,619, respectively, to the Member as a partial redemption of their interest in the Company. The remaining redemption payments were made during the year ended December 31, 2023. These payments were recorded as a reduction to equity on the consolidated statements of income and changes in members' equity. Interest paid to the Member under the terms of this agreement during the years ended December 31, 2023, 2022, and 2021 was \$9,701, \$22,691, and \$26,755, respectively, and was included in interest expense on the consolidated statements of income and changes in members' equity.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE K - ROYALTY EXPENSES

The Company assumed the royalty to the original creator of the D. P. Dough franchise. The royalty is 7.5% of the monthly royalties the Company collects from the franchisees and is payable in perpetuity.

NOTE L - RELATED PARTY TRANSACTIONS

A Member's company performs the bookkeeping, tax services, and legal services for the Company and was paid the following for the years ended December 31, 2022, 2021, and 2020:

- \$45,883, \$60,613, and \$74,816, respectively, paid to a Member's companies for legal and accounting services.
- During 2020, \$98,523 paid on behalf of a Member for the settlement agreement between the Member and a former franchisee, expected to be reimbursed. Also see Note D.

During 2021, the Company entered into an agreement with a Member to redeem the Member's interest in the Company. The agreement requires monthly payments to the Member, including interest at 7%, through December 2030. During the years ended December 31, 2022 and 2021, ~~the Company paid \$28,397 and \$33,619, respectively, to the Member as a partial redemption of~~ their interest in the Company. These payments were recorded as a reduction to equity on the statements of income and changes in members' equity. Interest paid to the Member under the terms of this agreement during the years ended December 31, 2022 and 2021 was \$22,691 and \$26,755 and was included in interest expense on the statements of income and changes in members' equity.

During 2022, the Company disposed of a vehicle as part of the purchase agreement of another vehicle for a company owned by a Member. The newly acquired vehicle and the related loan are in the name of the Company, however the Member will be making all payments on the loan. The Company and the Member are in the process of transferring the vehicle and loan to the Member's other company. The balance of the loan to be paid by the Member at December 31, 2022 was \$85,212.

NOTE M - COVID-19 PANDEMIC

On March 11, 2020, the World Health Organization recognized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary business closures, and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had significant impact upon many sectors of the economy, including the industry in which the Company operates.

CALZONE KING, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023, 2022, and 2021

NOTE L - RELATED PARTY TRANSACTIONS (CONTINUED)

During 2022, the Company disposed of a vehicle as part of the purchase agreement of another vehicle for a company owned by a Member. The newly acquired vehicle and the related loan are in the name of the Company, however the Member will be making all payments on the loan. The Company and the Member are in the process of transferring the vehicle and loan to the Member's other company. The balance of the loan to be paid by the Member at December 31, 2023 was \$85,212.

NOTE M - SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the independent auditors' report, the date on which the consolidated financial statements were available to be issued.

CALZONE KING, LLC

NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2022, 2021, and 2020

NOTE M - COVID-19 PANDEMIC (CONTINUED)

To assist the Company with the impact of the pandemic on operations, a Paycheck Protection Program ("PPP") loan of \$14,000 was received in 2020, which may be forgiven under the provisions of the Coronavirus Aid Relief and Economic Security Act. The Company initially recorded this PPP loan as a note payable in accordance with FASB ASC 470 *Debt*. Subsequently the Company recorded a gain on forgiveness when the loan obligation was legally released. The Company also received a COVID-19 Economic Injury Disaster loan from the Small Business Administration for \$5,000 during 2020. This loan was initially recorded as a liability and the forgiveness was subsequently reported when the loan obligation was released. Accordingly, the Company recognized \$19,000 of loan forgiveness income for the year ended December 31, 2020.

NOTE N - CONTINGENCIES

In 2020, one of the members of the Company entered into a settlement agreement with a former franchisee as described in Note D. The outstanding balance of settlement agreement as of December 31, 2022, 2021, and 2020 was \$53,972, \$78,882, and \$98,518, respectively, and is guaranteed by the Company.

During 2021, the Company filed a complaint against a former franchisee for failure to pay royalties and operate the restaurant for the minimum term of the franchise agreement. This matter is currently pending, and the Company and the former franchisee have engaged in settlement conferences. The Company anticipates any settlement resulting in the full payment of royalties owed by the former franchisee and additional compensation to offset legal costs incurred. No amounts have been recorded in the financial statements for this contingency.

NOTE O - SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the independent auditors' report, the date on which the financial statements were available to be issued.

State Effective Dates

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
Illinois	April 30, 2022 <u>June 13, 2023</u>
Maryland	September 16, 2022 <u>August 1, 2023</u>
Minnesota	July 21, 2022
New York	October 19, 2022 <u>June 8, 2023</u>
Virginia	July 6, 2022 <u>June 6, 2023</u>
Michigan	July 13, 2023

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 F
Item 23:

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 Calzone King, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York law requires the franchisor to provide the Franchise Disclosure Document 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.

If Calzone King, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency.

The Calzone King, LLC sales agent for this offering is Matt Crumpton: 397 NY State Route 281, P.O. Box 582, Tully, NY 13159; (614) 561-6161

Issuance Date: April ~~26~~4, 202~~4~~3

I received a disclosure document dated April ~~26~~8, 202~~4~~2, that included the following exhibits:

Exhibit A	State Addenda to Disclosure Document
Exhibit B	State Franchise Administrators/Agents for Service of Process
Exhibit C	Table of Contents of Operating Manual
Exhibit D	Franchise Agreement
Exhibit E	Audited Financial Statements
Exhibit F	Receipts

Date: _____ Your name (Please print): _____

Your signature: _____

You should return one copy of the signed receipt either by signing, dating, and mailing it to Calzone King, 397 NY State Route 281, P.O. Box 582, Tully, NY 13159 or by emailing

a scanned copy of the signed receipt to matt.crumpton@dpdough.com. You may keep the second copy for your records.

Exhibit F
Item 23:

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The Calzone King, LLC sales agent for this offering is Matt Crumpton: 397 NY State Route 281, P.O. Box 582, Tully, NY 13159; (614) 561-6161

Issuance Date: April ~~26~~⁴, 2024~~3~~

I received a disclosure document dated April ~~26~~⁴, 2024~~3~~², that included the following exhibits:

- Exhibit A State Addenda to Disclosure Document
- Exhibit B State Franchise Administrators/Agents for Service of Process
- Exhibit C Table of Contents of Operating Manual
- Exhibit D Franchise Agreement
- Exhibit E Audited Financial Statements
- Exhibit F Receipts

Date: _____ Your name (Please print): _____

Your signature: _____

You should return one copy of the signed receipt either by signing, dating, and mailing it to Calzone King, LLC at 397 NY State Route 281, P.O. Box 582, Tully, NY 13159~~2~~, or