

## FRANCHISE DISCLOSURE DOCUMENT

Calzone King, LLC  
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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 **\$120,980-\$359,910**. This includes a total of \$40,000 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 22, 2026

## How to Use This Franchise Disclosure Document

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

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

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

### Some States Require Registration

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

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

**Special Risks to Consider About *This Franchise*** Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Ohio. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Ohio than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

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## **TABLE OF 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 Statement
Exhibit F	Receipts

## **Item 1: The Franchisor, and any Parents, Predecessors and Affiliates**

### **Franchisor, Parent, and Affiliates**

The Franchisor is Calzone King, LLC, which will be referred to as “**D.P. DOUGH**”, “**we**”, “the franchisor,” or “**us**”. The principal address of the franchisor is **397 NY State Route 281, P.O. Box 582, Tully, NY 13159**. The franchisor has no parents or affiliates that offer franchises in any line of business.

The franchisor has not conducted business in any other line of business. It has not offered franchises in any other line of business.

The franchisor began offering franchises for sale on July 1, 2019.

The term “**you**” means the person, corporation, limited liability company, partnership or other legal entity that is granted the franchise (as well as the direct and indirect owners of any corporation, limited liability company, partnership, or other legal entity that becomes a franchisee).

We are a New York limited liability company. We currently do business under the name “D.P. Dough.”

### **Predecessors**

There are two franchisor predecessors to Calzone King, LLC: The Original Calzone Company (1989-2011) and D.P. Dough Franchising, LLC (2012-2019).

D.P. Dough Franchising, LLC, an Ohio limited liability company formed in November 2011, was the prior franchisor of D.P. Dough restaurants. On November 30, 2011, D.P. Dough Franchising, LLC acquired all trademarks, other intellectual property, contract assignments, certain choses in action, goodwill, and all other rights incident to the operation of the D.P. Dough franchise from Zones, Inc. and The Original Calzone Company, without assuming any liabilities. D.P. Dough Franchising, LLC sold its franchise assets, including intellectual property, contracts, and an exclusive trademark license agreement to Calzone King LLC as of July 1, 2019. The last known address for D.P. Dough Franchising, LLC is 2708 Billingsley Road, Columbus, OH 43235.

The Original Calzone Company, a Massachusetts corporation formed in July 1996, was the initial franchisor of D.P. Dough restaurants. The last known address for The Original Calzone Company is 96 N. Pleasant St., Amherst, MA 01002. The Original Calzone Company had two affiliates: D.P. Dough, Inc., a Massachusetts corporation formed in August 1989, which operated the original D.P. Dough restaurant in Amherst, Massachusetts, and Zones, Inc., a Massachusetts corporation formed in April 1991, which owned all of the trademarks and intellectual property used by D.P. Dough Restaurants. The last known addresses for Zones, Inc. and for D.P. Dough, Inc. is 96 N. Pleasant St.,

Amherst, MA 01002.

### **Franchisor's Date of Formation**

Calzone King, LLC was formed as a New York limited liability company on January 28, 2019.

### **The Business We Offer**

We grant franchises for restaurants operating under the “D.P. Dough®” name (and using our other D.P. Dough trademarks) and using our proprietary operations systems. (For reference purposes in this Franchise Disclosure Document, we call the restaurants in our system “D.P. Dough Restaurants”; we use the term “Restaurant” to describe the D.P. Dough Restaurant that you will operate.) D.P. Dough Restaurants, which typically are located in towns with a significant college or university population, sell a variety of freshly baked and prepared calzones, wings, desserts, beverages, and other food products and provide carry-out, delivery, and on-premises dining services.

Food products are prepared according to specified recipes and procedures and use high quality ingredients, including specifically formulated and specially produced proprietary lines of calzone dough, meats, cheeses, vegetables, and other food products, beverages and non-food products that are branded, trademarked, and/or packaged exclusively for our system and franchise owners. We create the standards for our food products and non-food products. If you acquire a franchise, you must operate your Restaurant according to our business formats, methods, procedures, designs, layouts, and specifications.

### **Prior Experience**

The officers of Calzone King, LLC have owned and operated the D.P. Dough Franchise with D.P. Dough Franchising, LLC (since 2012) or operated the competing chain of Calios calzone restaurants (since 2006). Our predecessors, Zones, Inc., The Original Calzone Company, and D.P. Dough Franchising, LLC have licensed and operated D.P. Dough franchises since 1989.

### **Agent For Service of Process**

Our agents for service of process are listed in Exhibit B.

### **The D.P. Dough Franchise**

We may periodically make changes to the systems, standards, signage, and equipment requirements. You may have to make additional investments in the franchised business periodically during the term of the franchise if those kinds of changes are made or if your Restaurant's equipment or facilities wear out or become obsolete, or for other reasons (for example, as may be needed to comply with a change in the system standards or local, state, or federal law). All D.P. Dough Restaurants must be developed and operated to our

specifications and standards. Consistency of experience with D.P. Dough is important, and you have no discretion to offer products or services other than those set forth in our Operating Manual, which may be amended by us from time to time. Nevertheless, we reserve the right to allow some D.P. Dough Restaurants to sell different menu items from other D.P. Dough Restaurants. The franchise agreement is limited to a single D.P. Dough Restaurant, which will be set forth in the franchise agreement. However, we will not franchise or license others in your Territory (see Item 12). All of our franchised restaurants are exclusive to our first (and only) franchisee in that respective licensed Territory.

### **Industry-Specific Regulations**

You must comply with all local, state, and federal laws that apply to your Restaurant operations, including health, sanitation, EEOC, OSHA, discrimination, employment, and sexual harassment laws. You should investigate the application of these laws further.

### **General Description of the Competition to the Franchisee's Business**

Your Restaurant will offer products and services to the general public throughout the year and compete with pizza, fast food, fast casual food and delivery chains (local, regional, and national), restaurants, and food service businesses. The market for our type of products and services generally is developed and very competitive.

## **Item 2: Business Experience**

CEO: Eric Cook

Mr. Cook has been the CEO of Calzone King, LLC, 397 NY State Route 281, P.O. Box 582, Tully, NY 13159, 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, 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 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 from 2018 to 2021

### **Item 3: Litigation**

Calzone King, LLC, et al. v. Devine Redding, et al., No. 24-CV-001400 (Franklin County, Ohio, Common Pleas Court, filed February 20, 2024.) Calzone King, LLC sued its former franchisee, Redding Empowered, LLC and its guarantor, Devine Redding, for failure to pay royalties and operate the restaurant for the minimum term of the Franchise Agreement. Dough King, LLC, Calzone King, LLC's affiliate, sued the defendants for failure to pay a promissory note that was owed to Dough King, LLC. On August 14, 2024, Calzone King, LLC obtained a default judgment in the amount of \$237,650. On August 14, 2024, Dough King, LLC obtained a default judgment in the amount of \$228,867.

Calzone King, LLC v. Midwest Dough Guys, LLC, et al., No. 8:24-CV-335 (United States District Court, District of Nebraska, filed August 27, 2024.) Calzone King, LLC sued its former franchisee, Midwest Dough Guys, LLC and its guarantors, Nick Rowan (aka Nick Seevers) and Cory Rowan, for failure to pay royalties and operate the restaurant for the minimum term of the Franchise Agreement and for violating the non-compete provisions of the Franchise Agreement. The Court awarded a Temporary Restraining Order to Calzone King, LLC enjoining defendants from further violating the Franchise Agreement. A motion for default judgment is now pending before the Court.

Other than these actions, no litigation is required to be disclosed in this item.

## **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 Forty Thousand Dollars (\$40,000).

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 require financing from a bank, you are required to pay one half of the IFF (\$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, we will retain the 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 \$40,000 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 do not require financing and the franchise agreement is terminated early due to your failure to open the restaurant within fifteen (15) months. However, if you do require 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 State of Maryland, 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 Forty Thousand Dollars (\$40,000), before the business opens. This fee is not refundable, except as stated above.

Installment Payments:

Installment payments are not available.

**Item 6:  
Other Fees**

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Continuing Franchise Royalty	5% of Net Sales, but not less than \$200 per Week (Note 2)	Weekly, Payments will be drawn via ACH on each Wednesday for the prior Monday through Sunday. (Note 2)	Net sales include all revenue from the franchise location actually received by Franchisee, minus sales tax, comps, and voids. Not refundable.
Advertising (Note 3)	1% of Net Sales, but not less than \$50 (May be increased to 3% of Net Sales upon written notice.)	Drawn on the same basis as Continuing Franchise Royalty. (Note 2)	Net sales include all revenue from the franchise location actually received by Franchisee, minus sales tax, comps, and voids. Not refundable.
Transfer Fee (Note 4)	\$3,000 if transfer is to an existing D.P. Dough franchisee or \$5,000 if transfer is to a non-affiliated third party	Prior to consummation of transfer	Payable when you sell your franchise. Not refundable.
Transferee Training Fee (Note 4)	Up to \$5,000 (Note 4)	Prior to consummation of transfer	Payable when you transfer franchise. Not refundable.
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 Net Sales for the period audited. Not refundable.
Late Royalty	\$100 for each	When payment of	Not refundable.

Payment (Note 2)	seven day period that the Royalty is late.	royalty is overdue	
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 (Note 6)	\$200 per week after 7 day demand, plus 2% of Net Sales Brand Standards Liquidated Damages if proof of insurance is not provided within fourteen (14) days of Calzone King's written demand	Due immediately. Collected through Electronic Payments.	Not refundable.
Termination as the result of default	\$200 per week for each week remaining during the franchise	Within 90 days after the termination as the result of a default	Amount of future minimum royalties which will not be paid. Not refundable.

	agreement		
Brand Standards Fee (Note 9)	\$250 per violation, after first receiving written notice	Within 5 days after Franchisee received written notice of the Brand Standard not being met and has received an opportunity to cure it	Not refundable.
Brand Standards Liquidated Damages	2% of Net Sales after Franchisee has failed to remedy the issue that led to the Brand Standards Fee for a period of five (5) business days	After 5 days of failure to cure the Brand Standards violation after the initial Brand Standards Fee has been charged. Continues until the violation is remedied.	Not refundable.
Franchisor Equipment Default Return Fees	\$400 per day for each 8 hour day that Franchisor is required to travel or move equipment associated with surrender of secured equipment to Franchisor after Franchisee's breach	Upon invoice from Franchisor.	Not refundable.
Gift Card Program Fee	The amount attributable to your Restaurant for a gift card program fee that is paid by Franchisor on behalf of your Restaurant, currently \$9.50 per month	Drawn on the same basis as Continuing Franchise Royalty.	Not refundable.
Operation Upon Death or Disability	Upon death or disability of Owner Operator or majority owner of Franchisee, \$600	Upon invoice from Franchisor.	Not refundable.

	per day that Franchisor has to operate your restaurant until a new Owner/Operator can be identified and trained, for up to 90 days.		
Assumption of Management Upon Default	Upon abandonment of the restaurant, failure to comply with the System and cure the breach noted within the time proscribed in the notice from Franchisor, or the expiration or termination of the Franchise Agreement, \$600 per day that Franchisor has to operate your restaurant until a new Owner/Operator and Franchisee can be identified and trained, for up to 90 days.	Upon invoice from Franchisor.	Not refundable.
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	Upon invoice from Calzone King. Paid by Check or Wire Transfer.	Not refundable.

	Calzone King within the last 365 days) that you or your affiliates hire during or after the term of your Franchise Agreement is over.		
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.
Failure to Respond Fee	If you fail to respond within five (5) business days to emails, text messages, or phone calls from the Franchisor or its representatives that are sent to the phone number and/or email address that you provide to the Franchisor, you will be charged	Upon notice from Calzone King. Paid by Electronic Payments or other methods	Not Refundable

	One Hundred Dollars (\$100) per day after the fifth (5 <sup>th</sup> ) business day has passed.		
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All fees are uniformly imposed, with the exception of the Continuing Franchise Royalty and the Advertising Fund.

The Continuing Franchise Royalty is charged to all franchisees. However, franchisees have varying royalty rates, depending on what the royalty rate was at the time that the franchisee opened the business.

The Advertising Fund is charged to all franchisees. However, franchisees who opted in to the advertising fund prior to it being mandatory (August 1, 2019), will receive a 50% discount on the ad fund fee for each month that the franchisee opted in to the advertising fund prior to August 1, 2019.

None of the fees above are refundable.

Note 1. Intentionally omitted.

Note 2. You are required to adopt a 52/53 week year for income tax purposes. Each week, Monday through Sunday, shall be a reporting period (“Reporting Period”). We reserve the right to change the Reporting Period to any less frequent accounting period or method (including monthly, bi-weekly) provided that any such change is communicated to you and that you are provided a commercially reasonable amount of time to prepare for said change. Franchisee shall pay the Royalty Fee following the Reporting Period in which Net Sales were made on the Wednesday following the Sunday that ended the Reporting Period (“Payment Date”). We will require you to purchase and maintain a point of sale system (“POS”). We will calculate your royalty based upon sales reflected in the POS royalty report, or an estimated amount if we are unable to ascertain your actual net sales. If the Royalty Fee is not paid timely, you must pay, in addition to the royalty fee, an amount equal to one hundred dollars (\$100) for each week (defined as a period of seven (7) days) that you are late on your royalty payment. Beginning the first day of the Reporting Period after the royalty is due, you must pay an additional late fee of One Percent (1%) per month until the royalty fee is paid. Some franchisees may have lower royalty fee rates, depending on what the royalty fee rate was at the time that they entered their respective franchise agreement, some of which were entered into before Calzone King, LLC was the owner of the D.P. Dough brand.

Note 3. You will pay one percent (1%) of your Net Sales for regional and/or national advertising to be utilized in our sole discretion, provided that said funds are actually utilized for advertising, branding, or marketing expenses (“the Ad Charge”). The Ad Charge will be paid at the same time and in the same manner as the Royalty Fee. We reserve the right to increase the Ad Charge to a maximum of three percent (3%) of net sales. If we increase

the Ad Charge, we will provide you with written notice of the increase prior to implementing the increase. If the Ad Charge is not paid timely, you must pay, in addition to the Ad Charge, an amount equal to five percent (5%) of the royalty fee. Beginning the first day of the Reporting Period after the royalty is due, you must pay an additional late fee of One Percent (1%) per month until the royalty fee is paid. You must spend at least Five Thousand Dollars (\$5,000) on local advertising at the time your Restaurant opens. In the event of relocation or reopening, you must spend a minimum of Five Thousand Dollars (\$5,000) on local advertising at the time of the relocation or reopening.

Note 4. If you transfer your franchise to a transferee who is not a D.P. Dough franchisee or which is not owned (more than 50%) by a D.P. Dough franchisee, the transfer fee will be \$5,000. If you transfer your franchise to a transferee who is a D.P. Dough franchisee or is owned (more than 50%) by a D.P. Dough franchisee, the transfer fee will be \$3,000. We must approve all transfers. We will not unreasonably withhold our consent. We may require your approved transferee to receive training from us on-site at your D.P. Dough Restaurant. In such an event, in addition to the transfer fee, you may be required to pay the out of pocket costs of Calzone King for the on-site training up to a maximum of Five Thousand Dollars (\$5,000). We may require that you or your buyer deposit up to Five Thousand Dollars (\$5,000) with us for the on-site training expenses before we approve the transfer from you to your buyer. If we incur less than Five Thousand Dollars (\$5,000) in out of pocket costs related to on-site training of your buyer, and your buyer has in fact paid us Five Thousand Dollars (\$5,000) we will reimburse your buyer for the amount that was overpaid to us.

Note 5. If you do not materially breach your franchise agreement, you will have the option to renew it for another ten (10) year term. If you exercise your option to renew the agreement, you will be required to pay a Two Thousand Five Hundred Dollar (\$2,500) renewal fee.

Note 6. If a late fee relating to financial statements, financial information, reinspection, audit, insurance, or a penalty relating to an annual meeting is not paid, you must pay interest at the rate of One and One Half Percent (1.5%) per month, but in no event greater than applicable law.

Note 7. Upon request for relocation, Franchisee shall pay a non-refundable deposit of Two Thousand Five Hundred Dollars (\$2,500) to us to be applied by us to the Relocation Approval Expenses, which include, but are not limited to, airfare, mileage, food, and lodging.

Note 8. You will be required to attend the annual D.P. Dough Owner Conference, which is held in a different location within the United States each year. There will be a reasonable conference attendance fee per person, not to exceed Two Hundred Fifty Dollars (\$250). If you (or a representative of your D.P. Dough Restaurant) fails to attend the annual D.P. Dough Owner Conference, you will be charged with a \$500 Meeting Non-Attendance Fee via ACH within ten (10) days of the missed conference. The annual D.P. Dough Owner Conference is very important to your success as an owner. We reserve the right to waive

the Meeting Non-Attendance Fee if the reason for your non-attendance is extremely compelling (e.g. birth of a child, death in the family, illness, etc.).

Note 9. If you fail to uphold the D.P. Dough brand standards, you may be charged with a fee of \$250 for each instance of brand non-compliance. However, we will not charge you with a Brand Standards Fee unless you have first received written notice (including email) of the nature of the non-compliance and specific steps for what you must do to cure the non-compliance, and you have had that notice for five (5) days. After 5 days, if you do not remedy the non-compliance, we may charge a Brand Standards Fee, or we may choose to deem the non-compliance a default.

