

FRANCHISE DISCLOSURE DOCUMENT



CPK Franchise LLC
A Delaware limited liability company
575 Anton Blvd., Suite 100
Costa Mesa, CA 92626
310.342.5000
cpkfranchise@cpk.com
www.cpk.com

We offer franchises for full service restaurants that offer oven-fired “California style” pizzas, as well as pastas, salads, specialty alcoholic and non-alcoholic beverages, and related products and operate under the California Pizza Kitchen and CPK trademarks and restaurant operating system (each a “**CPK Restaurant**”). CPK restaurants share a common image, appearance, food style, menu items and methods of operation (“**CPK Chain**”).

The total investment necessary to begin operation of a new CPK Restaurant ranges from \$1,582,000 to \$5,377,500. This amount includes \$68,000 to \$73,000 that is payable to us. The total investment necessary to convert an existing restaurant to a CPK Restaurant ranges from \$715,000 to \$4,617,500. This amount includes \$68,000 to \$73,000 that is payable to us. The total investment necessary to begin operation of a new CPK Restaurant at a Non-Traditional Facility ranges from \$1,125,000 to \$4,177,500. This amount includes \$48,000 to \$53,000 that is payable to us. The total investment necessary to begin operation under an Area Development Agreement (for one to ten CPK Restaurants) ranges from \$28,000 to \$275,000. This includes \$25,000 to \$250,000 that must be paid to us. [This investment is in addition to the estimated initial investment required to open the first CPK Restaurant that you develop under the Area Development Agreement.](#)

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 us or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this disclosure 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 Stephanie Mendoza, our Director of Franchising and Airports at 575 Anton Blvd., Suite 100, Costa Mesa, CA 92626 or 310.342.5000.

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

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

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

The issuance date of this Franchise Disclosure Document is April 15, 2026.

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or arbitration only in the state where our principal offices are located at the time the demand is filed, which is currently in California. Out-of-state mediation or arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or arbitrate with us in California than in your own state.
2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
4. **Inventory/Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

Type of Fee ¹	Amount	Date Due	Remarks
Cooperative Contributions	As directed by us	As directed by us	We have the right to establish cooperative marketing programs (“ Cooperatives ”) in your region. At our direction, you may be required to join and contribute to a Cooperative pertinent to your CPK Restaurant. The voting power for our Company-Operated Restaurants will be the same as the voting power of our franchised CPK Restaurants in each Cooperative. Please see Item 11 for further details.
Collection Costs and Expenses	Amount incurred	Upon demand	You must pay our collection costs and expenses, which include collection agency fees, costs incurred in creating reports demonstrating Gross Sales, attorney’s fees, and related expenses we incur in enforcing the terms of the Franchise Agreement.
Early Termination Damages	Amount of the average weekly Royalty Fees and Brand Fund contributions that you owed for the one year period prior to termination, multiplied by the lesser of 48 Periods or the number of Periods remaining in the term of the Franchise Agreement	Within 30 days following termination	Payable if you default on your obligations and we terminate the Franchise Agreement prior to the expiration of the initial term of the Franchise Agreement.
Enforcement Expenses	Actual cost of our attorneys’ fees and expenses	Upon demand	Payable if we obtain injunctive or other relief for the enforcement of any term of the Franchise Agreement.
Indemnification	Our actual costs and expenses	As incurred	You must reimburse us if we incur any expense, including attorneys’ fees and other costs, or are held liable for claims arising out of the operation of your CPK Restaurant.
Interest	1.5% per month or the maximum rate permitted by applicable law, whichever is less.	With payment of overdue amount	We calculate interest from the date the payment was due until paid in full.
On-Site Assistance Fee	Expenses Actual expenses and salaries of our personnel including travel expenses, accommodations, and meals	Upon demand	Payable if we determine that it is necessary or desirable to send our personnel to your CPK Restaurant for training or assistance.

