



FRANCHISE DISCLOSURE DOCUMENT

FRESHERIA FRANCHISOR, LLC
A California limited liability company
627 Pearl Street
La Jolla, California 92037
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www.fresheria.com

We grant you the right to operate a Fresheria Restaurant. Your Fresheria Restaurant will feature our healthy menu of cold pressed juices, smoothies, energy bowls, acai bowls, wraps, sincronizadas, tortas, tostadas, salads, and an assortment of natural juices.

We also offer to qualified franchisees the right to develop multiple Fresheria Restaurants up to five (5) Restaurants under a Multi-Unit Agreement.

The total investment necessary to begin operation of your Restaurant is from \$522,000 to \$771,500. This includes \$50,000 that must be paid to us. The total investment necessary to begin operation under a Multi-Unit Agreement is from \$597,000 to \$916,500. This includes \$125,000 to \$145,000 that must be paid to us.

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 Cesar De Santiago, cesar_desantiagom@yahoo.com, 627 Pearl Street, La Jolla, California 92037, (619) 715-3318.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

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

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

Date of Issuance: January 6, 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:

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The Franchise Agreement requires you to resolve disputes with us by litigation or arbitration in the state of California. Out-of-state litigation or arbitration may force you to accept a less favorable settlement for disputes. it may also cost more to litigate or arbitrate in California than in your home state.
2. **Spousal Liability.** Your spouse must sign a document that makes them liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouse's marital and personal assets, including your home at risk, if your franchise fails.

To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit I.

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

To simplify the language in this Franchise Disclosure Document (“Disclosure Document”), “we,” “us,” “Franchisor,” “Fresheria,” or “our” means Fresheria Franchisor, LLC. “You,” “your,” or “Franchisee,” means the person or legal entity (including an individual, corporation, partnership, limited liability company or other legal entity, and its owners, officers, and directors) buying the franchise. If you are a legal entity, your direct or indirect owners will have to guarantee your obligations and be bound by the provisions of the franchise agreement and other agreements as described in this Disclosure Document.

The Franchisor

We are a California limited liability company formed on August 31, 2018. Our principal business address is 627 Pearl Street, La Jolla, California 92037. We have just begun offering franchises as of the date of this Disclosure Document. We do not offer and have not offered franchises in any line of business. We have no other business activities outside the Fresheria franchise business.

We operate under the trade name “Fresheria” and the other marks described in Item 13 (the “Marks”).

Agents for Service of Process

Our agents for service of process are listed on Exhibit I to this Disclosure Document.

Parents, Predecessors and Affiliates

We do not have any parents or predecessors.

We have four affiliate restaurants in San Diego County under the name Fresheria. The locations are set forth in the table below.

LOCATION	ADDRESS	DATE OPEN FOR BUSINESS
La Jolla Location	627 Pearl Street, La Jolla, CA 92037	January 2016
San Diego Location	4687 Logan Avenue, San Diego, CA 92113	September 2016
Chula Vista Location	1750 East Palomar Street, Suite 2, Chula Vista, CA 91913	June 2019
Bonita Location	4102 Bonita Road, Bonita, CA 91902	July 2019
La Mesa Location	5575 Baltimore Drive, La Mesa, CA 91942	December 2025

The first location was opened ten years ago at 627 Pearl Street, La Jolla, CA 92037 and operated under Be Fresh Corporation. The second location also opened ten years ago at located at 4687 Logan Avenue, San Diego, CA 92113, and is operated under the name Fresheria Logan, Inc. Our third location was opened in June 2019 at 1750 East Palomar Street, Suite 2, Chula Vista, CA 91913 and is operated under the name Jenc, LLC. Our fourth location was opened in July 2019 is operated under the name Fresheria Bonita, LLC. Our fifth location opened in December 2025. The Franchisor has not offered franchises in any line of business.

The Franchisor owns the Trademark and all intellectual property.

Two of the principals of Franchisor Cesar de Santiago and Jessica de Santiago also operate Mexican restaurant know as Acapela in Los Angeles. They are in the process of franchising Acapela as well. They also have owned and operated a third restaurant for the last 13 years known as El Paisa under the corporate name Monara, Inc. which is a full service Mexican in San Diego.

Franchised Business

We grant you the right to develop and operate a health food Restaurant under the “Fresheria” trademark and other Marks and the System (as defined below) (the “Restaurant”) pursuant to the terms of our Franchise Agreement, the form of which is attached hereto as Exhibit A (the “Franchise Agreement”).

We also offer qualified franchisees the right to develop multiple Fresheria Restaurants up to three Restaurants under the terms of a Multi-Unit Agreement (the “Multi-Unit Agreement”), the form of which is attached hereto as Exhibit C. If you sign a Multi-Unit Agreement, you will sign a separate Franchise Agreement for each Restaurant developed under your Multi-Unit Agreement and will be our then-current form of Franchise Agreement.

Your Restaurant will offer smoothies, energy bowls, acai bowls, wraps, sincronizadas, tortas, tostadas, salads and an assortment of natural juices. Menu Items are prepared according to our proprietary recipes and procedures and use of high-quality ingredients. Each Restaurant will operate under the name Fresheria and other Marks we designate.

You must operate your Restaurant under the Fresheria System (the “System”). The System is characterized by a distinctive layout, service style, design, signs, décor, furnishings, recipes, procedures and techniques, all of which we may change from time to time. Fresheria Restaurants range in size from 1,200 to 1,500 square feet depending on the location of your Restaurant. You must adhere to the System regardless of the size of your Restaurant.