Note 10. If you fail to uphold the D.P. Dough brand standards, even after you have been charged a Brand Standards Fee, Calzone King, LLC will provide you with an additional written notice and give you five (5) more days to remedy the non-compliant issue. If you fail to remedy the brand non-compliance in that period of time, Calzone King may charge the Brand Standards Liquidated Damages of 2% of Net Sales for the period of your continuing non-compliance.

**Item 7:  
Estimated Initial Investment**

**Your Estimated Initial Investment**

<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment Is To Be Made</b>
Initial Franchise Fee	\$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
Real Estate Selection and Construction Management	\$0-\$20,000	Lump sum	Prior to opening	Calzone King, LLC (if paid on your behalf by Calzone King), or Approved Supplier
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 first week of	Approved Supplier

			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.
<b>TOTAL (Note 9)</b>	<b>\$120,980 – \$359,910</b>			

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 \$40,000. This amount will also be the initial franchise fee for each additional franchise. The Initial Franchise Fee is not 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. 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.

### Insurance Requirements

Franchisee must acquire the following types of insurance coverage:

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

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

#### 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 2024, we received a total of \$588,659 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.

#### Material Benefits:

For food manufacturers, other than assurance of system wide quality control, we do not provide any material benefit to you if you buy from sources we approve. You will be notified if such material benefits are provided.

Estimated Proportion of Any Required Purchases and Leases in Relation to All Purchases and Leases to be Made by the Franchisee:

- (A) The estimated proportion of required purchases and leases in relation to all purchases and leases to be made by the franchisee in establishing the business is approximately four fifths ( $4/5$ ), or eighty percent (80%) of all purchases and leases to be made by franchisee.
- (B) The estimated proportion of required purchases and leases in relation to all purchases and leases to be made by the franchisee in operating the business is approximately three fifths ( $3/5^{\text{ths}}$ ), or sixty percent (60%) of all purchases and leases to be made by franchisee.

## Item 9: Franchisee's Obligations

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

<b>Obligation</b>	<b>Section in Agreement</b>	<b>Disclosure Document Item</b>
a. Site Selection and Acquisition/Lease	Franchise Agreement ("FA"): Sections 3(C), 14(B), (C)	Items 1 and 7
b. Pre-Opening Purchases	FA: Sections 8(E), 9(C), (H)	Item 7
c. Site Development and Other Pre-Opening Requirements	FA: Sections 3(C), 8, 9	Item 7
d. Initial and On-Going Training	FA: Section 3	Item 11
e. Opening	FA: Sections 4(A), 9(B), 11(D),	Item 11
f. Fees	FA: Section 4	Items 5 and 6
g. Compliance with Standards and Policies/Operating Manual	FA: Section 2	Item 11
h. Trademarks and Proprietary Information	FA: Section 13	Item 13
i. Restrictions on Products/Services Offered	FA: Sections 2, 9(D)	Item 16
j. Warranty and Customer Service Requirements	FA: Section 2	Item 11
k. Territorial Development and Sales Quotas	Not Applicable	Not Applicable
l. Ongoing Product/Service Purchases	FA: Section 9	Item 8
m. Maintenance, Appearance, and Remodeling Requirements	FA: Section 8(A-B), 8(D)	Not Applicable
n. Insurance	FA: Section 9(H)	Item 6
o. Advertising	FA: Section 11	Items 5 and 6
p. Indemnification	FA: Section 9(G)	Not Applicable
q. Owner's Participation in Management/Staffing	FA: Section 9(J)	Item 15
r. Records/Reports	FA: Section 4	Item 6

s. Inspections/Audits	FA: Sections 4, 11, 12	Items 6 and 11
t. Transfer	FA: Section 15	Item 17
u. Renewal	FA: Section 7(B)	Item 17
v. Post-Termination Obligations	FA: Sections 14, 15, 16	Item 17
w. Non-Competition Covenants	FA: Section 14	Item 17
x. Dispute Resolution	FA: Section 16(E)(vii)(2)	Not Applicable
y. Personal Guaranty of Franchisee's Obligations	FA: Section 14, Attachment C to FA	Item 15
Security Interest	FA: Section 5	Not Applicable

### **Item 10: Financing**

We do not offer financing to any of our franchisees. We will not guaranty your note, lease, or other obligations.

**Item 11:**  
**Franchisor’s Assistance, Advertising, Computer Systems and Training**

**Except as listed below, Calzone King, LLC is not required to provide you with any assistance.**

We may provide any of these services through our employees and representatives, through our affiliates or through any third party provider we designate.

**Pre-Opening Assistance**

The following are our obligations prior to or at the opening of your Restaurant:

1. Assist you with and approve the location that you select (Franchise Agreement, Section 6). We do not own or lease the building in which you will be operating your business. We will not assist you in negotiating your lease. The Location you select must be within the geographic area specified in Section 6 of the Franchise Agreement. In evaluating the site for approval, we take into account local competition, parking, whether there is an unobstructed view of the location from the street, the number of people and households 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. If the Restaurant is not open for business to the public within fifteen (15) months of the date you sign the Franchise Agreement, the Agreement may be terminated at the option of either Calzone King or Franchisee. In the event of such a termination, Calzone King shall be entitled to keep one half of the Initial Franchise Fee paid by Franchisee, plus any costs Calzone King actually incurred on behalf of Franchisee (“Failure to Open Remedy Amount”). Calzone King shall return the Initial Franchise Fee actually paid by Franchisee, minus the Failure to Open Remedy Amount, within ten (10) business days of either party’s notification in writing to the other party of its decision to terminate this Agreement. (Franchise Agreement Section 6).

2. Assist you with the layout of the Restaurant (Franchise Agreement, Sections 2 and 3).

3. Provide you with the D.P. Dough Operating Manual (Franchise Agreement, Section 2). This manual contains the proprietary System for operating a D.P. Dough Restaurant.

4. Assist you with the selection of fixtures, signs, opening inventory, supplies, and

equipment for your Restaurant. The franchisor will not provide these items directly to the franchisee. Instead, the franchisor provides names of approved suppliers and written specifications. The franchisor does not deliver or install any signs, opening inventory, supplies, or equipment to your Restaurant. Specifications for fixtures and equipment are in the Operating Manual. You will be required to purchase all fixtures and equipment (Franchise Agreement, Section 9).

5. Specify approved sources of suppliers and distributors (Franchise Agreement, Sections 3 and 9).

6. Train you or the individual who will be personally involved in the conduct and operation of your Restaurant (Franchise Agreement, Section 3).

7. Travel to your Location and provide at least seven (7) days of pre-opening assistance at your Restaurant. (Franchise Agreement, Section 3)

8. Assist Franchisee with setting agreed upon initial prices for menu. Franchisor may not dictate prices to Franchisee. All initial pricing must be by agreement. (Franchise Agreement, Section 9).

### **Opening Time**

The typical length of time that it takes to open a D.P. Dough Restaurant is two months to one year after you execute the Franchise Agreement and obtain financing. The factors that affect this time are the identification of a suitable location, the ability to obtain a lease, building permits, local ordinances and zoning, the oppressiveness (or lack thereof) of the local governmental entity, weather conditions, the skill of the contractor hired for build out, the extent of the buildout that is required, and installation of equipment, fixtures, signage – and, *most importantly, your ability/wherewithal to continuously follow up with all parties.* We must approve your Restaurant before opening. (We will not unreasonably withhold our consent.) The time for opening will be longer if you purchase the real estate.

We will designate the date you will open for business. If your Restaurant is not open and doing business within fifteen (15) months after the Franchise Agreement is signed, either you or us may terminate the Franchise Agreement. In the event of such a termination, Calzone King, LLC will be entitled to keep one half of the Initial Franchise Fee, plus any costs Calzone King, LLC actually incurred on your behalf. (Franchise Agreement, Section 4).

### **Post-Opening Assistance**

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, 2024, as set forth in the audited financial statements attached to this Disclosure Document, a total of \$370,884 was collected through the Ad Fund for the Ad Charge. A total of \$416,266 was spent by the Ad Fund as follows:

- 50% was paid to contractors to perform marketing administrative and planning services, including graphic design, social media fulfillment, and video content.
- 6 % of spending was for social media and email marketing
- 20% of spending was for text message marketing.
- 10% of spending was for bulk printing.
- 12% of spending was for branded merchandise and promotions.
- 2% of spending was for miscellaneous equipment and software expenses.

A total of \$17,942 was left in the Ad Fund at the end of 2024 and was carried forward to fiscal year 2024.

A franchisee may obtain an accounting of the Ad Fund on request. The Ad Fund is audited each year as part of the audited financial statements.

The franchisor is not required to spend any amount on advertising in franchisee's area or territory.

No advertising funds have been or will ever be used to solicit new franchise sales.

You must spend at least two percent (2%) of your Net Sales on Local Advertising. You shall maintain for inspection by us all bills, invoices, canceled checks, and other proof of expenditures for Local Advertising. All Local Advertising and marketing materials (including coupons) that you desire to use shall be subject to our prior written approval, which approval shall not be unreasonably withheld. To obtain approval, you must send us samples of said Local Advertising by email. If you do not receive written disapproval from us regarding prospective Local Advertising or marketing materials within five (5) business days of our receipt of same, we shall be deemed to have approved the Local Advertising and marketing materials. In the event that we disapprove of Local Advertising or marketing materials in writing, you shall immediately cease the use of the same.

In the event that you use unapproved Local Advertising or marketing materials, you must pay a Brand Standards Fee of \$250 per occurrence, which shall be debited from your account through Electronic Payments after you have been provided written notice and five days to cure. "Local Advertising" includes, but is not limited to, flyers, labor for delivering flyers, print media, Google Adwords, Facebook advertising, promotions, sponsorships, or any other commercially reasonable expenditure of money for the purpose of increasing the notoriety of your Restaurant.

No franchisee is currently required to participate in a cooperative program. However, we reserve the right to alter this policy in the future.

### **Computer System Requirements**

We will require you to purchase and utilize an integrated computer system, including a point of sale system as designated by us. The current point of sale system is Centro. We will designate the specifications of the computer hardware to be used, however, you are free to purchase the computer hardware from any vendor. The estimated cost of your point of sale system, including software, telephones, and computer equipment is \$1,000-\$2,000. The cost of the office computer is estimated at \$500. We may designate the type of computer that you purchase and software that you are required to use.

The computer system consists of a point of sale computer system that will be located in your Restaurant. The system also includes computer servers that store the information in your point of sale system and links the point of sale system for your Restaurant to the online ordering system from dpdough.com. The types of information stored on the system includes customer phone numbers, addresses, and order histories, as well as overall inventory and sales reports. Calzone King LLC owns all customer information that is compiled through the Point of Sale System, including names, phone numbers, email addresses, and social media handles.

The franchisor will have independent access to the information generated and stored in the computer system.

There is a monthly support and development fee for the point of sale system, which is currently \$150 and may be changed. Thus, the annual cost for the monthly point of sale service contract is currently \$1,800. We reserve the right to increase the monthly support and development fee to as much as \$300 per month and to include a per order fee charge of up to twenty five cents (\$0.25), provided that we must provide you with ninety (90) days of written notice prior to any increase. You must upgrade the system as designated by us. We will have access to all information and content of your computer system.

You are required to purchase and utilize a video surveillance system that will allow us to monitor the activity at the Restaurant from a site selected by us. (Please note that we do not require access to your video surveillance system unless we feel that there is a compelling business reason for us to have access (such as customer complaints). We may designate the manufacturer, model number, and other similar requirements for the video surveillance system. (Franchise Agreement, Section 8).

### **Training** (Franchise Agreement, Section 3)

The D.P. Dough training program is mandatory. You and one other individual who will be involved in the operation of your Restaurant must successfully complete the training program to our satisfaction. Two people from your organization (including you if you will be involved in the day to day operations of the Restaurant) are required to travel to a designated D.P. Dough Restaurant for a seven (7) day training. You or your representative who will be involved in the day to day operations of the Restaurant must complete the seven (7) day training. Calzone King, in its sole discretion, may require up to an additional ten (10) days of training at another approved D.P. Dough location, for a total of seventeen (17) days in store prior to opening your D.P. Dough Restaurant.

There is no specific timeline that governs exactly how long after signing the Franchise Agreement or before opening the Restaurant you must complete your training. However, you must complete all training as required by Calzone King prior to opening your Restaurant, which must occur at least fifteen (15) months after signing the Franchise Agreement to avoid the possibility that the Franchise Agreement may be terminated for failure to timely open.

In the event that, you, or your representatives, fail to successfully complete the training program as directed by Calzone King, Calzone King may immediately terminate the Franchise Agreement by providing you with written notice of the failure to successfully complete the training program. After you have signed a mutual release of claims and 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 overseen by Kayla Walser, however your trainer may someone other than Kayla Wolf. Kayla Walser has experience offering training to new employees, including managers, drivers, and kitchen workers based upon her prior experience as an owner and operator of multiple D.P. Dough restaurants. Kayla has been working with the D.P. Dough brand since 2014. Kayla’s experience in the field of food service franchising is with the D.P. Dough brand.

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) 7-17 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**

<b>Subject</b>	<b>Hours of Classroom or Web-Based Training</b>	<b>Hours of In-Person Training</b>	<b>Location</b>
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 that Affect Your Business, Tools and Ideas to Expand Your Business	2-4	15	On Site Prior To Opening
Marketing	6	0	Online
Leadership	6	0	Online
Financial and	6	0	Online

Business			
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You are responsible for personal expenses in connection with the training program, including costs and expenses of transportation, lodging, meals, and employee benefits. There is no additional cost for the initial training program. You will attend the first training program after you sign the franchise agreement and have paid the initial franchise fee. Upon completion of the training program, you will be required to pass an examination administered by us which tests you on the subjects covered during the training program.

We may require you to attend seminars and additional training programs during the term of your franchise agreement. The fees for such seminars are unknown at this time, but will not exceed the amount of one thousand dollars (\$1,000) in any calendar year.

### **Operating Manual**

We will provide you with a copy of (or access to) the Operating Manual within seven (7) days of your execution of the Franchise Agreement. The Operating Manual contains mandatory standards, operating procedures and specifications for the System. We can change the terms of, and add to, the Operating Manual whenever we believe it is appropriate (Franchise Agreement, Section 2). A copy of the table of contents of the Operations Manual, which contains 240 pages, as of the date of this Disclosure Document is attached as Exhibit C. The Operating Manual is also available online through the D.P. Dough Intranet.

## **Item 12: Territory**

The franchisor is restricted from soliciting or accepting orders inside of your Territory. However, the franchisor is permitted to sell pre-packaged, frozen, calzones within your Territory or to solicit and accept orders at a non-traditional location, such as a sports stadium.

Neither the franchisor, nor its affiliates, reserve the right to use other channels of distribution, including the Internet, within the franchisee's territory.

Franchisee is prohibited from soliciting or accepting orders from consumers that are within any other franchisee's protected Territory, or the protected Territory of affiliates. Franchisee has the right to use any medium of distribution or promotion it desires within its Territory. Franchisee may use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of its Territory, so long as Franchisee does not advertise in the protected Territory of another franchisee or affiliate of franchisor.

The general area in which a traditional Restaurant will be located will be specified in Section 6 of your Franchise Agreement. The general area may be University Campus, City, Town, or an area defined by streets or roads. You will select the proposed specific Location of your Restaurant within the general area set forth in Section 6 of your Franchise Agreement. The Location must be approved by us (Franchise Agreement, Section 6).

You will be granted an exclusive territory, which is generally within a radius of three (3) miles of your Restaurant (your "Territory"). The size of your exclusive territory will be based upon the population density of the city in which your Restaurant is located. If your Restaurant is located in a geographic area that has a large population, your Territory will be smaller than a Restaurant located in a geographic area with a smaller population. The extent of your Territory will be set forth in Section 6 of your Franchise Agreement.

We will approve relocation of the franchise business under the following conditions: The relocation must be within the geographic area that is within your Territory. Calzone King, LLC will charge a fee that is the same as the actual travel costs incurred by Calzone King, LLC to visit the new proposed location, including, but not limited to airfare, hotel, gas, rental vehicles, and meals of Calzone King, LLC representatives ("Relocation Approval Expenses"). Said amount shall not exceed three thousand dollars (\$3,000). 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, LLC to be applied by Calzone King, LLC to the Relocation Approval Expenses. If the Relocation Approval Expenses are actually less than Two Thousand Five Hundred Dollars (\$2,500), we will return the difference to you within thirty (30) days. Calzone King, LLC will not unreasonably withhold consent for relocation of the franchise business.

There are no other circumstances that permit the franchisor to modify franchisee's

territorial rights.

We may grant franchises or operate a franchise for a Non-Traditional Restaurant. A “Non-Traditional Restaurant” includes a Restaurant in amphitheaters, arenas, stadiums, airports, toll roads, amusement parks, convenience stores, and other similar retail facilities, gas stations, hotels, schools, shopping malls, and other non-traditional venues, which may offer a limited menu to customers.

We reserve the exclusive right to, directly or indirectly, sell and distribute, and license others to sell and distribute, prepackaged menu items under the D.P. Dough trademarks to retail outlets (i.e. grocery stores, markets, and convenience stores) in and outside of your Territory.