Type of Fee ¹	Amount	Date Due	Remarks
Public Filings	Our <u>actual</u> costs and expenses	With submission of offering materials for our review	If you are or become a publicly held entity and you request information from us to compile your reports, you must reimburse us for our costs and expenses associated with preparing such reports.
Quality Assurance Programs	Our out-of-pocket costs	As incurred	You must comply fully with our quality assurance program, which may include, among other things, evaluation tools, inspections of your CPK Restaurant, customer satisfaction surveys, mystery shopper reports, employee satisfaction and perception surveys, health and safety reviews, product and ingredient testing, and observation of food preparation areas and processes. You must pay any out-of-pocket costs that we incur to third parties to carry out quality assurance program activities at your CPK Restaurant. We also may require you to pay any such third parties directly. We may permit you to use an alternate quality assurance program substantially similar to ours subject to our approval.
Relocation Fee	\$25,000 - \$50,000	Upon demand	Payable if you make a request and we approve the relocation of your CPK Restaurant to a location within a 5-mile radius of your current Restaurant Location. If farther than 5 miles, this will be treated as a new restaurant opening rather than a relocation and you must pay all applicable initial franchise fees.
Reimbursement for Preparing Reports and Examination or Audit	Our <u>actual</u> expenses for the inspection or audit of your books and records, including reasonable our <u>actual</u> accounting and legal costs and travel expenses	Upon demand	Payable only if (1) you fail to provide financial reports and we have to prepare the reports on your behalf; or (2) an examination or audit reveals an understatement of the Gross Sales of your CPK Restaurant by more than 1%. This is in addition to your obligation to pay any underreported amounts owed and applicable interest.

Type of Fee ¹	Amount	Date Due	Remarks
Reimbursement of our Expenses	Amount we pay on your behalf	Upon demand	Payable only if we pay, or become obligated to pay, monies on your behalf by consent or otherwise under the Franchise Agreement including amounts we pay to obtain insurance for your CPK Restaurant on your behalf if you fail to maintain the required insurance policies.
Renewal Fee	\$25,000	Upon execution of a renewal franchise agreement	If you choose to and are approved to continue operating your CPK Restaurant for a renewal term you must sign our then-current form of renewal franchise agreement.
Supplier Evaluation	Reasonable Our actual costs of evaluating alternate suppliers that you request, which currently are expected to range between \$1,000 and \$1,500 although costs could be less than or exceed these amounts depending on the product and the supplier	Upon demand	Payable whether or not we approve the supplier. Please see item 8 for additional details.
Taxes	Amount imposed on us	Upon demand	You must reimburse us for any taxes, fees or assessments imposed on us for acting as a franchisor or licensing the Marks to you.
Training – Additional Programs	Reasonable tuition fees, <u>which shall not exceed \$5,000</u>	Upon demand	We have the right to charge you reasonable tuition fees for additional training programs that you request from us during the term of your Franchise Agreement.
Transfer Fee – Franchise Agreement	Our <u>actual</u> costs to evaluate the proposed transferee and draft new contracts, which shall not exceed \$10,000	Upon demand	Payable if you propose to sell or transfer the Franchise Agreement, your business (or a partial ownership interest).
Transfer Fee – Development Agreement	Our cost <u>actual costs</u> to evaluate the transferee and draft new contracts, which shall not exceed \$10,000	Upon demand	Payable if you propose to sell or transfer the Development Agreement, your business (or a partial ownership interest).

NOTES TO CHART:

- (1) Unless otherwise noted, all of the fees or charges described in this Item derive from the Franchise Agreement and are non-refundable and payable to us. We may waive or reduce a fee for a particular franchisee from time to time.
- (2) If, due to federal, state or local laws, you are prohibited from receiving a percentage royalty based on alcoholic beverage revenues, you must pay us a Royalty on all Gross Sales except alcoholic beverage

construction, remodeling, leasehold improvements, decorating costs, inventory, security deposits, utility deposit, business licenses, other prepaid expenses or other costs required to begin operating under the Development Agreement.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

System Standards

To protect our reputation and goodwill and to maintain high standards of operation under the System, you must operate your CPK Restaurant in strict conformance with our System standards, including the methods, standards, and specifications we prescribe from time to time in the Operations Manual or otherwise in writing. The System standards may relate to any aspect of the appearance, function, cleanliness, and operation of a CPK Restaurant.

Approved Brands and Suppliers

You will offer for sale in the CPK Restaurant all products and services designated by us. You may not offer or sell any unapproved products or services at the CPK Restaurant without our prior written consent. In the operation of the CPK Restaurant, you may use only foodstuffs, menu item ingredients, packaging and paper items, restaurant supplies, equipment, software, appliances, signs, furniture, smallwares and other items that have already been vetted and approved by us and that are listed in the Operations Manual. We may require you to use only certain brands ("**Approved Brands**") that are identified in the Operations Manual and to prohibit you from using other brands. We may from time to time modify the list of Approved Brands and you may not reorder any brand that is no longer approved.