Market and Competition

A Fresheria Restaurant franchise offers a healthy assortment of food items and drinks to the general public. You may have to compete with other businesses including franchised operations, national chains and independently owned companies offering similar items to customers. You may also encounter competition from other Fresheria franchises. Changes in local and national economic conditions and population density affect this industry and are generally difficult to predict. You will face other business risks that could have an adverse effect on your business including pricing policies of competitors’ changes to laws or regulations, changes to supply and demand, new technologies and competition that provide related products.

Licenses, Permits and Industry Regulations

There are many federal, state and local regulations specific to the operation of a restaurant. You will also be subject to state and local licensing laws, codes, and regulations, particularly as they relate to the operation to a restaurant business. For certain services, such as providing food to customers, you are subject to federal, state, and local laws and requirements. There may be other laws applicable to the business and we urge you to make further inquiries about these laws. The nature and amount of regulations could change rapidly relating to this business. You should consult a lawyer with experience dealing with restaurant, health, and regulatory issues to be sure you are familiar with the current statutes and regulations that might apply within your territory.

There are, of course, statutes and regulations that are common to all businesses, including those governing health labor issues, zoning, and safety. You should obtain a complete copy of the relevant statutes and regulations of the

Federal government and of you state and discuss them with your attorney. You should also investigate applicable county and city ordinances and regulations.

You will be subject to significant regulations regarding food health and safety. An excerpt from the current California Retail Food Code prepared by the California Association of Environmental Health Administrators, which covers restaurants and other retail food businesses, runs over 150 pages. Just a few of many matters the code covers are handwashing, timing and temperature for food storage and cooking, ventilation, liquid waste, employee storage areas, and floors and other surfaces. With the food code in mind, you can expect regular monitoring from your county health department. Local health authorities generally have a lot of latitude regarding what they can inspect, and health department inspections can cover a wide array of items in your restaurant. As suggested by the state code, inspections may cover not only the food itself, raw and prepared, but also refrigeration systems, cooking equipment, waste disposal, and many other areas. Each California County has its own rating system for inspections and the State of California had made some of this information available online.

In most states you will have to obtain and maintain a business license and food handler card. In California you will have to obtain a business license and a California Handler Card. The card is issued only after mandatory training and assessment. If you intend to serve alcohol in your restaurant, you will also need to obtain a liquor license. In California, liquor licensing is handled by the California Department of Alcoholic Beverage Control. Keep in mind that the liquor process can be complicated and you may require outside legal assistance. If your restaurant will be serving large numbers of people you may have crowd control issues and therefore, need to obtain a license or permit from a fire or police department. Similarly, you probably will also need a permit or license from a local building department relating to the adequacy of exits from the restaurant and related emergency issues.

In addition, you must comply with all local, state, and federal laws that apply to your restaurant operations, including, for example, zoning, health, and sanitation, no-smoking, EEOC, OHSA, discrimination, employment, and sexual harassment laws. The Americans with Disability Act of 1990 requires readily accessible accommodation for disabled persons and therefore may affect your building construction, site elements, entrance ramps, doors, seating, bathrooms, drinking facilities, etc. You must obtain real estate permits (e.g. zoning), real estate licenses, and operational licenses. There also may be regulations that pertain to sanitation, labeling, food preparation, food handling, grease and other waste disposal, environmental compliance, and food service.

ITEM 2 BUSINESS EXPERIENCE

Ely Miosés Castañeda Herrera

2018 to Present – Founder, Fresheria

Nancy Rosario Juarez Salazar

2018 to Present – Founder, Fresheria

Cesar de Santiago, Director of Franchising

2012 to Present – Monara, Inc. – President

2017 to Present – Fresheria, Inc. – Owner

2021 to Present – Acapela, Inc. – Chief Financial Officer

Jessica de Santiago, Chief Executive Officer, and Manager

2012 to Present – Monara, Inc. – Vice President

2017 to Present – Fresheria, Inc. – Owner

ITEM 3 LITIGATION

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 Fee

The Initial Franchise Fee for a single Restaurant franchise is \$50,000. You must pay the Initial Franchise Fee in full, lump-sum payment on the date that you sign the Franchise Agreement. The Initial Franchise Fee is fully earned upon payment and there are no refunds under any circumstance. The Initial Franchise Fee may be deferred until Franchisor has met its pre-opening obligations and Franchisee has opened its franchise business.

Multi-Unit Development

You may also purchase the rights to open multiple Fresheria franchises, in which case you will sign the Multi-Unit Agreement (“Multi-Unit Agreement”), which is attached to this Disclosure Document as Exhibit C. If you sign a Multi-Unit Agreement, you must pay to us the Initial Franchise Fee of \$50,000 for the first Fresheria Restaurant, plus the Multi-Unit Fee (the “Multi-Unit Fee”) of \$40,000 for the second restaurant and \$35,000 for each additional Fresheria Restaurant you agree to develop under the Multi-Unit Agreement which is due when you sign the Multi-Unit Agreement. When you sign the Franchise Agreement, you will receive a credit of \$50,000 toward the Initial Franchise Fee for the first Fresheria Restaurant, a \$40,000 credit for the second Fresheria restaurant and a \$35,000 credit each additional Fresheria Restaurant you agree to develop under the Multi-Unit Agreement. The calculation and the structure of the Multi-Unit Fee is uniform for all developers. All Multi-Unit Fees are fully earned upon payment, and there are no refund under any circumstances.