You do not have the right to acquire additional Restaurants within your Territory, unless you have executed a Multi-Unit Development Agreement that provides you with such a right.

The continuation of your Territory does not depend upon a certain sales volume, market penetration, or other contingency.

## Item 13: Trademarks

We grant you the right to operate your Restaurant under the name “D.P. Dough.” You may also use our other current or future trademarks to operate your Restaurant. By “trademark,” we mean trade names, trademarks, service marks, and logos used to identify your Restaurant.

All of the D.P. Dough Marks below are registered with the United States Patent and Trademark Office and are owned by D.P. Dough Franchising, LLC, Calzone King, LLC’s predecessor. Calzone King, LLC has an exclusive license with D.P. Dough Franchising, LLC to use and license others to use the D.P. Dough Marks. Upon the completion of payments owed from Calzone King, LLC to D.P. Dough Franchising, LLC pursuant to the Franchise Asset Purchase and Sale Agreement, all of the D.P. Dough Marks will be assigned to Calzone King, LLC.

The following is a description of the principal trademarks that we offer to you (collectively “the D.P. Dough Marks”):

<b>Description of Mark</b>	<b>Registration Number</b>	<b>Registration Date</b>
D.P. Dough	1680727	March 24, 1992
Strike Zone	1781631	July 13, 1993
Loading Zone	1781634	July 13, 1993
Time Zone	1781633	July 13, 1993
Danger Zone	1780479	July 6, 1993
Parking Zone	1781632	July 13, 1993
Oh! Zone	1785729	Aug. 3, 1993
End Zone	1785730	Aug. 3, 1993
To Each His Zone	1808225	Nov. 30, 1993
The Pizza Alternative	1914006	Aug. 22, 1995
Speed Zone	1948849	Jan. 16, 1996
Passing Zone	1942915	Dec. 19, 1995
School Zone	1942911	Dec. 19, 1995
Tow Zone	1944208	Dec. 26, 1995
Dough Shack	2837615	May 4, 2004
Buffer Zone	2805318	Jan. 13, 2004
Red Zone	2542822	Feb. 26, 2002
Construction Zone	2542821	Feb. 26, 2002
Combat Zone	2542826	Feb. 26, 2002
Get In The Zone	2510297	Nov. 20, 2001
Zone Out	2507055	Nov. 13, 2001
The Original Calzone Company	2597530	July 23, 2002
Drop Zone	2542820	Feb. 26, 2002
Zone	2105378	Oct. 14, 1997
Open Crazy Late	85612710	Dec. 18, 2012
Zonie	85612703	Dec. 18, 2012

The Official Calzone of College  
Macalo Zone

88006155  
88731705

Feb. 5, 2019  
Dec. 17, 2020

We have a perpetual license from CBS, Inc., the owner of the “Twilight Zone” trademark to use and sublicense the trademark to identify a type of calzone. Any use you make of this trademark must be followed by an asterisk (“\*”) noting that the trademark is being used under license from CBS, Inc.

We have filed all of the above trademark registrations (and/or renewals as the case may be) as the same have become due. We have filed all required affidavits.

You must follow our rules when you use the D.P. Dough Marks. You cannot use a name or mark as part of a corporate name or with modifying words, designs, or symbols, except for those which we license to you. You may not use the D.P. Dough Marks in connection with the sale of any unauthorized product or service, or in a manner that we have not authorized in writing.

No agreement limits our right to use or license the use of the D.P. Dough Marks. There are no material determinations, proceedings or litigation that would affect your right to use the trademarks other than as may be stated in this Disclosure Document. We do not know of any infringing use that could materially affect your use of D.P. Dough Marks other than as may be stated in this Disclosure Document.

As of the date this Disclosure Document was prepared, there were no effective material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of this state or any court. There were no pending infringement, opposition or cancellation of the trademarks and no pending material litigation involving the principal trademarks.

You must notify us immediately when you learn about an infringement of or challenge to your use of our trademark. We will take the action we think appropriate. We are not required to defend you against a claim against your use of our trademarks or to pay for any costs you incur as a result of such a claim.

You must modify or discontinue the use of the D.P. Dough Marks if we modify or discontinue it. If this happens, we are not required to reimburse you for your tangible costs of compliance (for example, changing signs). You must not directly or indirectly contest our right to our trademarks (including, but not limited to the D.P. Dough Marks) trade secrets or business techniques that are part of our business.

You must follow our rules in using these marks. You cannot use a name or mark as part of a corporate, limited liability company, other entity name, or Internet domain name. You cannot use any of our names or marks with modifying words, designs or symbols except for those that we expressly license to you. For example, your business entity name may not include any of our trademarks or any variation of them (such as, “D.P. Dough”) and

you may not use your name in advertising your store (such as “John Smith’s D.P. Dough”). You may not use our trademarks in connection with the sale of unauthorized product or service or in any manner that we have not authorized, in writing, and in advance.

### **Item 14: Patents, Copyrights, and Proprietary Information**

We have no patents or registered copyrights that are material to the franchise. We do, however, claim copyright interests in our operating manuals, magazines, posters, pamphlets, brochures, Intranet, television advertisements and all other printed, video and pictorial materials that we produce, although these materials have not been registered with the Copyright Office of the Library of Congress. These materials are proprietary and confidential and are considered our property. They may be used by you only as long as you are a franchisee, and only as provided in your Franchise Agreement. We reserve the right to register any of our intellectual property with the Copyright Office if we deem the same to be appropriate.

You do not receive the right to use an item covered by a patent or copyright unless it is expressly incorporated as proprietary information in our operations manuals. You may use these materials, in the manner we approve, in the operation of your Restaurant during the term of your Franchise Agreement. However, you may not use these materials in any other way for your own benefit, or communicate or disclose them to, or use them for the benefit of, any other person or entity.

These materials include any trade secrets, knowledge or know-how, confidential information, advertising, marketing, designs, plans, or methods of operation. This includes information about our sources of supply and our recommendations on pricing. You may disclose this information to your employees, but only to the extent necessary to operate the Restaurant, and then only while your Franchise Agreement is in effect. You must also promptly tell us when you learn about unauthorized uses, or challenges to our uses, of this proprietary information. We are not obligated to take any action, but will respond to this information as we think appropriate. At this time, there are no infringing uses known to us, which could materially affect your use of the copyrights.

There is no effective decision, ruling or order of the United States Patent and Trademark Office, Copyright Office of the Library of Congress or any court, which could materially affect the ownership or use of any patents or copyrighted materials. Our right to use or license any patents and/or copyrighted items that we may acquire or register is not materially limited by any agreement or known infringing use.

There are no agreements currently in effect, which significantly limit our rights to use, or license the use of, such patents or copyrights in any manner material to you.

We may use and incorporate into our System, changes and improvements that you or your employees or contractors develop. We do not have an obligation to you or the developer of these changes or improvements in connection with such use.

**Item 15:**  
**Obligation to Participate in the Actual Operation  
of the Franchise Business**

You, or the approved Owner Operator, must personally be involved in the conduct and operation of your Restaurant. If you are not on the premises, a trained manager under your supervision must be at the Restaurant while it is open for business. The manager cannot have an interest or relationship with any of our competitors.

If the franchisee is not an individual (i.e., a corporation or limited liability company), an individual having ten percent (10%) or greater ownership interest in the franchisee must be involved in the operation and conduct of the Restaurant. The individual who will be involved in the conduct and operation of the Restaurant (the “Owner Operator”) must be designated by you in Section 9(J) of the Franchise Agreement at the time the Franchise Agreement is signed. The Owner Operator may not be changed without our express written consent. If the Owner Operator is not at the Restaurant while it is open for business, a trained manager under the supervision of the Owner Operator must be present. You, or the Owner Operator if the franchisee is not an individual, must successfully complete our training program.

We may require the Owner Operator or the manager(s) to successfully complete training as specified by us. We may adopt a program by which managers must be “certified” by us. Such certification may require successfully completing training, passing tests, and a minimum amount of on the job experience. All managers and Owner Operators must be certified after we establish the program. Owner Operator and manager(s) must be able to adequately communicate (oral and written) with customers, employees, representatives of relevant government agencies, and others.

While you are a D.P. Dough franchisee, and for a period of time thereafter, you may not become involved in any business that is engaged in the sale of pizza or calzones, any business that offers delivery services, and/or any business that customarily has operating hours past midnight.

The Owners must sign the Personal Guaranty set forth in Attachment C to the Franchise Agreement, agreeing to personally discharge all of your obligations under the Franchise Agreement and agreeing to be personally bound by some of your obligations in the Franchise Agreement relating to, among other items, competition and sale of interest in the entity owning the Restaurant.

## **Item 16: Restrictions On What The Franchisee May Sell**

We will prescribe a menu consisting of calzones, wings, desserts, beverages, and other approved items which you must offer for sale. A traditional restaurant must offer for sale all items listed on the traditional Restaurant menu and must offer no other items. A Non-Traditional Restaurant must offer for sale all items listed on the Non-Traditional Restaurant menu.

We may revise the menu periodically, adding or deleting items. You must revise your menu offerings accordingly. We will provide assistance to you with respect to the preparation and marketing of any new menu items. There is no limitation upon the customers to whom you may sell menu items.

You may not sell or allow the sale of any food product in your Restaurant that are not our menu items. A traditional Restaurant may not share its Restaurant with any other business. **You may not engage in co-branding without the express written consent of Calzone King, LLC.** Only our menu items may be sold in your Restaurant (Franchise Agreement, Section 8(C)). (That means that you cannot sell cookies from the local bakery in your store. You may only sell D.P. Dough Food Products.)

We reserve the right to set your initial menu prices. Thereafter, you are permitted to change the prices on your menu as you see fit, with our non-binding guidance. You should be aware that collaboration with other franchisees in establishing prices may be considered a violation of the law.

**Item 17:  
Renewal, Termination, Transfer, and Dispute Resolution**

**This table lists certain important provisions of the Franchise Agreement and related agreements pertaining to renewal, termination, transfer and dispute resolution. You should read these provisions in the agreements attached to this Disclosure Document.**

**THE FRANCHISE RELATIONSHIP**

<b>Provision</b>	<b>Section in Franchise or Other Agreement</b>	<b>Summary</b>
a. Length of the Franchise Term	Franchise Agreement, Section 7	10 years
b. Renewal or Extension of Term	Franchise Agreement, Section 7	One option of 10 years. To exercise the option, you must execute the renewal agreement within sixty (60) days of the end of the current Term.
c. Requirements for Franchisee to Renew or Extend	Franchise Agreement, Section 7	<p>You must not have committed a material breach during the final five years of the initial term. You may be asked to sign an agreement with materially different provisions from your initial Franchise Agreement, but the boundaries of the Territory will remain the same. The continuing royalty on renewal will not be greater than the continuing royalty that we then require of franchisees signing the then current franchise agreement.</p> <p>You must pay a renewal fee of \$2,500 upon renewal.</p>
d. Termination by Franchisee	Not Applicable	You do not have the right to unilaterally terminate this Agreement.

e. Termination by Franchisor Without Cause	Not Applicable	We do not have the right to unilaterally terminate this Agreement without cause.
f. Termination by Franchisor With Cause	Franchise Agreement, Section 16	We can terminate the Franchise Agreement only if you default.
g. "Cause" Defined – Curable Defaults	Franchise Agreement, Section 15(C)	Unauthorized use of service marks or trademarks; operation under any name other than D.P. Dough; the use of food products or other supplies that do not meet the standards and specifications of Calzone King, LLC, or that were purchased from a supplier that was not approved by Calzone King, LLC; the unauthorized use or disclosure of confidential or proprietary information; failure to pay any supplier or vendor; failure to comply with laws material to the operation of the Restaurant; entry of a judgment which is not satisfied or indemnified against; default under other agreements with us
h. "Cause" Defined – Non-Curable Defaults	Franchise Agreement, Section 15(B)	Abandonment of the Restaurant; material misrepresentation in connection with the acquisition of the franchise; conduct which reflects unfavorably on the reputation of D.P. Dough; conviction of or pleading guilty to a felony or other misconduct relevant to the operation of the Restaurant; conduct which constitutes an imminent danger to public health;

		dissolution, merger, or reorganization; insolvency or commencement of bankruptcy proceedings; failure to pay royalties; failure to furnish financial statements and/or financial information; failure to operate the Restaurant; violation of Section 14; failure to maintain insurance; and unauthorized transfer or assignment
i. Franchisee's Obligations on Termination/Non-Renewal	Franchise Agreement, Section 15(E)	Immediately cease operating the Restaurant; pay all sums owed to us; return all property belonging to us; cease using the D.P. Dough Marks or any variations thereof that could mislead the public into believing that you are still a D.P. Dough franchisee; cease use of the telephone number or other numbers; cease use of any social media accounts; we may enter the Restaurant and remove any of our belongings or signage; acquire your assets based on the terms of Section 15(E)(vii); non-compete obligations (see r, below)
j. Assignment of Contract by Franchisor	Franchise Agreement, Section 20	No restriction on our right to assign
k. Transfer by Franchisee – Defined	Franchise Agreement, Section 15	Includes transfer of contract, assets, lease, or ownership change
l. Franchisor Approval of Transfer by Franchisee	Franchise Agreement, Section 15	You are not permitted to transfer any interest in the Franchise Agreement or in the proprietorship, partnership, corporation or

		LLC that owns any interest in the franchise, without our prior written consent. We will not unreasonably withhold such consent.
m. Conditions for Franchisor Approval of Transfer	Franchise Agreement, Section 15	New franchisee qualifies, completes training program, transfer fee paid, any outstanding royalties paid by you, transfer forms signed, release and subordination agreement signed by you, new franchisee will be required to sign our then current franchise agreement. Also, see r, below.
n. Franchisor's Right of First Refusal to Acquire Franchisee's Business	Franchise Agreement, Section 15	We may match any offer for your Restaurant or the ownership interest of any Owner
o. Franchisor's Option to Purchase Franchisee's Business	Franchise Agreement, Section 16(E)(vii)	Upon termination or expiration of the Franchise Agreement, we have the option to acquire your Restaurant or the assets you used in your Restaurant
p. Death or Disability of Franchisee	Franchise Agreement, Section 15(E)(xii)	In the event of death, disability, or permanent incapacity of Franchisee, who is an individual, such individual or his personal representative shall have one (1) year in which to dispose of the Franchise, subject to the terms of this Agreement. If the Franchise is not disposed within one (1) year of the death, disability, or permanent incapacity of Franchisee, the Franchise shall automatically terminate. Subject to this Agreement, the Franchise

		may be transferred to the spouse or heirs of the deceased, disabled, or permanently incapacitated individual.
q. Non-Competition Covenants During the Term of the Franchise	Franchise Agreement, Section 14	No involvement whatsoever in competing business
r. Non-Competition Covenants After the Franchise is Terminated or Expires	Franchise Agreement, Section 14	No competing business for a consecutive 3 year period within 60 miles of your former Restaurant, any College or University that has more than 8,000 undergrads, or any D.P. Dough Restaurant
s. Modification of Agreement	Franchise Agreement, Sections 2 and 18	No modifications except as caused by change in law, but the Operating Manual and the System is subject to change. The policies or quality control standards may be revised by us in our sole discretion concerning any aspect of the System.
t. Integration/Merger Clause	Franchise Agreement, Section 28	The Franchise Agreement is the complete agreement between you and us and supersedes all prior agreements, understandings or representations. Only the terms of the franchise agreement and disclosure document are binding (subject to state law). Any representations or promises outside of the disclosure document or franchise agreement may not be enforceable.
u. Dispute Resolution by Arbitration or Mediation	Franchise Agreement, Section 16(E)(vii)	Limited to determining the fair market value of your assets.
v. Choice of Forum	Franchise Agreement, Sections 23 and 24	All litigation, except for injunctive relief initiated by Calzone King, LLC

		must be commenced and litigated exclusively in Franklin County, Ohio, whether in municipal court, common pleas, or the United States District Court for the Southern District of Ohio. If Calzone King, LLC seeks injunctive relief, it has the right to file suit in the jurisdiction and venue of your D.P. Dough Restaurant.
w. Choice of Law	Franchise Agreement, Section 23	The Franchise Agreement is governed by the laws of Ohio.

Some states have statutes which may supersede the franchise agreement in your relationship with us, including the areas of termination and renewal of your franchise. Some states may have court decisions which may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise, venue for disputes and governing law.

The provision of the Franchise Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)

See the state addenda to the Franchise Agreement and disclosure document for special state disclosures.

**Item 18:  
Public Figures**

We currently do not use any public figure to promote our franchises.

**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 58 D.P. Dough restaurants in operation during 2025. During the 2025 calendar year, there were 40 franchised units in operation and 18 corporate affiliates of franchisor in operation.

The following Table 1 represents the Average Net Sales for the thirty-six (36) 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 owned locations that have been open for business to the public for a period of twenty four (24) consecutive months without unauthorized closures, other than on approved holidays. Unless otherwise noted, each quartile represents the average of the nine (9) Reporting Restaurants in the respective quartile as noted.

There are 4 locations that were open at the end of 2025, but which are not included in the Reporting Restaurants. The 4 locations that were not included had not been open for a twenty four (24) month period as of the end of 2024, or were closed for business early, in violation of the System, or without approval from franchisor.