We may require that all current and future products and services that you purchase for operation of or sale in the CPK Restaurant: (1) meet specifications that we establish from time to time; and/or (2) be purchased only from suppliers that we have expressly approved ("**Approved Suppliers**") (which may be us or an affiliate or a buying cooperative that we organize); and/or (3) establish food commissaries and distribution facilities (directly, through our affiliates, and/or our designees), and designate these as Approved Suppliers. To the extent that we establish specifications, require approval of suppliers, or names Approved Suppliers for particular items, we will provide the requirements in the Operations Manual. We may from time to time modify the list of Approved Suppliers and you shall not place any orders with a supplier that is no longer approved. We and our affiliates do not currently serve as Approved Suppliers of any goods or services purchased by our franchisees, although we reserve the right to do so in the future.

If you wish, or for some reason need, to purchase an item or retain the service from a supplier that is not on our Approved Brands and Approved Supplier list, you may submit a written request for approval of the proposed product or supplier. We will provide our standards and specifications to you or to the proposed supplier, subject to the supplier's execution of a confidentiality agreement in a form acceptable to us. We have the right to inspect the proposed supplier's facilities and to require delivery of product samples either to us or to an independent laboratory designated by us for testing. Upon completion of our analysis, which will take approximately 30 to 60 days to complete, we will notify you in writing of approval or disapproval of the proposed product or supplier, and, if approved we, will add them to the Approved Brands and Approved Suppliers list. You must pay a charge not to exceed our ~~reasonable~~actual costs incurred in evaluating the supplier, regardless of whether or not we approve the supplier. We have the right to re-inspect the facilities and products of any approved supplier and to revoke approval upon the supplier's failure to meet any of our then-current criteria.

None of our officers or directors owns an interest in any suppliers of products or services to our franchisees.

We may negotiate purchasing arrangements under which suppliers agree to make services, products, equipment, materials and other goods and services available to CPK Restaurants. Subject to

Provision	Section in Franchise Agreement (FA), Development Agreement (DA), or Non-Traditional Facility Addendum (NT)	Summary
q. Non-competition covenants during the term of the franchise	FA: 10.3 DA: 4.2 NT: Not Applicable	Subject to applicable state law, no diverting customers to and no involvement in any entity which is granting franchises or licenses to others to operate a restaurant featuring pizza, pasta, salads or other California-inspired cuisine (except pursuant to franchise agreements with CPK) or any restaurant featuring pizza, pasta, salads or other California-inspired cuisine.
r. Non-competition covenants after the franchise is terminated or expires	FA: 10.3 DA: 5.2 NT: Not Applicable	Subject to applicable state law, no activity in q. above for two years following termination or expiration except pursuant to a franchise agreement with us or at a site that is at least 10 miles from any CPK restaurant, including your CPK Restaurant, including your CPK Restaurant, and that was operating or being developed at the time of termination or expiration of the agreement.
s. Modification of the agreement	FA: 18.5 DA: 10.5 NT: Not Applicable	No modification generally without signed agreement, but we may modify the System and the Operations Manual.
t. Integration/ merger clause	FA: 18.5 DA: 10.5 NT: Not Applicable	Only the terms of the Franchise Agreement and Development Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document, Franchise Agreement and Development Agreement may not be enforceable. Nothing in the agreements or in any related agreement is intended to disclaim the representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	FA: 17.5 DA: 9.5 NT: Not Applicable	Subject to state law, either party will submit any claim, controversy, or dispute arising out of the agreement to non-binding mediation and, thereafter, to arbitration. The mediation and arbitration will take place in the city where our principal offices are located at the time the demand for mediation or arbitration is filed, which is currently Costa Mesa, California.
v. Choice of forum	FA: 17.7 DA: 9.7 NT: Not Applicable	Subject to state law and subject to the mediation and arbitration requirement, any actions for injunctive relief must be filed in the jurisdiction where our principal offices are located at the time suit is filed, which is currently Costa Mesa, California while simultaneously submitting the matter to mediation and then arbitration.
w. Choice of law	FA: 17.6 DA: 9.6 NT: Not Applicable	Subject to state law, the laws of California apply.