Multi-Unit Package

Three (3) Units. In addition to the \$50,000 Initial Franchise Fee you will pay a \$75,000 Multi-Unit Fee for the two (2) additional units (1 x \$40,000 = \$40,000) and (1 x \$35,000 = \$35,000) you agree to develop, a total sum of \$125,000 for three units. You shall open the first unit within twelve (12) months, from the execution of the Franchise Agreement, the second unit within twelve (12) months of the first location opening and the third unit within twelve (12) months from the opening of the second location.

Five (5) Units. In addition to the \$50,000 Initial Franchise Fee you will pay a \$145,000 Multi-Unit Fee for the four (4) additional units (1 x \$40,000 = \$40,000) and (3 x \$35,000 = \$105,000) you agree to develop, a total sum of \$195,000 for five units. You shall open the first unit within twelve (12) months, from the execution of the Franchise Agreement, the second unit within twelve (12) months of the first location opening, the third unit within twelve (12) months from the opening of the second location, the fourth unit within twelve (12) months from the opening of the third locations, the fifth unit within twelve (12) months from the opening of the fourth location. The opening of all five (5) units cannot exceed fifty-nine (59) months.

Other Initial Payments – Before you open your Franchise, you are required to pay us the fees stated below:

Uniforms & Merchandise. You will be required to purchase from us uniforms, merchandise, equipment, and Restaurant supplies costing approximately ranging from \$3,000 to \$5,000 for each Restaurant you agree to open. This amount is earned by us upon receipt and is non-refundable.

All initial fees are non-refundable.

ITEM 6 OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	6% of Gross Sales	Weekly	Payment on Tuesday of each week to Franchisor via ACH (electronic banking)
National Marketing Fee	1%-2% of Gross Sales	Weekly	Payment on Tuesday of each week to Franchisor, via ACH (electronic banking)
Local Marketing Fee	1%	Weekly	Paid to third party vendors. The Local Marketing Fee can be increased to a maximum of 2%.
Fresheria Proprietary System Software Package	\$100 per month	Monthly	Payment on the first Tuesday of the month. This fee is subject to annual increases during the term of the Agreement.
Audit Fee	Cost of audit. Precise estimate is unknown as of the date of this Disclosure Document, but is estimated to range from \$500 to \$1,500	5 days after notice of amount due	You will pay us the costs of an audit to be performed if you fail to provide monthly financial statements, which are required by the Franchise Agreement in excess of three times per calendar year or if a random audit shows an understatement of Gross Sales in excess of 2%
Late Fees	10% of the Amount Due	Within 5 days of the date of our statement for amount due	You will pay us a late fee in the amount of 10%, if you fail to pay the Royalty fee, Marketing Fee, or other amounts due to use within 10 days of the due date. You also will be required to pay us a late fee on any overdue amount beginning with the date payment is due until you pay the overage
Interest on late payments	The lesser of 1 ½% per month or the maximum	Within 5 days of date of our	You will pay us interest on any overdue Royalty fees, Marketing Fees, or other amounts due to us,

	amount permitted by applicable law.	statement for amount due	beginning with the date payment is due until you pay the overage. The highest rate allowable under California law is 10% annum
Additional Training Fee	To be determined by us, but not to exceed \$1,500 per person per day	Before commencement of the training program	You will pay us a non-refundable fee if you ask for special assistance or we determine that additional training is warranted after your initial training period.
Operations Manual	\$5,000	As incurred	If your copy of the Operations Manual is lost, stolen, or otherwise unavailable to you, you must pay us \$5,000 for a replacement copy
Alternative Supplier Evaluation Fees	Various amounts to be determined by the amount of time and money necessary to evaluate the alternative supplier and/or the alternative product. Precise estimate is unknown as of the date of this Disclosure Document, but is estimated to range from \$500 to \$1,000. This amount will include our costs and expenses associated with any testing, including travel, and lodging expenses incurred by us to visit a supplier's facilities	As incurred	If you seek approval of a new supplier of product, we may charge you a fee for conducting the evaluation or you may have to pay some third party to evaluate your proposed supplier or product
Renewal Fee	25% of the then current franchise fee	Before signing of the renewal franchise agreement	Payable to us if you wish to renew your franchise agreement
Alternative Dispute Fee	To be determined by the American Arbitration Association	At commencement of dispute resolution	Fee for participating in any dispute-resolution process
Transfer Fee	\$20,000 one-time fee	Due at time Transferee signs Franchise Agreement	Either you or transferee must pay us the transfer fee

Relocation Fee	\$5,000	As incurred	If you lost your lease or want to move your location. Approval of a relocation is at our discretion. Payable to us, to reimburse us for incurred by us to cover our costs associated with the relocation
Management Fee	\$5,000 per month to manage your location	As incurred	You will pay a management fee in the event you become disabled or die and you have no individual who is properly trained to manage the business due to your absence.
Seminar and Convention Fees	No charge for attending seminars or conventions Fees for travel, food, and lodging will depend on distance traveled and accommodations which one chooses	As incurred	Fees for travel, food, and lodging to attend seminars and conventions. Paid to various vendors. Certain expenses may be refundable under various circumstances.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable to us, to reimburse us for fees incurred by us in obtaining injunctive or legal relief for the enforcement of any time of the Franchise Agreement or for costs incurred for arbitration proceedings
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for any claims arising from your business
Insurance	Will vary according to coverage and area	As incurred	You must be fully covered in all areas of operating a business. If you do not procure and maintain the required insurance coverage we may, but are not required to, procure insurance coverage on your behalf, and charge the costs to you together with a reasonable fee for the expenses we incur
Proprietary Software	Various Amounts	As incurred	If we develop proprietary software, you must use it
Grand Opening Marketing Campaign	\$10,000	As incurred	You must spend at least \$10,000 on grand opening marketing and promotion during the first month your Restaurant is open. Your grand opening marketing

			expenditures will count towards your first year's Local Marketing Fund Fee
Inspection Fee	Our costs and expenses in conducting any subsequent pre-opening Restaurant inspection. We estimate that this amount will not exceed	Upon demand	We will inspect your Restaurant prior to opening. If your Restaurant does not pass initial inspection, you will be charged for all costs and expenses we incur in conducting any subsequent inspections
Mystery Shopper	Our costs and expenses in conducting the Mystery Shopper program	Within 30 days of billing	Payable to approved third parties. We reserve the right to collect this fee and spend it on your behalf.