**TABLE 1  
Average Annual Net Sales of Franchisee Owned Reporting Restaurants  
January 1-December 31, 2025**

Quartile (Number of Restaurants)	Average Annual Net Sales	Minimum Net Sales	Maximum Net Sales	# of Restaurants Above Average	% of Restaurants Above Average
Top Quartile (9 Restaurants)	\$1,119,116	\$909,699	\$1,377,591	4	44.44%
Second Quartile (9 Restaurants)	\$730,847	\$669,845	\$843,352	5	55.55%
Third Quartile (9 Restaurants)	\$637,870	\$583,873	\$661,883	6	66.66%

Fourth Quartile (9 Restaurants)	\$487,257	\$407,827	\$565,878	5	55.55%
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**Notes on Table 1**

The Median Net Sales of all 36 Reporting Restaurants is \$665,864. The Average Net Sales of all 36 Reporting Restaurants is \$743,773.

**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 2023-2025**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
Franchised	2023	50	54	+4
	2024	54	49	-5
	2025	49	40	-9
Company Owned	2023	2	2	No Change
	2024	2	9	+7
	2025	9	18	+8
Total Outlets	2023	52	56	+4
	2024	56	58	+2
	2025	58	58	No Change

**Table No. 2  
Transfers of Outlets from Franchisees to New Owners  
(Other than the Franchisor) for years 2023-2025**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Illinois	2023	0
	2024	1
	2025	1
Minnesota	2023	0
	2024	1
	2025	0
New York	2023	0
	2024	0
	2025	1
TOTAL	2023	1
	2024	2
	2025	2

Note 1. The Illinois transfer was for the Champaign restaurant. The seller was Dylan Chupp and Grace Chupp (grace.witmer@gmail.com). The Minnesota transfer was for the Minneapolis restaurant. The seller was Tom Van Dyke (tvandyke@usa.net). The new York Transfer was for the Fredonia restaurant. The seller was Skye Wallace (dpdoughfred@gmail.com).

**Table No. 3**  
**Status of Franchise Outlets**  
**for years 2023-2025**

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
Alabama	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Arizona	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Colorado	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Connecticut	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Delaware	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	1	0	1
Georgia	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	2	0	0
	2025	0	0	0	0	0	0	0
Idaho	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Illinois	2023	2	2	0	0	0	0	4
	2024	4	0	0	0	2	0	2
	2025	2	0	0	0	0	0	2
Iowa	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kansas (Note 1)	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	1	0	0
	2025	0	0	0	0	0	0	0
Louisiana	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Maryland	2023	2	0	0	0	0	2	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Massachusetts	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

Michigan	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	2	0	1
Minnesota	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nebraska (Note 2)	2023	2	0	0	0	0	0	2
	2024	2	0	1	0	1	0	0
	2025	0	0	0	0	0	0	0
New York	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	0	0	0	6
North Carolina	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Ohio (Note 3)	2023	5	1	0	0	0	0	6
	2024	6	3	3	0	0	0	6
	2025	6	1	0	0	6	0	7
Oklahoma (Note 7)	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	1	0	1
Pennsylvania	2023	5	0	0	0	0	0	5
	2024	5	1	0	0	0	1	5
	2025	5	0	1	0	0	0	4
South Carolina	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	1	0	0
	2025	0	0	0	0	0	0	0
Tennessee	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Texas	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Virginia	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	1	0	1	0	1
West Virginia	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Wisconsin	2023	1	0	0	0	0	0	0
	2024	0	0	0	0	0	1	0
	2025	0	0	0	0	0	0	0
<b>Totals (Note 7)</b>	<b>2023</b>	<b>50</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>54</b>
	<b>2024</b>	<b>54</b>	<b>7</b>	<b>4</b>	<b>0</b>	<b>7</b>	<b>1</b>	<b>49</b>
	<b>2025</b>	<b>49</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>40</b>

Note 1. The franchise agreement in Manhattan, Kansas was terminated and the restaurant was re-acquired by franchisor in 2024. It is marked as re-acquired only in this table so that the restaurant is not accounted for multiple times.

Note 2. The franchise agreements in Lincoln and Kearney, Nebraska were terminated in 2024. Franchisor re-acquired Lincoln only. Lincoln is marked only as re-acquired in this table so that the restaurant is not accounted for multiple times.

Note 3. Three Ohio units were terminated in 2024. All 3 of those units were then re-opened by a new franchisee. In 2025, Franchisor re-acquired all six franchisee units in Ohio from entities owned by Kayla Walser (kayla.wolf@dpdough.com), including Akron, Athens, Bowling Green, Cleveland, Columbus, and Kent.

Note 4. The four terminations for 2024 were Kearney, Nebraska; Cleveland, Ohio; Akron, Ohio; and Kent, Ohio. The owners of the Kearney location were Nickolas and Cory Rowan (308-270-5678). The owner of Cleveland, Akron, and Kent was Devine Redding (330-330-7211). In 2025 there were 2 terminations: one at Wilkes-Barre, Pennsylvania (Bruce Wray -267-358-8853) and one in Radford, Virginia (Sam Parks – dpdoughradford@gmail.com).

Note 5. In 2024, Bloomsburg, PA ceased operations for other reasons. The owner of Bloomsburg, Pennsylvania was Bruce Wray (267-358-8853).

Note 6. The seven restaurants that were re-acquired by franchisor in 2024 were Athens, Georgia; Statesboro, Georgia; Clemson, South Carolina (all of which were owned by David Michael (706-612-6021); Chicago, Illinois and Dekalb, Illinois (both of which were owned by Frank Fatehali (815-766-3199); Manhattan, Kansas and Lincoln, Nebraska (both of which were owned by Nickolas and Cory Rowan (308-270-5678). The 11 restaurants that were re-acquired by franchisor in 2025 were Tallahassee, Florida; Ypsilanti and East Lansing, Michigan; Akron, Athens, Bowling Green, Cleveland, Columbus, and Kent, Ohio; Stillwater, Oklahoma (which Franchisor resold in 2025 to a new franchisee) and Blacksburg, Virginia.

Note 7. Stillwater, Oklahoma was re-acquired by franchisor from David Smith (dpdoughstillwater@gmail.com). Franchisor then sold the outlet to J.C. Prince such that there is still one franchisee outlet in Oklahoma at the end of 2025. Blacksburg, Virginia was re-acquired from Sam Parks (dpdoughradford@gmail.com). Franchisor then sold the Blacksburg outlet to Magdy Dhaly in 2025.

**Table No. 4**  
**Status of Company Owned Outlets**  
**for years 2023-2025**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Florida	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	1	0	0	1

Georgia	2023	0	0	0	0	0	0
	2024	0	0	2	0	0	2
	2025	2	0	0	0	0	2
Illinois	2023	0	0	0	0	0	0
	2024	0	0	2	0	0	2
	2025	2	0	0	1	0	1
Kansas	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
	2025	0	0	0	0	0	0
Michigan	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	2	0	0	2
Minnesota	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	1	0	0	0	1
Missouri	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1
Nebraska	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
	2025	1	0	0	0	0	1
New York	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Ohio	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	6	0	0	6
Oklahoma	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	1	0	1	0
South Carolina	2023	0	0	0	0	0	0
	2024	0	0	1	0	0	1
	2025	1	0	0	0	0	1
Virginia	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	1	0	1	0
<b>TOTALS</b>	<b>2023</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
	<b>2024</b>	<b>2</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>9</b>
	<b>2025</b>	<b>9</b>	<b>1</b>	<b>11</b>	<b>1</b>	<b>2</b>	<b>18</b>

**Table No. 5**  
**Projected Openings as of December 31, 2025**

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
New York	0	0	1
<b>TOTAL</b>	<b>1</b>	<b>1</b>	<b>1</b>

The franchisee who signed the above agreements are:

- Colorado – Mike Davie, Tony Bartolone - 970-224-0202

**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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Fairfield	Paul Atala, Jason Bonsignore	jbonsignore74@hotmail.com and paul_atala@yahoo.com	222 Post Road, Fairfield, CT 06824
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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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### Idaho

Boise	Matt Eastman	(208) 514-3800	1265 S. Capitol Blvd, Boise, ID 83706
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### Illinois

Champaign	Ajay Patel and Kishankumar Patel	217-365-9663	33 East Green St Champaign, IL 61820
Normal	Ryan Fiala	309-888-9663	121 E. Beaufort Street Normal, IL 61761

### Iowa

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

Baton Rouge	Akshaykumar Solanki	225-778-8828	3272 Highland Road, Baton Rouge, LA 70802
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

**Massachusetts**

Amherst	Cory Hill	413-461-7911	18 N. Pleasant St., Amherst, MA 01002
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**Michigan**

Kalamazoo	David MacDougall, Jr.	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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**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
Fredonia	Skye Wallace	716-679-9664	13 E. Main St., Fredonia, NY 14063
Syracuse	Stephen Taylor	315-422-9664	315 S. Clinton St., Syracuse, NY 13202

**North Carolina**

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

Cincinnati	Deepa Dayanand & Nesamani Veluchamy	513-964-0999	249 Calhoun St, Cincinnati, OH 45219
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### Oklahoma

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

State College	Dominik 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
Pittsburgh	Steven Taylor	412-504-6100	1717 E. Carson St, Pittsburgh, PA 15203

### Tennessee

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

Denton	Randy McFadden	940-331-9333	1216 W. Hickory St., Denton, TX 76201
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### Virginia

Blacksburg	Magdy Ghaly	540-951-9663	215 North Main Street Blacksburg, VA 24060

### West Virginia

Huntington	Jaclyn Johnson, Tim Johnson	304-529-0005	1520 4 <sup>th</sup> 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

### 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 2025.

Tallahassee	Colin Pickert	850-296-1116	444 W. College Ave, Tallahassee, FL 32301
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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
Akron	Kayla Walser	234-260-1600	20 E. Exchange St., Akron, OH 44308
Kent	Kayla Walser	330-968-1777	215 S. Water St., #104, Kent, OH 44240
Athens	Kayla Walser	740-312-9047	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
Cleveland	Kayla Walser	216-243-5252	230 Euclid Ave, Cleveland, OH 44114
Wilkes-Barre	Bruce Wray	272-268-8600	41 S. Main St, Wilkes-Barre, PA18701
Radford	Sam Parks	540-744-1200	308 Tyler Ave., Radford, VA 24141

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**

Windsor, CO	Mike Davie and Tony Bartolone	losbartos@comcast.net, m_davie21@hotmail.com
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**Confidentiality Agreements**

During the last three fiscal years, we have not signed any confidentiality clauses with a current or former franchisee in a Franchise Agreement, settlement agreement or any other contract restricting their ability to speak to you openly about their experience with us.

**Franchisee Associations**

There are no trademark-specific franchisee organizations associated with the franchise system. There are no trademark-specific franchisee organizations associated with the franchise system which are incorporated or otherwise organized under state law and have asked us to be included in the our disclosure document during the next fiscal year

**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, 2025. Franchisor's fiscal year ends on December 31.

The financial statements represent the period from January 1, 2025 through December 31, 2025.

**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

Attachment F to the Franchise Agreement is the MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE.

**Exhibit A**  
**State Addenda to Disclosure Document**

The following paragraphs are added to Item 17 of the Disclosure Document for each respective state:

**Maryland**

**MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT**

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201-14-233 applies, the terms of this Addendum apply.

**Item 17, Additional Disclosures:**

Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

The general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

NEW YORK ADDENDUM

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 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 Rev. March 17, 2021 2 injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer": However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of

Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”: You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum”, and Item 17(w), titled “Choice of law”: The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York

#### ILLINOIS ADDENDUM

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside Illinois.

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

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision, purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of a 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.

#### VIRGINIA ADDENDUM

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.

***Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.***

***Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act (“Act”), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.***

**Exhibit B**  
**State Franchise Administrators/Agents for Service of Process**

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

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

**Illinois: (State agency and service of process)**

Illinois Attorney General  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-4465

**Maryland:**

**State Agency**  
Office of the Attorney General  
Securities Division

**Service of Process**  
Maryland Securities Commissioner  
At the Office of the Attorney General

200 St. Paul Place  
Baltimore, Maryland 21202  
(410) 576-6360

Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202  
(410) 576-6360

**New York:**

**State Agency**

New York State Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Fl.  
Albany, New York 10005  
(212) 416-8222

**Service of Process**

New York Department of State  
Division of Corporations, State Records,  
& Uniform Commercial Code  
One Commerce Plaza  
Washington Ave., 6th Floor  
Albany, New York 12231  
(518) 474-4770

**Virginia:**

**State Agency**

State Corporation Commission  
Division of Securities and Retail  
Franchising  
1300 East Main Street, Ninth Floor  
Richmond, Virginia 23219  
(804) 371-9051

**Service of Process**

Clerk, State Corporation Commission  
1300 East Main Street  
Richmond, Virginia 23219  
(804) 371-9733

**Minnesota:**

**State Agency**

Minnesota Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, MN 55101

**Service of Process**

Minnesota Commissioner of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, MN 55101  
(651) 539-1600

**Exhibit C**  
**240 Pages Total**

**D.P. Dough Operating Manual**  
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**Calzone King, LLC  
Franchise Agreement**

**LOCATION:** \_\_\_\_\_

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- B. Registered Trademarks
- C. Personal Guaranty+
- D. ACH Authorization Form\*
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- F. Make Or Break Statement of Commitment and Lifestyle

**\* = Attachment must be signed and returned with the Franchise Agreement (if applicable).**

**+ = Attachment must be signed and returned with the Franchise Agreement if Franchisee is not an individual (i.e., if Franchisee is a corporation, limited liability company, or other business entity).**

**# = Attachment must be executed prior to or in conjunction with the signing of your lease.**

**Calzone King, LLC  
Franchise Agreement**

Location: \_\_\_\_\_

This Franchise Agreement (“Agreement”) is made and entered into by and between Calzone King, LLC, an Ohio limited liability company (“Calzone King”) and the undersigned franchisee (“Franchisee,”) and is effective as of the last date it is signed by Franchisee and Calzone King, LLC’s authorized representative (“Effective Date”).

**PREAMBLES**

**WHEREAS**, Calzone King is engaged in the business of franchising unique restaurant systems under the trade name “D.P. Dough®;”

**WHEREAS**, The distinguishing characteristics of the Calzone King system include, but are not limited to, the trade names and service mark, “D.P. Dough®,” together with any other marks and symbols used in the Calzone King system;

**WHEREAS**, Franchisee recognizes the benefits to be derived from being identified with and licensed by Calzone King and from utilizing the system, which it makes available to its franchisees;

**WHEREAS**, Franchisee desires to establish, own, and operate a “D.P. Dough®” restaurant at the location described in this Agreement, upon the terms and conditions of this Agreement, which are necessary to maintain Calzone King’s standards of quality and service and to protect and enhance the goodwill and public image of our system;

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

**1. Grant of Franchise.** Subject to the provisions of this Agreement and for the term hereinafter specified, Calzone King hereby grants to Franchisee the right to establish, own, and operate a D.P. Dough® restaurant (the “Restaurant”), but only in the location set forth in Section 6. Franchisee shall have the right to use the Calzone King system at the Restaurant and to be identified as a member of the D.P. Dough® system, subject to the terms and conditions of this Agreement.

**2. Quality Control And System.**

A. The Calzone King system (the “System”) is a unique style of restaurant operation for the sale of food products and beverages of uniform quality. The System is based on the tested and proven best practices of the most successful D.P. Dough restaurants. The most fundamental aspect of the System is the adherence by Franchisee to the standards and policies of Calzone King for ensuring the uniform operation of all Restaurants using the System, including, but not limited to, the service of only designated foods and beverages, the utilization of only designated prescribed equipment, building layouts and design, and the emphasis upon prompt and courteous service in a clean and inviting atmosphere. The System is set forth in the Operating Manual, which is located

on the D.P. Dough Intranet. Franchisee will receive access to the D.P. Dough Intranet upon the execution of this Agreement.

B. Calzone King may periodically revise the Operating Manual and the System by communicating any such revisions to Franchisee, whether by posting revisions to a password protected website for which Franchisee will be granted access (such as the D.P. Dough Intranet), electronic mail, regular mail, or otherwise. Franchisee shall regularly monitor the D.P. Dough Intranet for any revisions or updates to the Operating Manual and implement such revisions and updates pursuant to the timeline (which shall be commercially reasonable) provided by Calzone King.

C. Franchisee shall operate the Restaurant according to the System, including the Operating Manual and all standards, policies, and specifications periodically established or revised by Calzone King. This is a material term. In the event that Franchisee fails to strictly comply with any part of the System, Franchisee agrees to pay a one-time Two Hundred Fifty Dollars (\$250) fee for each non-complying aspect of the System (“Brand Standards Fee”). A Brand Standards Fee may be issued only after Calzone King has first provided Franchisee with written notice of the nature of the non-compliance and what Franchisee must do to be in compliance with the System. For the purpose of this Section, electronic mail notice shall constitute written notice. If Franchisee remains in non-compliance after five (5) days of receiving said written notice, Calzone King may collect the Brand Standards Fee through Electronic Payments. If Franchisee fails to remedy its non-compliance within five (5) business days of Calzone King charging the Brand Standards Fee to Franchisee, Calzone King may either: 1) charge an additional weekly royalty fee of two percent (2%) (in addition to the royalty set forth in Section 4(C)) (“Brand Standards Liquidated Damages”) for the remainder of the duration of Franchisee’s non-compliance, or 2) deem Franchisee to be in Default of this Agreement pursuant to Section 16. Calzone King may also charge the Brand Standards Liquidated Damages fee for Franchisee’s failure to provide proof of compliance with Insurance requirements within fourteen (14) days of the date of written demand by Calzone King for same. Actual damages likely to result from Franchisee’s continued non-compliance that resulted in the Brand Standards Fee are difficult to estimate on the date of this Agreement and would be difficult for Calzone King to prove. The parties intend that Franchisee’s payment of the Brand Standards Liquidated Damages would serve to compensate Calzone King for any continuing breach by Franchisee that resulted in the Brand Standards Fee under this Agreement, and/or the Brand Standards Liquidated Damages, do not intend to serve as punishment for any such breach by Franchisee. Calzone King may collect the Brand Standards Liquidated Damages through Electronic Payments.