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

(i) the failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) the fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

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

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

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

Any questions regarding these Additional Disclosures shall be directed to the Department of the Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48913, (517) 373-7717.

**ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF MINNESOTA**

41. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO

FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

2. Notice of Termination. The following statement is added to Item 17:

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statute 80C.14 Subd. 3-5, which require (except in certain specified cases) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.

23. Choice of Forum and Law; Waiver of Right to Jury Trial or Termination Penalties. The following statements are added to Item 17:

Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J). Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

34. General Release. The following statement is added to Item 17:

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

45. Additional Disclosure. The following statement is added to Item 22:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

~~THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.~~

~~THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF~~

~~THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.~~

**ADDITIONAL DISCLOSURE DOCUMENT DISCLOSURES
REQUIRED BY THE STATE OF NEW YORK**

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 E OR YOUR PUBLIC LIBRARY FOR RESOURCES 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 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 THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent..

**ADDENDUM TO THE CALIFORNIA PIZZA KITCHEN AREA DEVELOPMENT AGREEMENT
REQUIRED FOR MARYLAND DEVELOPERS**

This Addendum to the California Pizza Kitchen Area Development Agreement dated _____ (“**Development Agreement**”) is entered into by and between **CPK Franchise LLC**, a Delaware limited liability company (“**we**”, “**us**”, “**our**” or “**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**you**”, “**your**” or “**Developer**”) as of the Effective Date (which is the date indicated on the signature page of this Addendum).

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Maryland; **(B)** Developer is a resident of the State of Maryland; **(C)** part or all of any Development Area is located in the State of Maryland; and/or **(D)** a Restaurant will be located or operated in the State of Maryland.

2. The following language is added to the end of Section 2 (Fees):

Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all development fees and initial payments owed by you shall be deferred until the first Restaurant under the Development Agreement opens.

3. The following sentence is added to the end of Section 7.2.6 (Transfer):

This release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. The following sentence is added to the end of Section 9.7 (Venue):

Notwithstanding the foregoing, Developer may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. The following sentence is added to the end of Section 9.11 (Limitations of Claims):

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Any capitalized term that is not defined in this Addendum shall have the meaning given it in the Development Agreement.

~~78.~~ Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

~~89.~~ This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by electronic

transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be as effective as delivery of a manually executed counterpart of this Addendum.

~~{Signatures follow on next page.}~~

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the Effective Date identified below.

CPK:
CPK FRANCHISE LLC,
a Delaware limited liability company

DEVELOPER:

a _____

By: _____
Name: _____
Title: _____
Effective Date: _____

By: _____
Name: _____
Title: _____
Date: _____

ADDITIONAL WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT
DISCLOSURES
REQUIRED BY THE STATE OF WASHINGTON

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

19. **Fee Deferral.** ~~The State~~ In lieu of Washington has imposed a financial condition under which an impound of franchise fees, the franchisor will not require or accept the payment of any initial franchise fees due will be deferred until we have fulfilled our initial the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the Franchise Agreement ~~and the Restaurant~~ or Franchise Disclosure Document, and (b) is open for business. Upon the ~~Because the franchisor has material pre-opening of the Restaurant, you will pay the Initial Franchise Fee to us. We will defer the payment of the Development Fee attributed~~ obligations with respect to each ~~Restaurant that you agree to develop until that Restaurant~~ franchised restaurant ~~the franchisee~~ opens for business. Upon the opening of each Restaurant developed pursuant to ~~a~~ under the Area Development Agreement, ~~you will pay to us~~ payment of the Development Fee will be released proportionally with respect to each franchised restaurant opened and until the franchisor has met all its pre-opening obligations under the Area Development Fee Agreement and Franchise Agreement and Franchisee is open for business with respect to each such location.