NOTES

1. **Fees.** You will pay all fees to us unless otherwise noted. All fees are non-refundable unless otherwise noted. All fees are uniformly imposed.
2. **Royalty.** You must pay us a weekly royalty on the Tuesday of each week starting with the 1st week after opening the Restaurant. All fees are non-refundable unless otherwise noted. All fees are imposed.
3. **Gross Sales.** Gross Sales means the total revenues and receipt from the sale of all products, services and merchandise sold in your Restaurant, whether under any of the Marks or otherwise, including any catering or delivery services, such as but not limited to Grubhub, Uber eats and DoorDash cover charges or fees in your Restaurant or on its premises, and all revenues derived from any type of authorized vending machine. Gross Sales excludes only sales taxes.
4. **Late Fee.** Late fee will begin within 5 days from the date payment was due, but not received, or date of underpayment. The highest interest rate allowable under the law of the state in which you operate the Restaurant.
5. **National Marketing Fee.** As of the date of this Disclosure Document, the National Marketing Fee has not yet been established. When the National Fee is implemented, the maximum amount will not exceed be 2% of Gross Revenue. The Marketing Fee is paid to us for deposit in a Marketing Fund (defined in Item 11). You must submit documentation substantiating your local advertising expenditures. We have the right to require you to contribute the Local Marketing Fund Fee to a local advertising cooperative if one is established.
6. **Local Advertising Cooperative.** As of the date of this Disclosure Document, a Local Advertising Cooperative has not yet been established. We may designate a local advertising cooperative and require you to contribute to and participate in the cooperative. If established, you will direct your Local Marketing Fund Fee to the cooperative. Each Restaurant will have one vote per Restaurant. If the majority of the Restaurants in a local marketing cooperative are company or affiliate-owned, we will have majority voting power.
7. **Insurance.** Insurance includes all risk all peril coverage, business interruption, insurance, comprehensive general liability insurance, liquor liability coverage and other forms of insurance we require. You pay

insurance and other insurance related payments directly to our required third party insurer. You must deliver to us upon commencing construction of your Restaurant, and thereafter annual or at our request, a proper certification evidencing the existence of the required insurance coverage along with a copy of the actual insurance policy.

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is to Be Made
	Low	High			
Initial Franchise Fee	\$50,000	\$50,00	Certified Funds	When you sign the Franchise Agreement	Us
Rent Deposit	\$4,500	\$14,000	As Agreed to	Before Opening	Landlord
Building/Leasehold Improvements	\$250,000	\$450,000	As Agreed to	As Incurred	Landlord, Lender, or Contractor(s) and Vendors
Architect and Engineer	\$15,000	\$25,000	As Agreed to	As Incurred	Third Party Vendor
Furniture, Fixtures, & Equipment	\$85,000	\$100,000	As Agreed	Before or At Opening	Designated and Approved Suppliers
Point-of-Sale Computer Hardware and Software	\$6,500	\$8,000	As Arranged	At Time the Order is Placed	Approved Third Party Suppliers
Signage Interior and Exterior	\$25,000	\$25,000	As Arranged	As Arranged	Approved Third Party Suppliers
Initial Inventory, Office Supplies, Cleaning Supplies	\$6,000	\$8,000	As Incurred	As Arranged	Approved Third Party Suppliers
Uniforms & Merchandise	\$3,000	\$5,000	As Incurred	As Arranged	Approved Third Party Suppliers
Utility Deposits	\$2,000	\$5,000	As Agreed	Before Opening	Landlord and/or Utility Companies
Grand Opening	\$10,000	\$10,000	As Incurred	As Incurred within first 90 days of business	Us & Vendors

Professional and Legal Fees	\$5,000	\$7,500	As Incurred	As Incurred	Your Lawyer and other professionals
Insurance (Annual Premiums)	\$8,000	\$12,000	As Agreed	At the time the order is placed	Us, Vendor or Leasing Companies
Lease Review	\$2,000	\$2,000	As Incurred	As Incurred	Franchisor
Additional Working Capital Funds (First Three Months)	\$50,000	\$50,000	As Incurred	As Incurred	Employees, Vendors, Utilities, Taxing Agencies, Etc.
TOTAL	\$522,000	\$771,500			

NOTES

We do not offer direct or indirect financing of the franchise fee or any other startup costs. The availability and terms of possible financing from third party sources will depend on factors such as availability of financing generally, your creditworthiness, collateral you may have and lending policies of financial institutions. The numbers included in this estimated do not include any finance charges, interest or debt service obligations or your living expenses.