D. Franchisee acknowledges that all standards and policies established by Calzone King and all information related to the System is confidential and proprietary information belonging to Calzone King. Franchisee shall not use any such information or disclose any such information to any third party, either while this Agreement is in effect or following its termination or expiration, except as expressly permitted in this Agreement. Franchisee shall use its best efforts to protect the confidentiality of such information from appropriation by its employees.

E. The Operating Manual (including all online only content from the D.P. Dough Intranet) shall, at all times, remain the property of Calzone King and shall be returned to Calzone King immediately upon request or upon the termination of this Agreement. All physical copies and digital copies of the Operating Manual shall be immediately destroyed and/or deleted in the event of the termination of this Agreement.

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) seven (7) to seventeen (17) 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 seven (7) 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 seven (7) days of on-site assistance with one trainer at no additional cost. In the event that Franchisee elects to have the assistance of Calzone King beyond seven (7) days, Franchisee shall be responsible for paying for the reasonable travel expenses and Calzone King representative compensation costs of Calzone King's representatives to travel to the Restaurant. Franchisee shall provide a deposit towards the travel and compensation 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. To the extent the expenses exceed the deposit, Franchisee shall pay the outstanding balance within seven (7) days.

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

A. Franchisee shall pay Calzone King a franchise fee of Forty Thousand Dollars (\$40,000) for the first franchise acquired ("Initial Franchise Fee"). There shall be a franchise fee of Forty Thousand Dollars (\$40,000) 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 (\$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 one hundred percent (100%) of the Initial Franchise Fee Deposit, which is not refundable.

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

providing any assistance or offering any services to Franchisee. Calzone King has a linear process that starts with Franchisee securing the Opening Funds. **Franchisee shall not execute a lease or begin any discussions with lessors prior to securing the Opening Funds to the satisfaction of Calzone King.** Other than reserving the exclusive Location for Franchisee consistent with this Agreement, Calzone King will take no action to further opening Franchisee's Restaurant or preparing Franchisee to open Restaurant until the Opening Funds have been secured and payment of the remainder of the Initial Franchise Fee is made to Calzone King.

B. If the Restaurant is not open for business to the public, pursuant to this Agreement, within fifteen months (15 months) of the Effective Date, this Agreement may be terminated at the option of either Calzone King or Franchisee. In the event of such a termination, Calzone King shall be entitled to keep one half of the full amount of the required IFF paid by Franchisee, plus any costs Calzone King actually incurred on behalf of Franchisee ("Failure to Open Remedy Amount"). In the event of such termination, Calzone King shall return the amount of the IFF that is due to Franchisee, if any, within thirty (30) days of either party's notification in writing to the other party of its decision to terminate this Agreement. In the event of a termination under this paragraph by Franchisee, Calzone King shall retain a minimum of Twenty Thousand Dollars (\$20,000) plus the Failure to Open Remedy Amount. Further, Franchisee shall continue to be bound by all covenants set forth in paragraph 14 of this Agreement.

C. Franchisee shall pay Calzone King a continuing royalty fee equal to **five percent (5%)** of Net Sales as defined below (the "Royalty Fee"). In no event shall the Royalty Fee for any given week be less than Two Hundred Dollars (\$200) (the "Minimum Royalty"). The term "Net Sales" shall include 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. Net Sales shall also include amounts received by Franchisee for gift cards redeemed by Franchisee.

D. Calzone King collects the Royalty Fee on a weekly basis. Calzone King will collect the Royalty Fee from Franchisee via ACH electronic collection each Wednesday for the prior Monday through Sunday ("Payment Date"). The amount to be paid is calculated from Franchisee's point of sale system.

E. If the ACH electronic collection of the Royalty Fee fails for any reason (i.e. there are not enough funds in the account), such that the Royalty Fee is not paid by the Payment Date (due to the failure of Franchisee to keep funds in its operating account), Franchisee shall pay, in addition to the Royalty Fee, an amount equal to one hundred dollars (\$100) for each week (defined as a consecutive seven (7) day period) that Franchisee is late on paying the Royalty (the "Late Fee"). In the event that Franchisee fails to timely pay the Royalty Fee and the Late Fee, Calzone King shall have the right to charge an additional interest fee of one and one half percent (1.5%) of the late Royalty Fee and the Late Fee per month (the "Interest Fee") until the Royalty Fee, the Late Fee, and the Interest Fee are paid in full. Under no circumstance shall the Interest Fee exceed the rate allowed by law.

F. Calzone King may incur miscellaneous charges on Franchisee's behalf in connection with items required by the System that Franchisee failed to purchase. For example, items such as Facebook and other online advertising, extra chairs, tables, telephones, answering machines, signage, marketing materials, and other similar required items of the System that Franchisee failed to timely purchase may be purchased on Franchisee's behalf by Calzone King. Calzone King will invoice Franchisee in writing with itemized expenses for any such charges ("Miscellaneous Opening Expenses"). In no event shall Calzone King incur more than One

Thousand Dollars (\$1,000) in Miscellaneous Opening Expenses on Franchisee's behalf. Calzone King may collect Miscellaneous Opening Expenses via Electronic Payments after providing Franchisee with written notice of the nature of the Miscellaneous Opening Expenses.

G. Franchisee consents to and authorizes Calzone King to automatically transfer to Calzone King the Royalty Fee, the Late Fee (if applicable), the Interest Fee (if applicable), the Miscellaneous Opening Expenses, the Brand Standards Fee, the Brand Standards Liquidated Damages, and all other fees or amounts Franchisee owes or is obligated to pay Calzone King under this Agreement from Franchisee's bank account by electronic payment, including electronic funds transfer ("EFT") and automated clearing house transfer ("ACH") ("Electronic Payments"). Franchisee shall execute and deliver to Calzone King such documents and instruments as may be necessary to establish and maintain Electronic Payments pursuant to this Agreement. Franchisee irrevocably and unconditionally appoints Calzone King its attorney-in-fact for purposes of implementing and effectuating the Electronic Payments, including the right to execute all necessary wire instructions and authorizations relative thereto. Any bank charges relative to Electronic Payments attributable to Franchisee shall be borne solely by Franchisee.

H. Franchisee shall use Quickbooks Online or other accounting software approved by Calzone King ("Approved Accounting Software"). Franchisee may be required to link its Approved Accounting Software to the account of Calzone King so that Calzone King will have a view of the finances of Franchisee at all times. Franchisee shall be diligent in keeping all of its financial records up to date in the Approved Accounting Software. In the event that Franchisee fails to utilize the Approved Accounting Software or fails to link Calzone King on the Approved Accounting Software, Calzone King shall have the right to inspect at any time upon ten (10) days prior notice all books, records, tax returns, and other financial information of Franchisee, and of Franchisee's stockholders, officers, directors, members, or partners (collectively, "Franchisee's Principals") as such information relates to the business operations of the Restaurant, if applicable (the "Financial Information"). Within ten (10) days after written notice is sent by Calzone King, Franchisee (and Franchisee's Principals if applicable) shall furnish the Financial Information to Calzone King at such location as Calzone King designates and shall certify the accuracy of the Financial Information on a form provided by Calzone King. If Franchisee fails to furnish the Financial Information as required by this Agreement, Franchisee shall pay Calzone King a late fee (the "Financial Information Late Fee") of two hundred dollars (\$200) per week or the pro-rata fraction thereof until Franchisee has furnished all Financial Information.

I. Franchisee authorizes Calzone King to obtain information regarding purchases made by Franchisee from any vendor. If requested by Calzone King, Franchisee shall sign an authorization directing any such vendor to furnish Calzone King with any information regarding purchases by Franchisee from such vendor, payments from Franchisee to the vendor, and the outstanding balance due to the vendor. The term "vendor" includes any party providing computer or consulting services to Franchisee (other than an attorney or accountant).

J. Calzone King may audit Franchisee's books and records at any time, upon five (5) days notice in writing. If such audit discloses any underpayment of Royalty Fees by Franchisee, Franchisee shall immediately pay the deficiency to Calzone King, and if the deficiency exceeds two percent (2%) of the amount of the Royalty Fee as represented by Franchisee, Franchisee shall reimburse Calzone King for the cost of the audit. If such amounts are not paid when due, the same shall be subject to the Interest Fee. Franchisee authorizes Calzone King to utilize Electronic Payments to collect all amounts owed, including the Interest Fee.

K. Franchisee shall pay all reasonable attorney's fees, court costs, and related costs incurred by Calzone King to collect any fees due it pursuant to the terms of this Agreement or to enforce any of its rights under the terms of this Agreement, to the full extent allowed by law.

L. Calzone King shall have access to Franchisee's sales and financial information as maintained in Franchisee's point of sale system, regardless of the brand or nature of the point of sale system. Franchisee expressly authorizes Calzone King to access all information, regardless of the nature of the information, contained in Franchisee's point of sale system.

M. Franchisee shall promptly provide to Calzone King all Documents that are requested in writing (including email) by Calzone King. Franchisee's failure to provide the requested Documents within seven (7) days of Calzone King's written request, shall result in a Failure To Provide Documents Fee of One Hundred Dollars (\$100) Per Week, or pro-rata period thereof. The Failure to Provide Documents Fee may be collected through Electronic Payments. The Failure to Provide Documents Fee is a remedy available to Calzone King in addition to other remedies, including, but not limited to, termination of the Franchise Agreement. For the purpose of this paragraph, Documents include, but are not limited to, vendor documents, financial documents, insurance documents, lease documents, documents related to governmental agencies, corporate entity documents, or any other document related to the D.P. Dough business that Franchisee is authorized to operate pursuant to this Franchise Agreement. Calzone King will not charge both the Failure to Provide Documents Fee and the Financial Information Late Fee at the same time.

## **5. Security Agreement.**

A. As security for the payment of Royalty Fees and other charges under this Agreement, Franchisee hereby grants Calzone King a security interest in all (i) accounts, documents, instruments, contract rights, general intangibles, choses in action; (ii) inventory and goods now owned or hereafter acquired; (iii) all equipment, fixtures, machinery, furniture, furnishings and vehicles, together with all accessions, parts and all substitutions, improvements and replacements thereof and additions thereto now owned or hereafter acquired; and (iv) proceeds of hazard insurance and eminent domain or condemnation awards. The properties and interest in properties described in this Section are hereinafter individually and collectively referred to as the "Collateral."

B. Franchisee hereby authorizes Calzone King to file and record such UCC financing statements and related documents (the "Financing Statements") in such locations, and with such persons and governmental offices as Calzone King deems appropriate, desirable, or necessary to perfect, effectuate, complete, preserve, and/or continue the security interest of Calzone King in the Collateral. Franchisee hereby irrevocably appoints Calzone King, its agents and employees, as Franchisee's lawful attorney-in-fact and agent with full power, authority, and right to execute and file the Financing Statements, upon written notice to Franchisee, in the name and on behalf of Franchisee. Except as specifically provided herein, this power of attorney is irrevocable, continuing and coupled with an interest.

C. Calzone King expressly agrees to subordinate its Security Interest in the Collateral to a lender in connection with Franchisee obtaining the Opening Funds. Calzone King may elect to authorize subordination of its Security Interest in the Collateral for funds other than the Opening Funds at its own discretion and on a case-by-case basis.

## **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 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.

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.

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.

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.

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.**

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.

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

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.

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.

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 intelligence vendor. In the event that the cost for artificial intelligence phone answering services exceeds One Dollar (\$1) per call, Franchisee shall not be required to use the artificial intelligence phone answering service otherwise required by the Franchisor; provided, however, that Franchisee

may not use a different or unapproved artificial intelligence phone answering service without Franchisor's express permission.

T. Franchisee shall respond to all communications from Calzone King that are sent to the email address or phone number that Franchisee has on file with Calzone King by no later than five (5) business days from the date of the communication from Calzone King. After a five (5) business days have passed, Franchisee shall pay the amount of One Hundred Dollars (\$100) per day to Calzone King for a Failure to Respond fee. This amount may be collected by Calzone King by Electronic Payments.

U. Calzone King reserves the right to either contract with a third party on your behalf, or to require you to contract with an approved vendor, to assist you with real estate selection and construction management. If Calzone King enters an agreement on your behalf, you shall promptly repay Calzone King for the charges incurred within 10 days of when Calzone King sends you an invoice for the services.

#### **10. Intentionally Omitted.**

#### **11. Advertising.**

A. Franchisee shall be obligated to pay one percent (1%) of Net Sales to Calzone King for the advertising, marketing, public relations programs and materials for the System, as Calzone King may deem appropriate from time to time ("the Ad Charge"). In no event shall the Ad Charge for any given week be less than Fifty Dollars (\$50) (the "Minimum Ad Charge"). The Ad Charge shall not exceed three percent (3%). Calzone King will advise Franchisee in writing prior to any increase in the Ad Charge. The Ad Charge will be drawn from Franchisee's account through Electronic Payments at the same time and in the same manner as the Royalty Fee. If the Ad Charge is not paid by the Payment Date, Franchisee shall pay, in addition to the Ad Charge, the Late Fee. The funds from the Ad Charge shall be used for advertising, marketing, promotion of the D.P. Dough Brand and public relations programs to increase the good will towards D.P. Dough restaurants from the relevant demographic ("the Ad Fund").

B. Calzone King will direct all programs that the Ad Fund finances, with sole control over the creative concepts, graphics, materials, communications media, and endorsements used and their geographic, market, and media placement and allocation. The Ad Fund may pay for preparing and video, audio, and written materials and electronic media (including conducting on-line Internet and mobile advertising and marketing); developing, implementing, and maintaining an electronic commerce Website and/or related strategies; administering national, regional, and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising, and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The Ad Fund periodically may give you samples of advertising, marketing, and promotional formats and materials at no cost. Calzone King may sell you multiple copies of these materials at our direct cost of producing them, plus any related shipping, handling, and storage charges. Calzone King will account for the Ad Fund separately from our other monies and not use the Ad Fund for any of our general operating expenses. However, we may use the Ad Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Ad Fund and work on Ad Fund business/activities; the Ad Fund's other administrative costs; travel expenses of personnel while they are on Ad Fund business; meeting costs; overhead relating to Ad Fund business; and other expenses that we incur in activities

reasonably related to administering or directing the Ad Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Fund contributions. Calzone King intends the Ad Fund to maximize recognition of the Marks, enhance system protection of the Marks, and increase patronage of D.P. Dough® Restaurants. Although we will try to use the Ad Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all D.P. Dough® Restaurants, we need not ensure that Ad Fund expenditures in or affecting any geographic area are proportionate or equivalent to Ad Fund contributions by D.P. Dough® Restaurants operating in that geographic area or that any D.P. Dough® Restaurant benefits directly or in proportion to its Ad Fund contributions from the development of advertising and marketing materials or the placement of advertising and marketing. The Ad Fund will not be used principally to develop materials and programs to solicit franchisees. However, media, materials, and programs prepared using Ad Fund contributions may describe our franchise program, reference the availability of franchises and related information, and process franchise leads.

C. In addition to the Ad Charge, Franchisee will be required to spend two percent (2%) of its Net Sales on Local Advertising. Franchisee shall maintain for inspection by Calzone King all bills, invoices, canceled checks, and other proof of expenditures for Local Advertising. (Digital payment records and emails are sufficient.) All Local Advertising and marketing materials (including coupons) that Franchisee desires to use shall be subject to the prior written approval of Calzone King, which approval shall not be unreasonably withheld. Samples of said Local Advertising shall be sent by Franchisee to Calzone King. If Franchisee does not receive written disapproval from Calzone King regarding prospective Local Advertising or marketing materials within five (5) business days of Calzone King's receipt of same, Calzone King shall be deemed to have approved the Local Advertising and marketing materials. In the event that Calzone King disapproves of Local Advertising or marketing materials in writing, Franchisee shall immediately cease the use of the same, even if after five (5) business days. In the event that Franchisee uses unapproved Local Advertising or marketing materials, Franchisee may be charged a fee of \$250 per occurrence as a Brand Standards Fee subject to the notice provisions in Section 2(C) of this Agreement. "Local Advertising" includes, but is not limited to, flyers, labor for delivering flyers, food donations, print media, Google Adwords, Zone of the Day calendars, Facebook advertising, promotions, sponsorships, or any other expenditure of money for the purpose of increasing the notoriety of Franchisee's D.P. Dough® Restaurant. Franchisee shall participate in the Zone of the Day program as set forth in the System, including any obligations to print Zone of the Day calendars.