5 TRAINING

5.1 Satisfactory Completion of Training. CPK shall offer a management training program which it deems appropriate for instilling the attitudes, skills and knowledge needed for the operation of the Restaurant (“**CPK Manager Training**”). CPK Manager Training shall be offered at such times and locations as CPK deems appropriate. Before Franchisee opens the Restaurant for business, Franchisee’s Operating Principal, general manager and each assistant manager for the Restaurant, and each district manager, if any, or equivalent having responsibility over the Restaurant, shall attend and successfully complete CPK Manager Training to CPK’s satisfaction. CPK will certify any Restaurant manager who successfully completes CPK Manager Training as a “**Trainer.**” CPK will authorize the Restaurant to open only after the Operating Principal, general manager, and the number of assistant managers that CPK designates as appropriate for the size and scope of the Restaurant have been certified as Trainers. CPK will have the right to require that Franchisee’s Trainers execute and deliver to CPK a training participation agreement or a non-disclosure, non-competition agreement in a form acceptable to CPK.

5.2 Restaurant Opening Training. Franchisee must have a full staff in place and available for training at least ten (10) days before the Restaurant opens. If the Restaurant is the first CPK Restaurant opened by Franchisee and its affiliates, CPK shall send, as reasonably required by CPK, a “new store opening team” of CPK’s employees (“**NSO Team**”) to the Restaurant to assist in training personnel and otherwise assist in the opening of the Restaurant. Franchisee shall pay a Training Team Fee to CPK, which will vary depending on the number of members of the NSO Team that CPK sends to the Restaurant and the length of the time they will be at the Restaurant, which shall be determined by CPK in its sole discretion.

5.3 No Untrained Managers or Staff. Franchisee shall not put any person in charge of the Restaurant or any department thereof without having first successfully completed CPK Manager Training including any regional or district managers that oversee multiple CPK Restaurants for Franchisee. No other person shall be put in a management position in the Restaurant without having first successfully completed the prescribed CPK Manager Training certification program for that specific position.

5.4 Refreshers. The Operating Principal and all Restaurant managers and assistant managers shall, from time to time as required by CPK, repeat CPK Manager Training or take refresher courses and successfully complete them to the satisfaction of CPK.

5.5 Self-Training. Upon request by Franchisee, CPK in its sole discretion may permit Franchisee to provide its own training, or else to attend and pay for training provided by a third party, in lieu of some or all CPK Manager Training. Franchisee must conduct such training programs for its employees as CPK may require, including those training programs required for Franchisee’s employees to become certified for the position(s) for which each employee was hired. Franchisee’s managers who have completed CPK Manager Training are responsible for fully training the Restaurant’s employees, including any replacement managers. Franchisee will be responsible for all costs incurred in training its employees and may also be required to purchase training materials and uniforms.

5.6 Training Methods; Costs. Except for the classroom and on-the-job training portions of CPK Manager Training, CPK has the right to provide training programs in person, by video, via the Internet, or by other means, as CPK determines in its sole discretion. All training that CPK conducts in person will be held at a location designated by CPK. All costs and expenses for travel, meals, lodging, training materials and other expenses of attendance incurred by Franchisee’s and CPK’s employees while attending any training program shall be Franchisee’s responsibility and expense. If Franchisee requests additional training beyond that which is hereby required, CPK will use reasonable efforts to provide it and may charge Franchisee for tuition, ~~which shall not exceed Five Thousand Dollars (\$5,000).~~

5.7 Notice of Inadequate Assistance. If Franchisee believes CPK has failed to adequately provide any pre-opening services to Franchisee in regard to site selection, construction, selection and purchase of items needed to commence operations, training, or any other matter affecting the establishment of the Restaurant, Franchisee shall so notify CPK in writing within thirty (30) days following the opening of the Restaurant. Absent the timely provision of such notice to CPK, Franchisee shall have been deemed to

CPK's designees), and designate these as Approved Suppliers. CPK has the right to re-inspect the facilities and products of any Approved Supplier and to revoke approval of the supplier upon the supplier's failure to meet any of CPK's then-current criteria. To the extent that CPK establishes specifications, requires approval of suppliers, or names Approved Suppliers for particular items, CPK will provide the requirements in the Operations Manual. CPK may from time to time modify the list of Approved Suppliers and Franchisee shall not place any orders with a supplier that is no longer approved.

7.5.3 The parties understand that these provisions may have the effect of prohibiting Franchisee from using, providing, serving and selling certain brands, products, and services that are of good quality and available from reputable and reliable suppliers in favor of other brands, products, services or suppliers which CPK deems preferable. The intent of the parties is to enable CPK to apply its discretion, and the benefit of its facilities for testing and quality assurance and its experience and knowledge of the food service industry, to see to the procurement by all CPK Restaurants of products and services and the use of distribution sources which comport with the quality, uniformity and consistency which Franchisee is promising to maintain with respect to the Restaurant.