1. **Initial Franchise Fee.** The Initial Franchise Fee is \$50,000 for an individual Restaurant franchise. If you sign a Multi-Unit Agreement, the Initial Franchise Fee you will pay will depend on the number of Restaurants you agree to open. If you agree to open additional Restaurants, your Initial Franchise Fee will be \$40,000 for the second restaurant and \$35,000 for each restaurant for each additional Restaurant. You must pay the total Initial Franchise Fees (also referred to as the Multi-Unit Fee) for all of the Restaurants you agree to open under the Multi-Unit Agreement at the time you sign the Multi-Unit Agreement.
2. **Initial Training Expenses.** We will not charge you a fee for you and two (2) additional persons to attend our initial training program. However, you must pay your transportation, meals, lodging and any other living expenses for you and any other persons attending the Initial Training outlined in Item 11 of this Disclosure Document. The amount you spend per individual will depend on the distance traveled and the type of accommodations you choose. The low estimate contemplates attendance by just you traveling to our Training Center in San Diego, California for 5 days. The high estimate contemplates attendance by you and 2 other people traveling to our Training Center in San Diego, California for 5 days. For each additional person above, designated by you to attend the Initial Training, you must pay us a \$500 fee (which is not refundable under any circumstances), and pay for the additional person's transportation, meals, lodging and other living expenses. The estimates do not include wages or salary you may choose to pay yourself or others while attending Initial Training.
3. **Real Estate.** A Fresheria Restaurant occupies about 1,200 to 1,500 square feet of space. Rent depends on geographic location, size, local rental rates, businesses in the area, site profile, and other factors and could be considerably higher in large metropolitan areas than in more suburban or small town areas.

Restaurants can be located in strip shopping centers, shopping malls, free-standing units, and other venues, in downtown commercial areas and in residential areas. We anticipate that you will rent the Restaurant's premises. It is possible, however, that you will choose to buy, rather than rent, real estate on which a building suitable for the Restaurant already is constructed or could be constructed. The rental security deposit may be refundable depending on your agreement with your landlord.

4. **Leasehold Improvement.** Leasehold improvement costs, including floor covering, wall treatments, counters, ceilings, painting, window coverings, electrical, carpentry, and similar work, and architect's and contractor's fees depend on the site's condition, location and size, the demand for the site among prospective lessees, the site's previous use, the build-out required to conform the site for your Restaurant, and any construction or other allowances the landlord grants. The lower figure assumes that you have a unique real estate model; the higher figure assumes a high square footage model. These monies are not refundable after they have been expended. The estimates included in the table above reflect the average deduction provided by landlords for tenant improvements and other allowances.
5. **Furniture, Fixtures & Equipment.** You must purchase from our Approved Suppliers refrigeration, freezers, furniture, fixtures & decor for your Restaurant hostess area and bathrooms, and wall art for the operation of the Restaurant as detailed by us in the Operations Manual. The cost will depend on supplier financing terms (if available), the brands purchased, the quality of the items purchased and other factors. The range of estimated costs represents the minimum furniture, fixtures, and equipment required to the maximum furniture, fixtures and equipment recommended (depending on the square footage of your Restaurant and the furniture, fixtures & equipment selected).
6. **Computer Hardware and Software.** Before opening your Restaurant, we typically require you to purchase 2 computer workstations, 2 iPads for client check-in, 3 televisions and an input device (e.g., Apple TV), printer, and related equipment and our designated and other software programs. Your minimum requirements for these items are designated in the Operations Manual and Item 8 and 11 of this Disclosure Document. You must pay us a \$2,500 set-up fee for the set-up of certain required software programs and the technology fee for the 2 months before opening (\$100 per month), each of which is included in the estimate range stated in the Table.
7. **Signage.** The estimated includes our required interior signs and one exterior sign which bear the Marks. The cost of the signs varies depending on the type, size and location of the sign, and may also be affected by shipping costs, as well as local zoning and other ordinances and regulations and landlord restrictions. If you want additional exterior signs, your cost will be higher.
8. **Opening Inventory.** This includes food and beverage products, paper products, cleaning supplies, and printing uniforms, promotional materials and other supplies. Monies spent on these items are not refundable, but the unused items may be sold.
9. **Uniforms & Merchandise.** You must purchase your uniforms, merchandise, and certain equipment and supplies from us.
10. **Utility Deposits.** We estimate the total amount of utility security deposits to be approximately \$2,000 to \$5,000. Some utility companies also may require a security deposit before commencing services.
11. **Business Licenses and Permit.** The costs include the business entity formation, licenses, and permits required to operate a Restaurant in your location. The license and permit requirements are specific to the state and city/town in which your Restaurant is located. Certain states may require that you file and post a bond for pre-opening membership sales, the estimated costs of which is not included in the Table.