D. Franchisee shall spend a minimum of Five Thousand Dollars (\$5,000.00) for Local Advertising at the time the Restaurant opens for business as directed by Calzone King.

E. If Restaurant (i) relocates or (ii) closes for any reason and then reopens, the Franchisee shall spend a minimum of Three Thousand Dollars (\$3,000.00) for Local Advertising at the time the Restaurant relocates or reopens. Calzone King may require Franchisee to deposit such amount with Calzone King to be held in escrow with Calzone King as a condition to relocating or before re-opening.

F. The System will establish rules and guidelines for use by Franchisee of any social media. Such rules may be changed from time to time by Calzone King through the System.

G. Calzone King may create a gift card program whereby Franchisees shall honor gift cards from other participating locations. In the event that Calzone King incurs expenses related to

such gift card program, you shall promptly pay Calzone King the amount of the gift card program fee that it incurred on behalf of the Restaurant.

**12. Inspection.** To ensure compliance with the terms and conditions of this Agreement and to verify compliance with the System and standards and policies of Calzone King, Calzone King's representatives may, at any time the Restaurant is open for business, inspect the Restaurant and test Franchisee's equipment, products, supplies, methods of production and merchandising, and may confer with the employees and customers of Franchisee. Any such interaction with Franchisee's employees in the nature of an inspection shall not be deemed to be indirect control of Franchisee's employees.

**13. Trademarks and Service Marks.**

A. Franchisee acknowledges that the name D.P. Dough®, as well as all of the trademarks and service marks listed on Attachment B to this Agreement are owned exclusively by Calzone King ("the Marks"). Calzone King and its franchisees have the right to use the D.P. Dough Marks, as well as any other trade names, service marks, or trademarks, owned by Calzone King or developed or acquired in the future. For purposes of this Agreement, all such trade names, service marks and trademarks, whether currently existing or developed or acquired in the future shall be referred to as the Marks, and shall include the Marks on Attachment B, as well as any other trademark or service mark used in connection with any D.P. Dough® restaurant, including Marks that have not yet been registered with the United States Patent and Trademark Office. Franchisee shall use the Marks only in the manner and to the extent specifically permitted by this Agreement and the System. Franchisee does not acquire any ownership interest in the Marks as a result of this Agreement, as a result of Franchisee's use of the Marks, or otherwise.

B. Franchisee acknowledges and agrees that its right to use the Marks is non-exclusive and that Calzone King, in its sole discretion, has the right to grant similar rights to others under such terms and conditions as Calzone King deems fit, and to operate restaurants itself under the Marks.

C. Franchisee expressly covenants that during and after the term of this Agreement, Franchisee shall not directly or indirectly contest or aid in contesting the validity or ownership of the Marks.

D. Franchisee shall promptly notify Calzone King of any claim, demand, or suit against it, based upon or arising from the use of any of the Marks and/or any variation of the Marks by any other person or entity. Calzone King shall have the exclusive right and sole discretion regarding actions to be taken to protect against infringement of the Marks, including, but not limited to decisions to defend against or prosecute any lawsuits.

E. In no event shall Franchisee use, cause to be used, or attempt to use the words "D.P. Dough" as part of its business name or assumed name. Franchisee may file an assumed or fictitious name statement with the relevant authority to clarify that it is operating under the name "D.P. Dough."

F. Franchisee shall not purchase or acquire any property or incur any obligation or debt under the name of "D.P. Dough" or any name other than Franchisee's entity name or individual name (if not an entity).

G. Franchisee shall not create or cause to be created any website or mobile application on behalf of the Restaurant.

#### **14. Covenants.**

A. Franchisee shall not, without the prior written consent of Calzone King, directly or indirectly (each of the following obligations is also secured by the Personal Guaranty, if applicable, as attached as Attachment C and fully incorporated herein):

i. During the term of this Agreement, (a) engage in any activity in competition with the System, including, but not limited to, involvement, whether as an owner, officer, director, employee, lender, or otherwise, of any business engaged in the sale of calzones, pizza, or any business that customarily has operating hours past midnight and offers delivery services (collectively, a “Competing Restaurant”), other than at the Restaurant, or (b) employ any person or furnish or permit any person who is engaged or who has arranged to become engaged in any activity in competition with the System, including, but not limited to, involvement, either as an owner, officer, director, employee, lender, or otherwise, of any Competing Restaurant;

ii. For a period of three (3) years following the expiration, termination, or transfer of this Agreement, regardless of the cause of such expiration, termination or transfer, engage in the operation of a Competing Restaurant within sixty (60) miles of (a) the Restaurant, (b) any D.P. Dough Restaurant (including both D.P. Dough Restaurants that are currently open and any new D.P. Dough Restaurant that may open in the future, even if the opening of such D.P. Dough Restaurant is after Franchisee first opened a Competing Restaurant in the market), or (c) any College or University with an undergraduate population of eight thousand (8,000) students or more.

iii. During the term of this Agreement and for a period of three (3) years after its expiration, termination, or transfer, regardless of the cause of such expiration, termination, or transfer, divert or attempt to divert any business or customer from any D.P. Dough restaurant.

iv. During the term of this Agreement and for a period of three (3) years after the expiration, termination, or transfer of this Agreement, regardless of the cause of such expiration, termination, or transfer, recruit, employ, or seek to employ any person who, at any time, and for any period of time, within the immediately preceding three hundred sixty five (365) days was employed by any D.P. Dough restaurant or by Calzone King or its affiliates. *In the event that Franchisee violates this provision, Franchisee shall pay a one time Unauthorized Employee Fee in the amount of Fifty Thousand Dollars (\$50,000), which is due when invoiced to Franchisee by Calzone King. (“the Unauthorized Employee Fee”).* During the term of this Agreement only, Franchisee may obtain the permission of the person’s previous employer and employ that person with no Unauthorized Employee Fee due in the event that the person’s previous employer has agreed in writing. If Franchisee is not an individual, then the owners, shareholders, partners, or members of Franchisee shall be bound by this Section, and shall sign the guaranty attached hereto as Attachment C.

v. Franchisee acknowledges that under the terms set out above, Calzone King is entitled to a period of three (3) years immediately following the termination of the Agreement during which Franchisee will not violate the covenants set forth in this Paragraph 14(A) above. Franchisee agrees that if Franchisee breaches any such obligation to Calzone King during the three (3) year period immediately following termination of the Agreement, then the time period of the restrictive covenants shall be extended for the length of time that Franchisee fails to fulfill its

obligations. This tolling provision shall not limit Calzone King right to other legal or equitable relief.

B. If any court determines that this agreement not to compete is too broad, the scope of this agreement not to compete shall be deemed to be automatically restricted to the extent necessary to be enforceable by such court.

C. Franchisee shall not cancel, terminate, or assign the lease governing its occupation of the Restaurant or sublet the Restaurant or attempt to take any such action, without providing Calzone King with at least thirty (30) days notice prior to taking or attempting such action. Such notification shall not diminish any other rights or remedies available to Calzone King under this Agreement.

D. Franchisee shall provide written notice to Calzone King within fifteen (15) days *prior to* the time that it exercises any option to extend its lease for the Restaurant or becomes a party to any action, either as a defendant or a plaintiff, which in any way relates to the Restaurant or Franchisee's lease for the Restaurant.

#### **15. Transfer of Franchise.**

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.

2. The proposed transferee must have a satisfactory credit rating and business reputation, sufficient business experience, and proper moral integrity to successfully operate a D.P. Dough restaurant.

3. The proposed transferee must execute appropriate transfer or assignment forms containing terms and conditions satisfactory to Calzone King. Such assignment forms may include a New Franchise Agreement. Calzone King may require that the transferee sign the then-current version of the Franchise Agreement, which may include higher royalty rates or higher fees than the transferor's franchise agreement.

4. The proposed transferee must not be a competitor of Calzone King or any D.P. Dough restaurant, as decided by Calzone King in its commercially reasonable discretion.

5. The Seller or the proposed transferee must pay all amounts due to Calzone King, distributors, suppliers, and vendors through the date of transfer, and cure any other default under this Agreement existing at the time of the proposed transfer.

6. The Seller or the proposed transferee must pay all federal, state, and local income, service, sales, payroll, or other taxes due as a result of the Restaurant's operations.

7. The Seller must execute a release of all claims and causes of action that it has or may have against Calzone King on a form containing terms and conditions satisfactory to Calzone King.

8. If the transfer of the Franchise involves installment payments or other owner financing by the proposed transferee to the Seller, the Seller must execute a subordination agreement under which the Seller subordinates its right to receive any installment from the proposed transferee to Calzone King's right to receive any and all amounts due it from Franchisee under this Agreement through the due date of such installment and any and all amounts due to Calzone King which are accrued by the proposed transferee during its operation of the

Restaurant. The subordination agreement shall be in a format and contain such additional terms and conditions as are satisfactory to Calzone King.

**9.** If the Seller/Franchisee transfers the Franchise to a transferee other than Calzone King, the Seller/Franchisee must pay, in addition to any other amounts that Seller/Franchisee may owe Calzone King, the sum of Three Thousand Dollars (\$3,000) if the sale is to an existing owner of a D.P. Dough restaurant, or the sum of Five Thousand Dollars (\$5,000) if the sale is to a third party who is not an existing owner of a D.P. Dough Restaurant (the “Transfer Fee”). An “existing owner” is a person or entity that has a twenty-five percent (25%) or more ownership interest in a D.P. Dough restaurant at the time of the Offer.

**10.** The proposed transferee shall successfully complete any and all training that Calzone King deems necessary for the proposed transferee, whether on-site in the Restaurant, online, or 20 day in-person immersion training. Because the experience levels of proposed transferees will vary substantially, Calzone King reserves the right to require some proposed transferee’s to receive training and to not require other proposed transferee’s to receive training. The proposed transferee must pay for any and all out of pocket training expenses actually incurred by Calzone King in traveling to train the proposed transferee, including, but not limited to, hotel, airfare, and meals. The total amount of out of pocket training expenses incurred by Calzone King shall not exceed Five Thousand Dollars (\$5,000). If Calzone King requests, the proposed transferee must deposit such Five Thousand Dollars (\$5,000) in escrow with Calzone King prior to the consummation of the transfer to be used for out of pocket expenses in training the proposed transferee at the Restaurant.

**ii.** Neither the Franchisee, nor an Owner, shall have the power to transfer the Franchise or an Ownership Interest unless the Restaurant is conducting business in complete and absolute compliance with this Agreement. Calzone King shall not unreasonably refuse to approve a proposed transferee. No transfer of the Option Assets or an Ownership Interest shall be effective without the prior written consent of Calzone King.

**iii.** If Franchisee is an individual, after the execution of this Agreement, Franchisee may sell, assign, or transfer his or her rights under this Agreement to a corporation or limited liability company of which Franchisee is the sole member or shareholder. In the event of any such sale, transfer, or assignment, the assignee shall become liable for the performance of all the obligations of this Agreement and Franchisee shall personally guaranty all such obligations by executing a form satisfactory to Calzone King.

**iv.** In the event of death, disability, or permanent incapacity of Franchisee or Owner Operator, such individual or his personal representative shall have one (1) year in which to dispose of the Franchise, subject to the terms of this Agreement. If the Franchise is not disposed within one (1) year of the death, disability, or permanent incapacity of Franchisee, the Franchise shall automatically terminate. Subject to this Agreement, the Franchise may be transferred to the spouse or heirs of the deceased, disabled, or permanently incapacitated individual. In the event of the death, disability, or incapacity of Franchisee or Owner Operator, Calzone King may take over the operations of the Restaurant in the event that there is not a replacement Owner Operator within one (1) week of the death, disability, or incapacity of the Owner Operator. Calzone King may pay for its travel costs incurred in the management of the Restaurant and for a reasonable hourly wage for its representative manager.

**v.** Within five (5) business days of written request by Calzone King, Franchisee shall furnish Calzone King with an affidavit under penalties of perjury that sets forth

(a) the name of each Owner, (b) the number of shares and class of shares owned by each Owner if Franchisee is a corporation, (c) the percentage of ownership and class of interest if Franchisee is a limited liability company or partnership, (d) the officers and directors of Franchisee, and (e) such other information necessary to identify ownership and control of Franchisee.

## **16. Default and Termination.**

A. Franchisee shall be in default under this Agreement upon the occurrence of any of the following:

i. Any breach of any of the terms of this Agreement by Franchisee or any guarantor; provided, however, that if such breach is not expressly listed under any other provision in this Section 16 that Calzone King shall first charge a Brand Standards Fee to Franchisee and provide Franchisee with notice and an opportunity to cure as set forth in Section 2(C) of this Agreement;

ii. Franchisee makes a material misrepresentation in connection with its acquisition of the Franchise;

iii. Franchisee or any guarantor engages in conduct which reflects materially and unfavorably upon the operation or reputation of the System;

iv. Franchisee is convicted of or pleads guilty to a felony or other criminal misconduct relevant to the operation of the Franchise;

v. Franchisee engages in conduct that Calzone King reasonably determines to constitute an imminent danger to public health or safety;

vi. The dissolution, merger, or reorganization of Franchisee;

vii. The insolvency of Franchisee, the commencement of any proceedings under any federal bankruptcy or state insolvency law, the assignment of assets for the benefit of creditors, or the appointment of a receiver, trustee or similar person to oversee the business affairs of the Franchisee or any of its assets;

viii. The failure of Franchisee to strictly follow the System as set forth by Calzone King; and

ix. The entry of any judgment against Franchisee, or any judgment which affects any of the assets of Franchisee or the operation of the Restaurant, that is not satisfied or indemnified against to the satisfaction of Calzone King within ten (10) days of its entry.

For the purpose of this Section 16(A), the conduct of Franchisee's Principals shall be the conduct of Franchisee.

B. Calzone King may terminate this Agreement immediately upon written notice to Franchisee, without an opportunity to cure, following any of the following defaults by Franchisee:

i. The abandonment of the Franchise by Franchisee, which shall be deemed to have occurred if Franchisee fails to operate the Restaurant for any consecutive three day period during which it is required to operate the Restaurant under the terms of this Agreement, or a

combination of any five days (regardless of whether the days are consecutive) during a calendar year that it was required to operate the Restaurant. The failure to operate the Restaurant due to fire, flood, earthquake, or similar cause beyond Franchisee's control shall not be deemed abandonment of the Restaurant, nor shall the failure to operate the Restaurant during any holiday recognized by the federal government be deemed abandonment.

- ii. Any default under Section 16(A)(ii), (iii), (iv), (v), (vi), or (vii).
- iii. Franchisee, after curing any default during the prescribed cure period under Section 16(C), again defaults in the same manner, without regard to whether the subsequent default is cured following notice by Calzone King.
- iv. Franchisee defaults under this Agreement three (3) times, without regard to whether Franchisee's conduct constitutes the same type of default or whether the default is corrected after notice by Calzone King.
- v. The failure to pay Royalty Fees or any other amounts due to Calzone King.
- vi. Any violation of Section 14.
- 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; and
- x. The termination of any other Franchise Agreement between Franchisee (or the owners of fifty percent or more of Franchisee) and Calzone King, LLC.

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 period we specify in our notice to you, but only for as long as it takes us, using reasonable commercial efforts, to correct the failure that you failed to cure; or (3) if this Agreement expires or is terminated, Calzone King may operate the Restaurant during the period of time when we are deciding whether to exercise our option to purchase the Restaurant under Section 16(E)(vii). 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. The assumption of the Restaurant's management shall not be deemed to preclude Calzone King from pursuing any other damages under this Agreement. In the event that Calzone King assumes the management of the Restaurant, Franchisee shall not raise objections to its landlord regarding Franchisor's presence. Further, Franchisee shall execute any documentation required to transfer the applicable lease agreement from Franchisee to Franchisor. In such an event, the security deposit shall be retained by landlord for the benefit of Franchisor and Franchisee shall have no further recourse against landlord regarding the security deposit.

**17. Personal Guaranty.** If Franchisee is not an individual, each Owner must execute a personal guaranty identical to that attached as Attachment C at the time this Agreement is signed. If the Franchise is assigned to a corporation, limited liability company, or partnership, the individuals having an Ownership Interest in the assignee must execute personal guaranties identical to that attached as Attachment C at the time of the assignment. **Any individual who acquires an ownership interest in Franchisee after this Agreement is signed must execute the personal guaranty at the time he or she acquires such Ownership Interest.** Only Calzone King may release any individual from his or her obligations under a personal guaranty.

**18. Remedies/Attorney's Fees.** The provisions of this Agreement may be enforced by either party, by actions at law or in equity, or by any other judicial remedy which may be available. If any suit or action is instituted by Calzone King for the recovery of royalties or any other amount due under this Agreement, or because of the breach of any other covenant contained herein on the part of Franchisee to be kept or performed, Franchisee shall pay to Calzone King all expenses incurred

Calzone King, including actual attorney's fees and court costs. All rights and remedies of Calzone King shall be cumulative and none shall be exclusive of any other rights allowed by law.

**19. Successors/Assigns.** This Agreement shall inure to the benefit of the successors and assigns of Calzone King. The Franchise may not be transferred or assigned by Franchisee, in whole or in part, except as specifically permitted in this Agreement. All or any part of Calzone King's rights under this Agreement are fully assignable. This Agreement shall not be construed to have any third party beneficiaries.