7.5.4 If Franchisee wishes, or for some reason needs, to purchase an item or retain a service from a supplier that CPK does not have on CPK's Approved Brands and Approved Suppliers list, Franchisee may submit a written request for approval of the proposed product or supplier. CPK will provide its standards and specifications to Franchisee or to the proposed supplier, subject to the supplier's execution of a confidentiality agreement in a form acceptable to CPK. CPK has the right to inspect the proposed supplier's facilities and to require delivery of product samples either to CPK or to an independent laboratory designated by CPK for testing. Upon completion of CPK's analysis, CPK will notify Franchisee in writing of approval or disapproval of the proposed product or supplier, and, if approved CPK, will add them to the Approved Brands and Approved Suppliers list. Franchisee agrees to pay a charge not to exceed CPK's ~~actual~~ reasonable costs incurred in evaluating the product and/or supplier, regardless of whether or not CPK approves the product or supplier.

7.5.5 New menu items and services may require different storage, preparation, cooking or service facilities than had previously existed in the Restaurant. CPK may, from time to time require Franchisee to modify aspects of the Restaurant or add new fixtures or equipment to accommodate new menu items or services or changes to existing menu items or services. Franchisee shall do so promptly at Franchisee's sole expense.

7.5.6 Nothing in this Agreement shall restrain CPK, in its sole discretion, from designating certain menu items or services as "approved" on a seasonal, local or regional basis. CPK may also withhold such designation for any menu item or service which, in CPK's judgment, the Restaurant is not properly equipped to offer, provide, prepare or serve.

7.5.7 CPK may negotiate purchasing arrangements under which suppliers agree to make services, products, equipment, materials and other goods and services available to CPK Restaurants. Subject to applicable law, CPK may earn money from the suppliers based on Franchisee's purchases in the form of rebates, commissions, or other payments. Franchisee acknowledges that these payments compensate CPK for the cost of negotiating and maintaining the purchasing arrangements with the suppliers and that, subject to applicable laws, CPK has no obligation to remit the funds to Franchisee.

7.6 Catering and Other Off-Premises Programs. CPK reserves the right, upon reasonable notice, to require that Franchisee participate in the California Pizza Kitchen Catering and/or Delivery Program to provide the catering and/or delivery services designated by CPK from the Restaurant to customers located within the Protected Territory. Franchisee must obtain all licenses and permits necessary for such participation and must comply with CPK's procedures and menu requirements, purchase all equipment, vehicles, supplies, products and ingredients through CPK's approved and designated suppliers and otherwise follow the Operations Manual with respect to the catering and/or delivery services.

7.7 Pricing Activities. CPK may set reasonable restrictions on the maximum and minimum prices Franchisee may charge for the products and services (subject to applicable law) offered and sold at

9 REPORTING AND RECORD KEEPING

9.1 Purpose. The parties acknowledge CPK's need for consistent, accurate and timely information concerning Franchisee's business at the Restaurant so that it may evaluate the performance of Franchisee and the Restaurant.

9.2 System of Records. Franchisee shall maintain its books and records in the manner required by CPK, but in all cases, using such bookkeeping and record keeping procedures as shall fairly reflect the Gross Sales, costs of labor, food, packaging and beverage costs, semi-variables, fixed costs and advertising, and the financial results of the Restaurant.

9.3 Reports. Franchisee shall complete and submit to CPK on a regular continuous basis (including but not limited to financial statements reviewed by an independent certified public accountant) such reports as are required by CPK from time to time. Each such report shall be in the form and frequency, present the information, and be prepared and/or reviewed or certified by persons, required by CPK. If Franchisee fails to provide to CPK required sales or financial information, or fails to provide the information in the manner requested by CPK, CPK shall have the right to inspect, on its own or through its designated representatives, all Franchisee's books, records and tax returns, in order to prepare such statements, and Franchisee shall ~~reimburse CPK for its actual costs and expenses incurred~~ pay to CPK a reasonable fee, including the compensation and travel expenses of persons involved in preparing the statements.