12. **Grand Opening Marketing** During the period beginning at least 30 days before you open your Restaurant and continuing through the first 90 days of your Restaurant operations, we recommend you spend between \$10,000 to advertise, market and promote your Restaurant. You may choose to spend more. If you choose to spend more, the factors that may affect the actual amount you spend include the type of media used, the size of the area you advertise to, local media costs, location of the franchised business, time of year and customer demographics in the surrounding area. The amounts you spend for grand opening advertising are typically non-refundable. You should inquire about the return and refund policy of the supplier at or before the time of purchasing.
13. **Professional Fees.** You will need to employ an attorney, an accountant, and other consultants to assist you in establishing your franchised business. These fees may vary from location to location depending on the prevailing rates of local attorneys, accountants, and consultants. These fees are typically non-refundable. You should inquire about the refund policy of the attorney, accountant or consultant at or before the time of hiring.
14. **Insurance.** You must obtain insurance coverage with the limits required by us as described in Item 8 of this Disclosure Document. Factors that may affect your cost of insurance include the size and location of the franchised business, value of the leasehold improvements, equipment, inventory, number of employees and other factors. The amounts you pay for insurance are typically non-refundable. You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase.
15. **Lease Review Fee.** When you enter into a letter of intent for the lease of your Restaurant premises, you will be required to pay us or our Approved Supplier (which may be an affiliate of ours) this fee. We will charge you only one lease review fee; unless you refuse to sign a lease that we have approved and we are then required to review other lease for the Restaurant location.
16. **Additional Funds (First 3 Months of Operations).** The range of estimated costs represents your estimated initial start-up expenses (other than the amounts separately identified in the Table), which include payroll costs (excluding a draw or salary for you or your manager if you are not the manager), lease payments, advertising and marketing expenses, uniform expenses, the costs of supplies, and other operating expenses. The 3-month period is not intended, and should not be interpreted, to identify a point at which your Restaurant will break even. This estimated amount may vary based on a number of factors, including the extent to which you follow our methods and procedures, local economic conditions, the local market for your services, competition, sales levels, local wage rates, owner's salary, the extent of your actual participation in the Restaurant, your business acumen, your partners or shareholders (if applicable), and any other persons involved in the Restaurant. We have not previously offered franchises for the Fresheria franchise program. Accordingly, we have relied on our and our affiliates' many years of business experience to compile these estimates.
17. **Total Estimated Initial Investment.** You should review these figures carefully with your professional advisors, including financial and legal advisors, before making any decision to purchase a Fresheria Franchise. The amounts may vary based on your geographic location. You should consider the costs of each of the items described in this Disclosure Document in your geographic location. Fees paid to us are not refundable under any circumstances, unless otherwise stated in the Franchise Agreement. Fees or costs due to any other entity are subject to the terms set under their agreements. Inflation, discretionary expenditures, fluctuating interest rates and other factors may affect your actual costs to open your Restaurant. You are responsible for all costs and variances from the estimated costs in this Item 7, or variances from any other estimates we may provide during any phase of the development of your Restaurant.

The availability and terms of financing depend on the availability of financing generally, your creditworthiness, your available collateral, and lending policies of financial institutions. The estimate does not include any finance charge, interest, or debt obligation. We do not currently finance any portion of the initial investment.

**ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT
(Multi-Unit Agreement)**

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment Is to Be Made
	Low	High			
Estimated Initial Investment for First Restaurant (1)	\$522,000	\$771,500	As outlines in Table above	As outlines in Table above	As outlines in Table above
Multi-Unit Fee	\$75,000	\$145,000	Certified Funds	At time of signing of Multi-Unit Agreement	Us
Total	\$597,000	\$916,500			

1. The amount reflects the total estimated initial investment needed to open your first Restaurant as outlined above in this Item 7, including the \$50,000 Initial Franchise Fee. If you sign a Multi-Unit Agreement, you will pay us a Multi-Unit Fee as described below.
2. The amount of Multi-Unit Fee will depend on whether you agree to open three or five Restaurants. You will pay the total Multi-Unit Fee upon the signing of the Multi-Unit Agreement. The low estimate reflects payment of a total of one Multi-Unit Fee and high estimate reflects payment of the total Multi-Unit Fee for two addition Restaurants.
3. You should be aware that your initial investment for your second and subsequent Restaurants likely will be higher than the above estimates for your first Restaurant due to inflation and other economic factors that may vary over time.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General

In order to ensure a uniform image and uniform quality of products and services throughout the Fresheria System, you must maintain and comply with our quality and system standards. Although you are not required to purchase or lease real estate from us, we will assist you in site selection and we must accept the location of your Restaurant. You must execute our standard form the Lease Addendum in connection with any lease for the Restaurant location, a copy of which is attached to the Franchise Agreement as Schedule C. You must construct and equip your Restaurant in accordance with our then-current approved design, specifications and standards. In addition, it is your responsibility to ensure that your building plans comply with the Americans with Disabilities Act and all other federal, state and local laws. You also must use equipment (including hardware and software for your Computer System), signage, fixtures, furnishings, products, ingredients, supplies and advertising materials that meet our specifications and standards.

Designated Sources

You must purchase certain equipment, products, merchandise and supplies only from us or our required suppliers as noted in this Item 8. From time to time we, an affiliate or a third party vendor or supplier may be the only approved supplier for certain products. For example, as of the date of this Disclosure Document, you must purchase all trademarked retail items, products and supplies, including apparel and accessories, toys, bags, and mugs, from us. Additionally, you must purchase your uniforms, and certain merchandise, supplies, equipment and other materials, including cabinets and gift bags from us. You will pay the then-current price in effect for all purchases you make from us, our affiliate or any third party vendor we designate.

Approved Supplies and Suppliers

We will provide you with a list of approved manufacturers, suppliers, and distributors ("Approved Suppliers List") and approved inventory products, fixtures, furniture, equipment, signs, stationery, supplies and other items or services necessary to operate the Restaurant ("Approved Supplies List"). The Approved Supplies List may specify a required manufacturer or supplier of a specific product or piece of equipment. We reserve the right to designate a required source of supply for certain products and supplies, and we may be a required source or an affiliate which currently does not exist.

We anticipate expanding the list of required sources for other products and services. You must purchase such products and services from required sources as designated by us from time to time.

The lists also may include other specific products without reference to a particular manufacturer or supplier, or they may set forth the specifications and/or standards for other approved products. For example, as noted below, you must obtain insurance that meets our standards and requirements. We may revise the Approved Suppliers List from time to time. We give you the approved lists as we deem advisable. We generally do not give these lists to approved suppliers. We will set up your menu and provide contact information for your distributors and/or manufacturers of all products offered at the Restaurant.