**20. Notice.** Any notice required or permitted under this Agreement to be given to Franchisee and/or the Guarantor(s) shall be written and shall be either delivered personally or mailed via registered or certified mail to the person at the address designated on Attachment C, which may be changed by Franchisee and/or Guarantor(s) by written notice to Calzone King signed by the Franchisee and/or Guarantor(s) as is applicable. In the event that Calzone King is unable, after a good faith attempt, to reach Franchisee by certified mail, Calzone King shall be deemed to have provided notice to Franchisee by sending an electronic mail communication to the electronic mail address that was most recently used by Franchisee. Franchisee and all Owners of Franchisee agree that notice to any individual Owner shall be deemed notice to all of them and that Calzone King shall have no obligation to send notices to any address other than the address set forth in Attachment C. Any notice required under this Agreement to be given to Calzone King shall be written and shall be either personally delivered or mailed via registered or certified mail to Calzone King's registered address in the state of Ohio.

**21. Waiver.** The failure of Calzone King to take any action in response to any default of Franchisee in the performance of any of the terms, covenants, and conditions of this Agreement shall not constitute a waiver of any rights of Calzone King to insist upon the full performance of all such terms, covenants, and conditions, and a waiver by Calzone King of a breach or a series of breaches of this Agreement by Franchisee shall not constitute a waiver of any subsequent breach.

**22. Jurisdiction and Venue.** This Agreement and any other issue arising out of to the relationship between Franchisee and Calzone King shall be governed by Ohio law. Franchisee irrevocably and unconditionally (i) agrees that it will only bring any action or proceeding against Calzone King arising out of or relating in any way to the terms of this Agreement, in the courts of Ohio and not in any other state or federal court in the United States of America or any court in any other country; (ii) subject to the injunctive relief provisions of Section 24, consents to the exclusive jurisdiction and venue of state and federal courts located in Franklin County, Ohio for the purpose of any action or proceeding arising out of or relating in any way to this Agreement, including, without limitation, actions challenging the legal validity or enforceability thereof; and (iii) waives and agrees not to plead or to make any claim that the Ohio courts lack personal jurisdiction to over him, her, or Franchisee, or that any such action or proceeding brought in any Ohio court has been brought an improper or otherwise inconvenient forum.

**23. Injunctive Relief.** Calzone King may file suit in the jurisdiction and venue of Franchisee's Location in the event that Calzone King deems it appropriate to seek the entry of a temporary or preliminary injunction. Franchisee acknowledges that the Restaurant is one of a number of restaurants identified by the Marks and similarly situated and selling to the public similar products, and the failure on the part of a single franchisee to comply with the terms of its agreement will cause irreparable damage to Calzone King or to some or all other Franchisees for which there is no adequate remedy available at law. It is mutually agreed that in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, Calzone King will be entitled to an injunction restraining such breach or to a decree of specific performance, without showing or

proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining said equitable relief, without any obligation to post a bond or other security. The foregoing equitable remedies are in addition to, and not in lieu of, all other remedies or rights that the parties might otherwise have by virtue of any breach of this Agreement by the other party.

**24. Statute of Limitations.** Except for payments owed by Franchisee to Calzone King and unless prohibited by applicable law, any and all claims and actions arising out of or relating to this Agreement shall be commenced within one (1) year from the discovery of facts giving rise to any such claim or action. If such claim or action is not brought within one (1) year from the discovery of facts giving rise to any such claim or action, such claim or action shall be barred.

**25. Class Action Lawsuits.** Franchisee waives, to the fullest extent permitted by law, the right to bring or be a class member in, any class action suit relating to any dispute, controversy or claim arising out of or related to this Agreement or arising out of any breach or alleged breach of this Agreement.

**26. Invalidity.** If any portion of this Agreement is for any reason declared invalid or unenforceable, the validity of the remaining portions of this Agreement shall not be affected, and such remaining portions shall remain in full force and effect as if this Agreement had been executed without the invalid portion.

**27. Relationship of the Parties.** Franchisee understands and agrees that, under this Agreement Franchisee is and shall be an independent contractor. No employee of Franchisee shall be deemed to be an employee of Calzone King. Nothing in this Agreement shall be construed so as to create a partnership, joint venture, or agency relationship between Franchisee and Calzone King. Franchisee shall not obligate Calzone King for any expenses, liabilities, or other obligations.

**28. Entire Agreement/Survival.** This Agreement and the Operating Manual contain all of the covenants and agreements of the parties with respect to this subject matter, and supersede any and all prior or contemporaneous agreements, whether oral, written, express, or implied, between the parties with respect to this subject matter. Nothing in this Agreement or any related agreement is intended to disclaim the representations of Calzone King in the Franchise Disclosure Document. The attached Addendums are hereby incorporated in and made a part of this Agreement. The continuing obligations of Franchisee and Owner(s) shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement on the day and year set forth below.

**FRANCHISOR:  
CALZONE KING, LLC**

**FRANCHISEE**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its:

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **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:

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside Illinois.

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

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision, purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of a 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.

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 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 Rev. March 17, 2021 2 injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”: However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”: You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum”, and Item 17(w), titled “Choice of law”: The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York

With respect to Franchises governed by Maryland law: All franchise fees and other initial payments owed by franchisees and subfranchisors shall be deferred until Calzone King has completed its initial obligations under the Franchise Agreement.

3.
  - a. Any provisions in the Franchise Agreement that require a general release as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
  - b. Any provisions in the Franchise Agreement that require a prospective franchisee to assent to any release, estoppel, or waiver of liability as a condition of purchase of the franchise are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
  - c. Section 15(E)(v) shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
  - d. Notwithstanding the foregoing provisions of Section 24, a Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration

and Disclosure Law that are brought within three (3) years after the grant of the franchise.

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

4. With respect to franchisees governed by Virginia law, Section 23 shall not apply to the extent the same is prohibited by the Virginia Retail Franchising Act.

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.

5. With respect to franchisees governed by Minnesota law, the following shall apply:
  - Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination

penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) 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 (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee’s rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

#### **Attachment A – Assignment of Telephone Number(s)**

I hereby assign to Calzone King, LLC the telephone number or numbers and fax numbers which are and shall be used in connection with the operation of the D.P. Dough Store located at \_\_\_\_\_ address \_\_\_\_\_.

Those telephone and fax numbers are: \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ (the Numbers”).

In addition, I hereby authorize and direct the telephone company that issued and services the Numbers to transfer the Numbers to Calzone King, LLC or as directed by Calzone King, LLC. I agree to sign any further documentation or requested by Calzone King, LLC or the telephone company that issued the Numbers to implement the above.

**FRANCHISEE**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment B – Registered Trademarks**

<b>Mark</b>	<b>Reg No</b>
D.P. Dough	1680727
Strike Zone	1781631
Loading Zone	1781634
Time Zone	1781633

Danger Zone	1780479
Parking Zone	1781632
Oh! Zone	1785729
End Zone	1785730
To Each His Zone	1808225
The Pizza Alternative	1914006
Speed Zone	1948849
Passing Zone	1942915
School Zone	1942911
Tow Zone	1944208
Dough Shack	2837615
Comfort Zone	2542825
Border Zone	2542824
Buffer Zone	2805318
Sports Zone	2542823
Red Zone	2542822
Blue Zone	2555808
Construction Zone	2542821
Work Zone	2519943
Combat Zone	2542826
Safety Zone	2522380
Get In The Zone	2510297
Zone Out	2507055
The Original Calzone	
Company	2597530
Drop Zone	2542820
Zone	2105378
Zonie	4261233
Open Crazy Late	4261225
Macalo Zone	88731705

**Attachment C  
PERSONAL GUARANTY**

**WHEREAS**, the undersigned individuals (the “Owner(s)”) are the [shareholders] [partners] [members] of **(company name)** \_\_\_\_\_, a [corporation] [limited liability company] [partnership] located \_\_\_\_\_ at \_\_\_\_\_ **(address)** \_\_\_\_\_ (“Franchisee”).

**WHEREAS**, Franchisee has entered into a Franchise Agreement with Calzone King, LLC (“Calzone King”), a New York limited liability company, dated the same date as this Guaranty.

**WHEREAS**, to induce Calzone King to enter into the Franchise Agreement and as security for Franchisee’s performance of the Franchise Agreement, the Owner(s) are executing this Guaranty.

**NOW, THEREFORE**, the Owner(s) hereby agree(s) as follows:

1. For value received, the Owner(s) hereby jointly and severally guaranty the payment of any and all amounts, and the performance of any and all other actions, which Franchisee is or may become liable to pay or perform under the Franchise Agreement (the “Obligations”). If Franchisee fails to pay or perform any Obligation when due, the Owners, jointly and severally, shall pay or perform such Obligation immediately upon demand by Calzone King.

2. Calzone King shall not be required to pursue or exhaust any of its rights or remedies against Franchisee or any other person for the collection or performance of any Obligation prior to demanding payment or performance from the Owners under this Guaranty.

3. The Owners acknowledge and agree that any of the following events shall not affect or discharge any of the Owner(s)’s Obligations under this Guaranty:

- a. The extension of time for payment or performance of any Obligation.
- b. The change in any term of the Franchise Agreement.
- c. The acceptance by Calzone King of any Promissory Note or security of any kind with respect to any Obligation.
- d. The surrender, release, exchange, or alteration of any collateral or other security held by Calzone King with respect to any Obligation.

4. The Owner(s) hereby waive notice of the following:

- a. Acceptance of this Guaranty by Calzone King.
- b. The sale and delivery of any portion of any collateral held by Calzone King with respect to any Obligation, to the extent allowed by law.
- c. The amount of the Obligations.
- d. Any extension of time for the payment or performance of any Obligation.
- e. Demand for payment, default, non-payment, presentment, and protest as to any Obligation.

5. This Guaranty shall continue in effect until all Obligations are paid or performed in full, and shall be binding upon the heirs, personal representatives, successors, and assigns of Owner(s).

6. The Owner(s) shall pay or reimburse Calzone King for any and all expenses incurred by Calzone King in enforcing this Guaranty, including reasonable attorney fees.

7. The Owner(s) shall be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement, including, but not limited to, the terms of Sections 14, 15, 16, and 19.

8. The Owner(s) acknowledge that notices will be sent only as set forth in Section 21 of the Franchise Agreement and to the address listed at the top of this Guaranty.

9. This Guaranty shall be deemed to have been entered into in the state of Ohio and shall be construed according to the laws of the state of Ohio. Any action involving this Guaranty or any of the terms or obligations hereof shall be commenced in the state of Ohio.

10. Except for payments owed to the Owner(s) by Calzone King and unless prohibited by applicable law, any and all claims or actions arising out of or relating to this Guaranty shall be commenced within one (1) year from the discovery of facts giving rise to any such claim or action, or such claim or action will be barred.

11. Owner(s) waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suit relating to any dispute, controversy, or claim arising out of or related to this Guaranty or arising out of any alleged breach of this Guaranty.

12. If any portion of this Guaranty is for any reason declared invalid or unenforceable, the validity of the remaining portions of this Guaranty shall not be affected, and such remaining portions shall remain in full force and effect as if this Guaranty had been executed without the invalid portion.

OWNER(S)

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Print: \_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

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 sent via email to [jason.griffin@dpdough.com](mailto:jason.griffin@dpdough.com) and to [matt.crumpton@dpdough.com](mailto: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.
3. Pre-Approval of Usage. Landlord agrees that the Premises may be used solely for the operation of a D.P. Dough Restaurant (including its affiliated Ghost Kitchen concepts that are offered for online order and delivery service only, if applicable), and shall be used for no other purpose during the term of the Lease.
4. Franchisor Entrance Upon Termination. Upon the expiration or termination of the Franchise Agreement, in the event that Franchisor does not elect to cure Franchisee's past due payments and take over the lease, Landlord grants Calzone King permission to enter the Premises to remove signage (including outdoor signage) and other items bearing the Marks of Calzone King.
5. No Similar Restaurants in Shopping Center. If the Premises is part of a shopping center, plaza or mall with other commercial tenants, Landlord agrees that it will not lease space to any restaurant that sells pizza, or to any restaurant that offers delivery after Midnight.
6. No Restrictions on Hours. Landlord acknowledges that D.P. Dough restaurants have very late business hours and agrees that there will be no restrictions on the hours of operation of Franchisee's Restaurant.
7. Grand Opening Signage. Landlord shall temporarily permit Franchisee to place additional temporary signage in or around the Property, including, but not limited to balloons,

banners, roadside flags, and other signage for a period of not less than ten (10) days, which shall occur during the Grand Opening hosted by Franchisee; provided, however, that said signage shall not cause a business disruption to other tenants (if any) and shall not violate any local ordinance or regulation.

8. Signage. Landlord grants to Franchisee during the term of the Lease a non- exclusive right and easement over that portion of the property as may be required by Franchisee to improve, renovate, repair, replace and maintain the Premises or replace its signage or its panel on the pylon sign for the property. The Tenant has the right to change or alter the signage at any time during the term of the Lease provided the signage is in compliance with all applicable governmental codes and regulations. The signage may include: (a) signage on the exterior front wall of the Premises; (b) signage on another exterior portion of the Premises; (c) a separate pylon sign on the property; (d) separate signage on the property, (e) a panel on the pylon sign for the property; and (f) other signage which may be required by the Franchisor or agreed upon by the Landlord and the Tenant.
  
9. Conflict Between Addendum and Lease. In the event of a conflict between the Lease and this Addendum, this Addendum shall control.

**CALZONE KING, LLC**

By: \_\_\_\_\_

Its:

Date: \_\_\_\_\_

**FRANCHISEE**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**LANDLORD**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment F**  
**MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE**

NOTE: Do not sign if the franchisee is a Maryland resident or if the franchised business will be located within the State of Maryland.



# MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE

Franchisee Initial    Sales Rep Initial

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## ACCOUNTABILITY

1. I understand, as an owner, that I am responsible for keeping the confidential D.P. Dough Operations Manual protected and in a secure place.
2. I understand I will only be as successful as I am personally willing to contribute and that leaving this brand alone is like leaving the seat of the captain's chair in an airplane during a landing.
3. I must lead by example and understand that leadership means that my team will do only what I do and not what I say.
4. I understand that if my store is out of compliance my application for any future stores will be denied.
5. I understand that delivering and catering only to those within my delivery area is critical to my success. My delivery area will be set by Calzone King and only CK can change it. I will adhere to the boundaries that are set. I clearly understand the importance of this as I must focus on my area and be the best in it!
6. I understand that the ultimate performance of the store falls on my shoulders. I will be ready to make changes immediately when it is necessary- either by retraining or replacing any team member that doesn't "get it".



## MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE

\_\_\_\_\_

7. I understand that vacations or personal time with friends and family could be interrupted so that I can correct any deficiencies in my restaurants. This includes covering for a teammate when they are truly sick. As a leader I do this to protect my customers and my teammates. Running a restaurant is a chosen lifestyle. It is extremely difficult; I accept and embrace that.

\_\_\_\_\_

8. I understand that I will receive customer complaints from CK regarding my store's performance and that to re-earn that customer's business I will respond to the complaint immediately and resolve the issue. I will redirect my staff in order to eliminate that customer threat from repeating itself in the future.

### FOOD AND PRODUCT

\_\_\_\_\_

9. I understand that weighing ingredients before they go into the calzones is critical to making our calzones consistent and ensuring that food cost percentages stay in line with brand spec.

\_\_\_\_\_

10. I understand that the dough recipe is a vital part to the success of my restaurant. I will always ensure that the recipe is made correctly, including the dough proofing process, as to always provide a consistent product to my customers.



## MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE

\_\_\_\_\_

11. I understand that portioning is not only important to control the food cost variable, but more importantly, it provides the customer with a consistent product. I will ensure that myself and team members in my restaurant are weighing the most accurate portions possible if granted the right to this franchise.

\_\_\_\_\_

12. I understand that calzone preparation must be perfect to make every customer's experience consistent and that "no mushroom" means "no mushroom".

\_\_\_\_\_

### SYSTEMS AND PROCEDURES

13. I understand the D.P. Dough operating procedures are another key to the consistency that this brand represents and that if granted the privilege of a D.P. Dough franchise, I will champion the process, the system, and the procedures and will lead my team to do the same.

\_\_\_\_\_

14. I will audit every line item in the system. I will audit the quality of the execution of the line item every single day.

\_\_\_\_\_

15. When I am out of town, I will have someone in place to do it for me, and I will speak to them daily when away from the premises.



## MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE

\_\_\_\_\_

16. I realize that this could be the most difficult decision I have ever made in my life, however, I am considering a franchise because the franchisor has done much of the leg work for me. I now understand that the best performing franchisees use the system 100% of the time and the worst performing franchisees use it 95% of the time. I understand the difference between success and failure can be that slim of margin.

\_\_\_\_\_

17. I understand that D.P. Dough is a late-night business and that I must never close before the agreed upon closing time set by you and Calzone King LLC. I must always be prepared to work late night shifts and be available during peak hours should my restaurant need assistance.

\_\_\_\_\_

18. I will always have my store staffed with sufficient in-shop and delivery drivers to serve my customers' calzones quickly, this probably requires working double time. I am committed to this.