9.4 Audits. CPK representatives shall have the right at all times during normal business hours to confer with Restaurant managers and customers, and to inspect and/or audit Franchisee's books, records and tax returns, or such portions thereof as pertain to the operation of the Restaurant. All such books, records and tax returns shall be kept and maintained for at least three (3) years after their creation at the Restaurant premises or such other place as may be agreed to from time to time in writing by the parties. In addition, Franchisee shall submit copies of Franchisee's balance sheet and profit and loss statement to CPK within ten (10) days of fiscal year-end and within ten (10) days of the midway point between fiscal year-end. If any such inspection of Franchisee's books, records and tax returns, or portions thereof, reveals that the Gross Sales reported in any report or statement are less than the actual Gross Sales ascertained by such inspection, then Franchisee shall immediately pay CPK the additional amount of Royalty and other fees owing by reason of the understatement of Gross Sales previously reported, together with interest as provided for in Section 4.7.3. In the event that any report or statement understates Gross Sales by more than one percent (1%) of the actual Gross Sales ascertained by CPK's inspection, Franchisee shall, in addition to making the payment provided for in the immediately preceding sentence, pay and reimburse CPK for any and all expenses incurred in connection with its inspection, including, but not limited to, ~~actual~~ reasonable accounting and legal fees. Such payments shall be without prejudice to any other rights or remedies CPK may have under this Agreement or otherwise.

9.5 Public Filings. If Franchisee is or becomes a publicly-held entity in accordance with other provisions of this Agreement, Franchisee shall send to CPK copies of all reports (including responses to comment letters) or schedules that Franchisee may file with the U.S. Securities and Exchange Commission (certified by Franchisee's chief executive officer to be true, correct, complete and accurate) and copies of any press releases it may issue, within three (3) days of the filing of those reports or schedules or the issuance of those releases. If Franchisee requests information from CPK to compile its reports, Franchisee must reimburse CPK for CPK's costs and expenses in preparing such reports.

10 COVENANTS

10.1 Best Efforts. During the term of this Agreement, Franchisee and the Operating Principal shall devote their best efforts to the development, management and operation of the Restaurant.

10.2 Confidential Information. Franchisee acknowledges all the information it has now or obtains in the future concerning the System, including the contents of the Operations Manual, the trade secrets, know-how and technology communicated to Franchisee by CPK, and any CPK recipes, formulas, new product plans or introduction schedules or future advertising or promotion plans or schedules of CPK

California, Maryland, and Washington franchisees should not complete this form. If any California, Maryland, or Washington franchisee completes this form, it is against California, Maryland, and Washington public policy and will be void and unenforceable, and we will destroy, disregard, and will not rely on such form.

FRANCHISEE CERTIFICATION FORM

You are preparing to enter into a California Pizza Kitchen Franchise Agreement with CPK Franchise LLC ("CPK"). Please review each of the following questions and statements carefully and provide honest and complete responses to each.

Franchise Applicant _____

1. Have we provided you with a Franchise Disclosure Document at least 14 calendar days (or the earlier of the first personal meeting or 10 business days if you are a prospect based in or will operate in New York; the earlier of the first personal meeting or 14 days if you are a prospect based in or will operate in Iowa; or 10 business days if you are a prospect based in or will operate in Michigan) before you signed any agreements or paid any money or other consideration to us or our affiliates?

Yes ___ No ___

2. Did you sign a Receipt indicating the date on which you received the Franchise Disclosure Document?

Yes ___ No ___

3. Please list any questions you have regarding the franchise opportunity that you would like to discuss prior to signing the Agreement. (Attach additional pages, if necessary.)

4. Please list any information provided to you by any employee or other person speaking on our behalf concerning the sales, revenue, profits, or operating costs of one or more California Pizza Kitchen restaurants operated by us, our affiliates, or our franchisees or that you may earn or experience that is in addition to the information contained in the Franchise Disclosure Document:

This form is not for use in California, Maryland or Washington. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under ~~the California Franchise Investment Law~~ or any other state franchise registration and disclosure law.

FRANCHISE APPLICANT: _____

By: _____

Print Name: _____

Date: _____

**WASHINGTON ADDENDUM TO THE CALIFORNIA PIZZA KITCHEN
AREA DEVELOPMENT AGREEMENT AND RELATED AGREEMENTS
REQUIRED FOR WASHINGTON DEVELOPERS**

This Addendum to the California Pizza Kitchen Area Development Agreement dated _____ (“**Development Agreement**”) is entered into by and between **CPK Franchise LLC**, a Delaware limited liability company (“**we**”, “**us**”, “**our**” or “**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**you**”, “**your**” or “**Developer**”) as of the Effective Date (which is the date indicated on the signature page of this Addendum).