Except where we identify a sole single source, if you propose to use in the operation of your Restaurant any product, supply, material, furnishing or equipment which has not yet been approved by us as conforming to our specifications and quality and system standards and/or from a supplier not yet approved in writing by us, you must first notify us in writing and must submit to us, upon request, sufficient information, specifications, and samples so that we can determine whether the item or service complies with System standards or the supplier meets our supplier criteria. We will provide you with written approval or disapproval within a reasonable time period (typically 30 days). You may not use any product, supply, material, furnishing or equipment that we have not approved.

Supplier approval will depend on product quality, delivery frequency and reliability, service standards, financial capability, customer relations, concentration of purchases with limited suppliers to obtain better prices and service, and/or a supplier's willingness to pay us or our affiliates for the right to do business with our System. We may inspect or re-inspect the facilities and products of any approved supplier and revoke our approval if the supplier fails to continue to meet our criteria and specifications. As a condition of approval, you and/or any supplier must reimburse us for all costs and expenses incurred by us associated with any testing, including travel, and lodging expenses incurred where we deem it necessary to visit a supplier's facilities.

Nothing contained in this Disclosure Document or in the Franchise Agreement requires us to approve an inordinate number of suppliers of a given item or approve suppliers, which, in our reasonable judgment, would result in higher costs to our franchisees or prevent, in our sole judgment, our effective and economical supervision of suppliers.

Because we supply the trademarked merchandise to our franchisees, some of our officers own an interest in one of our suppliers (the Franchisor). No officer owns an interest in any other supplier.

We may derive income through markups of the prices charged to you for products, supplies, computers, software, signage, or services we supply. We may derive revenue through license fees, promotional fees, advertising allowances, rebates or other monies paid by approved suppliers. Because we are a new franchisor, we do not yet know the percentage of our total revenues that will come from your purchases or leases of required products, supplies or services. We do not know the precise basis of these payments because we have never previously collected them. If we require you to buy such items from us, we believe that the price and quality will be comparable to similar items from other sources and we may take a portion of that revenue to spend on advertising or place in a separate advertising account. If we require you to buy products, supplies or services from a vendor that pays such allowances, we may spend all such fees on related advertising or place them in the separate franchisee advertising account, described in Item 11 below. If we are not required to apply these funds to advertising or place them in a separate franchise advertising account, but will use our reasonable discretion in making such decision. No such revenues have been previously received.

We may from time to time suggest prices to be charged by you that, in our judgment, would constitute good business practice. The integrity and goodwill developed in your business and the System may depend upon the sale of products and services at competitive prices and that, therefore, we may specify from time to time, a maximum price for your products and services and you are required to comply with such directions from us concerning maximum prices. You are free to sell or allow to be sold all products and services for a price which is less than the applicable retail price suggested by us. The suggested retail price for products and services may vary from region to region to the extent necessary in order to reflect differences in costs and other factors applicable to such regions.

You must sell the services and any products that are approved by us and which strictly conform to our specifications. All products and services approved by us must be offered for sale on a continuous basis at your location at the time and in the manner specified by us. No sale of any product or service except those products or services approved by us may be solicited, accepted, or made at or from your Franchisees Business. If requested by us on at least 30 days' notice as part of a general program or standardization effort by us, the marketing of a particular product or service must be discontinued. Then this product or service is no longer an approved product or service.

Insurance

You must carry insurance policies protecting you, us, and our affiliates. The insurance policy or policies shall be written in accordance with the standards and specifications (including minimum coverage amounts) outlined in writing by us from time to time, and, at a minimum, shall include the following (except as different coverages and policy limits may be specified for all franchisees from time to time in writing) (i) "special" causes of loss coverage forms (sometimes called "All Risk coverage" or "All Peril coverage") on the Restaurant, Restaurant improvements, furniture, fixtures, equipment, supplies and other property used in the operation of the Restaurant, for full repair and replacement value, except that an appropriate deductible clause is permitted, (ii) business interruption insurance covering a minimum 12 months loss of income, including coverage for our Royalty Fees (for example, in the event of a fire or destruction of the premises, the insurance must cover our average royalty payments (based on the previous 12 month timeframe, or if a shorter timeframe, the total operating timeframe for the Restaurant) during the rebuilding process), (iii) comprehensive general liability insurance, including product liability insurance and contractual liability insurance, (iv) workers' compensation covering all of your employees, (v) motor vehicle insurance, (vi) umbrella liability insurance which also includes employers liability, (vii) "Per Location" aggregate limits when multiple Restaurant locations are insured under one comprehensive general liability and umbrella liability policy(cies), (viii) Fresheria Franchisor, LLC named as an additional insured on all liability policies required by this subparagraph, (ix) severability of interests or separation of insureds provisions must be included in the liability policies and all policies must be primary and non-contributing with any insurance

policy carried by Fresheria Franchisor, LLC, and (x) any other such insurance coverages or amounts as required by law or other agreement related to the Restaurant. We may from time to time modify the required minimum limits (including an increase to the umbrella policy referenced in (vi) above) and require additional insurance coverages by providing written notice to you, as conditions require, to reflect changes in relevant circumstances, industry standards, experiences in the Fresheria System, standards of liability and higher damage awards.