\_\_\_\_\_

19. I understand that my store will never be as successful as it can be without a commitment to marketing and sampling. I commit to getting my store operationally rock solid, after which I will commit to a systematic guerrilla marketing program.

\_\_\_\_\_

20. I understand that I will set the culture and pace in my restaurant and that only my team and I can increase through-put by having a sense of urgency in all areas 100% of the time.



## MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE

\_\_\_\_\_

21. Dirty restaurants suck. I will clean my store myself- including toilets. I am committed to lead this by example as my people will do what I do, not what I say.

\_\_\_\_\_

22. I realize that I must be maniacal when it comes to exceptional operations in my store.

### TRAINING

\_\_\_\_\_

23. I understand that training will be 10 days for a minimum of 10 hours a day and that it is intense, focused, physical, and disciplined. I realize I must execute with 100% completeness and integrity. Without 100% buy-in, I will ultimately fail.

\_\_\_\_\_

24. I understand that one of the most important parts of my investment is in my people and that it costs money to send them through training. They must be focused on participating 100% in the training.

\_\_\_\_\_

25. I understand that there are tests, homework, and skills that must be mastered prior to becoming a certified manager. I can only be successful if I practice and if I study. I commit to putting in 110% of my time and energy while in training so I too can be a 100% franchisee.



# MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE

\_\_\_\_\_

### ACCOUNTING

26. I am committed to following the D.P. Dough financial reporting system. I will hire a reputable accounting firm and will spend as much time as necessary each period understanding the numbers and the profit and loss statements with not only my accountant, but my D.P. Dough appointed business coach and my team leader. This is my report card. If I can't measure it; I can't manage it.

\_\_\_\_\_

### MARKETING

27. D.P. Dough has a marketing guide that must be followed to a "T". Our philosophy on marketing states that if we can get them to try it once they'll be back again. You must do whatever is necessary to get the product into the mouths of your local clientele. Before you start using your stellar intellect to market my brand, ask us first. Please know that our way works. We will educate you on what has worked effectively for over 30 years. (That's why you are paying us).

I accept this.  
\_\_\_\_\_Yes \_\_\_\_\_NO

\_\_\_\_\_

28. D.P. Dough trademarks may not be used without D.P. Dough's permission. We don't want homemade or non-professional looking printed materials out there in the world.

You must live with this policy, will you do so?  
\_\_\_\_\_Yes \_\_\_\_\_NO

**MAKE OR BREAK STATEMENT OF COMMITMENT AND LIFESTYLE  
SIGNATURE PAGE**

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

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

NOTE: Do not sign if the franchisee is a Maryland resident or if the franchised business will be located within the state of Maryland.

Potential Franchisee: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

CK Representative: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit E**  
**Audited Financial Statement**

**CALZONE KING, LLC AND SUBSIDIARY**  
FINANCIAL REPORT  
December 31, 2025, 2024, and 2023

**CALZONE KING, LLC AND SUBSIDIARY**

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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, 2025, 2024, and 2023 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, 2025, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("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.

### **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 28, 2026

**CALZONE KING, LLC AND SUBSIDIARY**

CONSOLIDATED BALANCE SHEETS

December 31, 2025, 2024, and 2023

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	\$ 145,977	\$ 175,264	\$ 302,840
Accounts receivable	3,158	43,539	54,199
Note receivables, current portion	<u>-</u>	<u>5,142</u>	<u>26,412</u>
Total current assets	149,135	223,945	383,451
<b>Non-Current Assets</b>			
Vehicles, net	235,486	56,244	77,335
Software, net	-	-	3,333
Goodwill, net	201,250	258,750	316,250
Intangibles, net	1,547,312	1,703,687	1,860,062
Note receivables, net of current portion	-	-	17,390
Right-of-use assets - operating, net	<u>101,722</u>	<u>145,938</u>	<u>223,128</u>
Total non-current assets	<u>2,085,770</u>	<u>2,164,619</u>	<u>2,497,498</u>
Total assets	<u>\$ 2,234,905</u>	<u>\$ 2,388,564</u>	<u>\$ 2,880,949</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ 13,022
Deferred revenue	-	-	12,500
Current portion of operating lease liability	48,339	46,221	59,934
Current portion of long-term debt	<u>365,616</u>	<u>327,622</u>	<u>321,474</u>
Total current liabilities	413,955	373,843	406,930
<b>Non-Current Liabilities</b>			
Operating lease liability, net of current portion	50,555	98,895	161,575
Long-term debt, net of current portion	<u>1,635,354</u>	<u>1,803,640</u>	<u>2,133,338</u>
Total non-current liabilities	<u>1,685,909</u>	<u>1,902,535</u>	<u>2,294,913</u>
Total liabilities	2,099,864	2,276,378	2,701,843
<b>Members' Equity</b>	<u>135,041</u>	<u>112,186</u>	<u>179,106</u>
Total liabilities and members' equity	<u>\$ 2,234,905</u>	<u>\$ 2,388,564</u>	<u>\$ 2,880,949</u>

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

**CALZONE KING, LLC AND SUBSIDIARY**

CONSOLIDATED STATEMENTS OF INCOME AND CHANGES IN MEMBERS' EQUITY

Years ended December 31, 2025, 2024, and 2023

	2025	2024	2023
<b>Revenues</b>			
Royalty fees	1,483,032	\$ 1,515,634	\$ 1,505,347
Advertising fees	342,946	370,884	367,643
Rebates	581,189	588,659	575,630
Franchisee start-up fees	-	45,020	150,500
Other	1,878	27,702	78,287
Total revenues	<u>2,409,045</u>	<u>2,547,899</u>	<u>2,677,407</u>
<b>Operating Expenses</b>			
Advertising and promotion	371,757	416,266	390,083
Amortization and depreciation	239,638	238,299	238,300
Equipment rental	-	-	15,400
Franchise support	-	53,626	53,538
Insurance	86,821	64,380	46,275
Licenses and permits	4,599	-	656
Other	24,945	17,692	2,475
Personnel	106,584	81,271	137,681
Postage	-	2,223	1,205
Professional fees	70,864	123,159	127,235
Rent	49,608	70,287	50,464
Repairs and maintenance	-	13,706	461
Royalties	37,015	45,587	45,553
Subscriptions	2,505	4,083	2,839
Travel	-	-	2,604
Total operating expenses	<u>994,336</u>	<u>1,130,579</u>	<u>1,114,769</u>
Income from operations	1,414,709	1,417,320	1,562,638

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

**CALZONE KING, LLC AND SUBSIDIARY**

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

Years ended December 31, 2025, 2024, and 2023

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>Other Income (Expense)</b>			
Interest and other income	6,946	134	5,098
Interest expense	<u>(152,839)</u>	<u>(174,980)</u>	<u>(307,236)</u>
Total other income (expense)	<u>(145,893)</u>	<u>(174,846)</u>	<u>(302,138)</u>
Net income	1,268,816	1,242,474	1,260,500
<b>Members' Equity</b>			
Beginning of year	112,186	179,106	792,574
Member redemption	-	-	(339,491)
Member distributions	<u>(1,245,961)</u>	<u>(1,309,394)</u>	<u>(1,534,477)</u>
End of year	<u>\$ 135,041</u>	<u>\$ 112,186</u>	<u>\$ 179,106</u>

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

**CALZONE KING, LLC AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
Years ended December 31, 2025, 2024, and 2023

	2025	2024	2023
<b>Cash Flows from Operating Activities</b>			
Net income	\$ 1,268,816	\$ 1,242,474	\$ 1,260,500
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	25,763	21,091	21,092
Amortization of software	-	3,333	3,334
Amortization of intangibles and goodwill	213,875	213,875	213,875
Amortization of right-of-use asset - operating	44,216	43,488	56,257
Amortization of debt issuance costs	-	-	131,403
Credit losses	-	13,500	-
(Increase) decrease in operating assets:			
Accounts receivable	40,381	10,660	(4,735)
Increase (decrease) in operating liabilities:			
Accounts payable	-	(13,022)	(8,812)
Deferred revenue	-	(12,500)	(12,500)
Operating lease liability	(46,222)	(42,691)	(57,880)
Net cash flows provided by operating activities	1,546,829	1,480,208	1,602,534
<b>Cash Flows from Investing Activities</b>			
Purchase of vehicles	(205,005)	-	-
Payments received on note receivable	5,142	25,160	24,940
Payments made for note receivable	-	-	(15,000)
Net cash (used in) provided by investing activities	(199,863)	25,160	9,940

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

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

Years ended December 31, 2025, 2024, and 2023

	2025	2024	2023
<b>Cash Flows from Financing Activities</b>			
Payments on long-term debt	(365,394)	(323,550)	(948,219)
Proceeds from long-term debt	235,102	-	1,000,000
Member distributions	(1,245,961)	(1,309,394)	(1,430,931)
Payments for member redemptions	-	-	(339,491)
Net cash used in financing activities	(1,376,253)	(1,632,944)	(1,718,641)
Net change in cash	(29,287)	(127,576)	(106,167)
<b>Cash</b>			
Beginning of year	175,264	302,840	409,007
End of year	\$ 145,977	\$ 175,264	\$ 302,840
<b>Supplemental Disclosures</b>			
Interest paid	\$ 152,839	\$ 174,980	\$ 307,236
<b>Noncash operating transaction:</b>			
Removal of right-of-use asset and lease liability due to cancellation of lease	\$ -	\$ 33,702	\$ -
<b>Noncash investing and financing transaction:</b>			
Reclassification of Member note receivable as distributions	\$ -	\$ -	\$ 103,546

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

**CALZONE KING, LLC AND SUBSIDIARY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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**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 four 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 G for further details regarding the note payables related to this transaction.

**NOTE B - 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. *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 years ended December 31, 2025, 2024, and 2023, D.P. Dough Franchising, LLC had no assets, liabilities, revenues, or expenses. Any intercompany activity has been eliminated in consolidation.

3. *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 may exceed insured limits at certain times. 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 AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

4. *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, 2025, 2024, and 2023, the Company determined that no allowance for credit losses was needed. The Accounts receivable balance as of December 31, 2022 was \$49,464.

5. *Vehicles*

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

6. *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.

7. *Goodwill and Intangibles*

Goodwill, contracts, and proprietary systems

The Company accounts for goodwill, contracts, and proprietary systems from the original purchase of the D.P. Dough franchisor 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, 2025, 2024, and 2023.

**CALZONE KING, LLC AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

7. *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, 2025, 2024, or 2023.

8. *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. ROU assets and lease liabilities are not recorded for leases that are less than 12 months.

9. *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 received 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 received and is recorded weekly or monthly.

**CALZONE KING, LLC AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

9. *Revenue Recognition (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 has elected to recognize all pre-opening services as a single performance obligation in accordance with ASC 952-606. 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 \$0, \$45,020, and \$150,500 for the years ended December 31, 2025, 2024, and 2023, respectively. Deferred revenue for franchise start-up fees as of December 31, 2025, 2024 and 2023 was \$0, \$0, and \$12,500, respectively.

10. *Advertising and Promotion Expenses*

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

11. *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, 2025, 2024, and 2023, 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 AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

12. *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.

**NOTE C - 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, 2025, 2024, and 2023, the Company made the required settlement payments on behalf of the Member. In 2023 the Company and the Member agreed to reclass 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 J, 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, 2025, 2024 and 2023, the balance of note receivable under this agreement was \$0, \$ 5,142 and \$30,052 respectively. The balance of the note payable under this agreement as of December 31, 2025, 2024, and 2023 was \$0, \$6,228 and \$29,438, respectively.

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. \$13,500 of the balance of this note was written off as a credit loss as of December 31, 2024 when the Company determined it was no longer collectible based on history of payments received and likelihood of future payments.

Note receivables as of December 31, were as follows:

	2024	2023
Unrelated franchisee	\$ -	\$ 13,750
Related party:		
Franchisee, on behalf of Member	5,142	30,052
	5,142	43,802
Payments due within one year	(5,142)	(26,412)
	\$ -	\$ 17,390

**CALZONE KING, LLC AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

**NOTE D - VEHICLES**

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Vehicles	\$ 239,477	\$ 105,457	\$ 105,457
Less: Accumulated depreciation	<u>(3,991)</u>	<u>(49,213)</u>	<u>(28,122)</u>
	<u>\$ 235,486</u>	<u>\$ 56,244</u>	<u>\$ 77,335</u>

Depreciation expense for the years ended December 31, 2025, 2024, and 2023 was \$25,763, \$21,091, and \$21,092, respectively.

**NOTE E - SOFTWARE**

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Software	\$ 10,000	\$ 10,000	\$ 10,000
Less: Accumulated amortization	<u>(10,000)</u>	<u>(10,000)</u>	<u>(6,667)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,333</u>

Amortization expense for software for the years ended December 31, 2025, 2024, and 2023 was \$0 and \$3,333, and \$3,334 respectively.

**NOTE F - GOODWILL AND INTANGIBLES**

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

	<u>2025</u>	<u>Intangibles</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>(373,750)</u>	<u>-</u>	<u>(366,437)</u>	<u>(650,000)</u>	<u>(1,016,437)</u>
	<u>\$ 201,250</u>	<u>\$ 1,000,000</u>	<u>\$ 197,312</u>	<u>\$ 350,000</u>	<u>\$ 1,547,312</u>

**CALZONE KING, LLC AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

**NOTE F - GOODWILL AND INTANGIBLES (CONTINUED)**

	<u>2024</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>(316,250)</u>	<u>-</u>	<u>(310,062)</u>	<u>(550,000)</u>	<u>(860,062)</u>
	<u>\$ 258,750</u>	<u>\$ 1,000,000</u>	<u>\$ 253,687</u>	<u>\$ 450,000</u>	<u>\$ 1,703,687</u>
	<u>Intangibles</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>

Amortization expense for goodwill for each of the years ended December 31, 2025, 2024, and 2023 was \$57,500. Amortization expense for other intangibles for each of the years ended December 31, 2025, 2024, and 2023 was \$156,375.

**CALZONE KING, LLC AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

**NOTE G - LONG-TERM DEBT**

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

	2025	2024	2023
Note payable on behalf of a Member due in monthly installments of \$2,076, interest free, with the final payment due in March 2025.	\$ -	\$ 6,228	\$ 29,438
Note payable for the purchase of a vehicle, due in monthly installments of \$2,038, including interest of 5.99%, through July 2027. Secured by the related vehicle. This vehicle was traded in for the following note payable and vehicles in 2025.	-	58,575	79,578
Note payable for the purchase of vehicles, due in monthly installments of \$4,326, including interest of 3.90%, through November 2030. Secured by the related vehicles.	231,907	-	-
Note payable to a financial institution due in monthly installments of \$12,449, including interest at 8.47%, through September 2028 when the remaining balance is due. Secured by the Company's assets.	843,171	914,980	983,950
** 2023 note payable to a company, due in monthly installments of \$23,674, including interest at 7.00%, through June 2029.	879,603	1,093,905	1,293,758
** 2023 note payable to a company, due in monthly installments of \$1,246, including interest at 7.00%, through June 2029.	<u>46,289</u>	<u>57,574</u>	<u>68,088</u>
	2,000,970	2,131,262	2,454,812
Less: Principal due within one year	<u>(365,616)</u>	<u>(327,622)</u>	<u>(321,474)</u>
	<u>\$ 1,635,354</u>	<u>\$ 1,803,640</u>	<u>\$ 2,133,338</u>

\*\* 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 AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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**NOTE G - LONG-TERM DEBT (CONTINUED)**

The following are maturities of long-term debt as of December 31, 2025:

Year ending December 31:	
2026	\$ 365,616
2027	391,987
2028	1,001,148
2029	195,558
2030	<u>46,661</u>
Total	<u>\$2,000,970</u>

**NOTE H - 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, 2025, 2024, and 2023 was \$49,608, \$51,606 and \$50,464 respectively.

Cash paid against this lease liability under the arrangement was \$51,612 during the year ended December 31, 2025,

The following table displays the undiscounted cash flows related to operating leases and financing leases as of December 31, 2025, 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, 2025 were as follows:

Year ended December 31:	
2026	\$ 51,600
2027	<u>51,600</u>
Total undiscounted cash flows	103,200
Impact of present value discount	<u>(4,306)</u>
Total operating lease liabilities	<u>\$ 98,894</u>

The weighted average remaining term of the Company's operating lease as of December 31, 2025, 2024, and 2023 was 2.01, 3.01, and 3.64 years, respectively.

The weighted average discount rate for the operating lease as of December 31, 2025, 2024, and 2023 was 4.49%.

**CALZONE KING, LLC AND SUBSIDIARY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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**NOTE I - 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 J - RELATED PARTY TRANSACTIONS**

Companies owned by a Member (who had their equity redeemed in 2023) perform bookkeeping services, tax services, legal services, advertising, and provide supplies and materials for the Company and were paid \$0, \$37,500 and \$90,125 for the years ended December 31, 2025, 2024, and 2023.

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 year ended December 31, 2023 was \$9,701, and was included in interest expense on the consolidated 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, 2024 was \$58,575.

**NOTE K - 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.

### **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:

<b>State</b>	<b>Effective Date</b>
Illinois	April 30, 2025
Maryland	August 5, 2025
Minnesota	July 7, 2025
New York	July 14, 2025
Virginia	May 27, 2025
Michigan	May 19, 2025

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 22, 2026

I received a disclosure document dated April 22, 2026, 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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