The provisions of this Addendum form an integral part of, and are incorporated into, the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to you was made in the State of Washington; **(B)** you are a resident of the State of Washington; and/or **(C)** part or all of the Development Area is located in the State of Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the Development Agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Development Agreement or related agreements concerning your relationship with the franchisor. Development agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Development Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the Development Agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the Development Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the Development Agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in Development Agreements or related agreements that permit the franchisor to repurchase the franchisee’s business for any reason during the term of the

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. **Fee Deferral.** The following is added to the end of Section 2.1 of the Development Agreement:

~~Notwithstanding the foregoing, we will defer the payment of the Development Fee attributed to each Restaurant that you agree to develop until that Restaurant opens for business. Upon the opening of each Restaurant, you will pay to us the Development Fee.~~

In lieu of an impound of franchise fees, Franchisor will not require or accept the payment of any initial franchise fees until Developer has (a) received all pre-opening and initial training obligations that it is entitled to under the Franchise Agreement or Franchise Disclosure Document, and (b) is open for business. Because Franchisor has material pre-opening obligations with respect to each franchised restaurant Developer opens under the Area Development Agreement, payment of the Development Fee will be released proportionally with respect to each franchised restaurant opened and until Franchisor has met all its pre-opening obligations under the Development Agreement and Franchise Agreement and Developer is open for business with respect to each such location.

20. **Miscellaneous.** This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the Effective Date identified below.

CPK:
CPK FRANCHISE LLC,
a Delaware limited liability company

DEVELOPER:

a _____

By: _____
Name: _____
Title: _____
Effective Date: _____

By: _____
Name: _____
Title: _____
Date: _____

**WASHINGTON ADDENDUM TO THE CALIFORNIA PIZZA KITCHEN
FRANCHISE AGREEMENT AND RELATED AGREEMENTS
REQUIRED FOR WASHINGTON FRANCHISEES**

This Addendum to the California Pizza Kitchen Franchise Agreement dated _____ (“**Franchise Agreement**”) is entered into by and between **CPK Franchise LLC**, a Delaware limited liability company (“**we**”, “**us**”, “**our**” or “**Franchisor**”) and _____, a _____ [insert type of organization and delete these brackets] formed in _____ [insert state and delete these brackets] (“**you**”, “**your**” or “**Franchisee**”) as of the Effective Date (which is the date indicated on the signature page of this Addendum).

The provisions of this Addendum form an integral part of, and are incorporated into, the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to you was made in the State of Washington; **(B)** you are a resident of the State of Washington; and/or **(C)** the Restaurant will be located in the State of Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the Franchise Agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Franchise Agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the Franchise Agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the Franchise Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the Franchise Agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in Franchise Agreements or related agreements that permit the franchisor to repurchase the franchisee’s business for any reason during the term of the

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. **Fee Deferral.** The following is added to the end of Section 4.1 of the Franchise Agreement:

~~Notwithstanding~~ In lieu of an impound of franchise fees, the ~~foregoing, we~~ Franchisor will ~~defer~~ not require or accept the payment of ~~the Initial Franchise Fee~~ any initial franchise fees until the ~~Restaurant opens for business. Upon the Franchisee has (a) received all pre-opening of the Restaurant, you shall pay the Initial~~ and initial training obligations that it is entitled to under the Franchise Agreement or Franchise ~~Fee to us.~~ Disclosure Document, and (b) is open for business.

20. **Miscellaneous.** This Addendum may be executed in multiple counterparts, each of which when executed and delivered shall be deemed an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Addendum by electronic transmission (including an electronic signature platform or the transmission of a scanned PDF document) shall be as effective as delivery of a manually executed counterpart of this Addendum.

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum as of the Effective Date identified below.

CPK:
CPK FRANCHISE LLC,
a Delaware limited liability company

FRANCHISEE:

a _____

By: _____
Name: _____
Title: _____
Effective Date: _____

By: _____
Name: _____
Title: _____
Date: _____