The insurance coverages referenced above must commence as of the date you sign a lease or purchase agreement for the Authorized Location (as defined in Item 12)

You must deliver to us upon execution of the lease or purchase agreement for the Authorized Location, but before commencing construction of your Restaurant, and thereafter annually or at our request a proper certificate evidencing the existence of such insurance coverage and your compliance with the provisions of this subparagraph along with complete copies of all insurance policies and renewals. The insurance certificate must show our status as an additional insured (as noted in (viii) above) and provide that we will be given 30 days' prior written notice of material change in or termination or cancellation of the policy. If you do not procure and maintain the required insurance coverage (including any modifications referenced in the preceding sentence), we have the right, but not the obligation, to procure insurance coverage and to charge the costs to you, together with a reasonable fee for the expenses we incur in doing so. You must pay these amounts to us immediately upon written notice.

Although we require certain insurance coverage and have recommended other coverages, we do not guarantee that the required or recommended insurance will be adequate to fully protect your assets. You should therefore consult with an insurance professional to determine what coverage, in addition to the minimum required coverage, may be needed for you and your Restaurant.

We and our affiliates reserve the right to receive rebates or other consideration from suppliers in connection with your purchase of trademarked merchandise, goods, products and services as described in this Item 8, as well as in connection with any future purchase of any goods, products or services. Most of these payments are calculated on an amount based on products sold. We will retain and use such payments as we deem appropriate or as required by the vendor. As of the date of this Disclosure Document, we have not received any rebates from any of our required or approved suppliers.

We may negotiate prices for numerous products for the benefit of the System but not on behalf of individual franchisees. Currently, there is no purchasing or distribution cooperative but we reserve the right to create a cooperative and require you to participate. We may receive volume discounts for the System which we will pass through to our franchisees. Beyond these discounts, we do not provide material benefits to you because of your use of approved suppliers.

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.

Obligations	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 2A and 5A, Multi-Unit Agreement Section 4 and Appendix C	Item 7 and 11
b. Pre-opening purchases/leases	Section 5A, 6A, 6E and 9B	Items 5, 6, 7, and 8

c. Site development and other pre-opening requirements	Sections 5A and 5B, Multi-Unit Agreement Sections 2 and 4	Items 7, 8 and 11
d. Initial and ongoing training	Sections 7B and 7C, Multi-Unit Agreement Section 6	Items 6 and 11
e. Opening	Sections 2B and 5A, Multi-Unit Agreement Section 4 and Appendix C	Items 5 and 11
f. Fees	Sections 2B and 5A, Multi-Unit Agreement Section 4 and Appendix C	Items 5, 6 and 7
g. Compliance with standards and policies/Operations Manual	Section 6A and 6O, Multi-Unit Agreement Section 4 and 6A	Items 6, 7, 8, 11, 14 and 16
h. Trademarks and proprietary information	Sections 3A-3E and 6J, Multi-Unit Agreement Section 6B	Items 13 and 14
i. Restrictions on products/services offered	Sections 2D-2E and 6A-6C	Items 6, 7, 8, 11 and 16
j. Warranty and customer service requirements	Section 2E and 6K	Items 6 and 11
k. Territory development and sales quotas	Sections 2B and 2D; Multi-Unit Agreement Section 4 and Appendix B and C	Item 12
l. Ongoing product/service purchases	Section 6A-6C	Items 6, 7 and 8
m. Maintenance, appearance, and remodeling requirements	Section 5B-5F	Items 8 and 11
n. Insurance	Section 10C	Items 6, 7 and 8
o. Advertising	Section 8A-8E and 9D	Items 6, 7 and 11
p. Indemnification	Section 10B	Not Applicable
q. Owner's participation/management/staffing	Sections 7A-7F	Items 11 and 15
r. Records and reports	Sections 9G, 9J and 9K	Item 11
s. Inspections and audits	Sections 5A-5C, 6G and 9I	Items 6 and 11
t. Transfer	Section 11A-11G, Multi-Unit Agreement Section 9	Items 6 and 17

u. Renewal	Section 4B	Items 6 and 17
v. Post-termination obligations	Sections 14A-14C; Multi-Unit Agreement Section 8A-8F	Item 17
w. Non-competition covenants	Section 10D	Item 17
x. Dispute resolution	Sections 12A-12B; Multi-Unit Agreement Sections 10H and 10N	Item 17
y. Other	Not Applicable	Not Applicable

*Unless otherwise noted, Section references are to the Franchise Agreement.

ITEM 10 FINANCING

We do not offer direct or indirect financing to franchisees for any items. We do not guarantee your loans, leases, or other obligations. You must obtain necessary financing through third parties. It is solely your responsibility to locate and obtain, on whatever terms you can arrange, any required financing for the establishment of your Franchised Business. We may assist franchisees in obtaining financing in the future.

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

Except as listed below, Fresheria Franchisor, LLC is not required to provide you with any assistance.

Pre-Opening Assistance – Below you open your Restaurant, we or our authorized representative will assist you with the following:

1. Provide you with our site selection criteria and general building and design requirements for your Restaurant. Provide you with site selection assistance and support (Franchise Agreement – Sections 5A and 5B);
2. Provide you with our Fresheria Training Program (Franchise Agreement – Section 2A);
3. Provide you with the Approved Supplies and Approved Suppliers lists (Franchise Agreement – Section 6C);
4. Loan you either a written copy or electronic copy of the Operations Manual, the current table of contents of which is in Exhibit F. As of the date of this Disclosure Document, the Operations Manual contains 244 pages (Franchise Agreement – Section 6I);
5. Provide the initial training program and opening assistance described below (Franchise Agreement – Sections 7B and 7C)
6. Inspect your Restaurant before opening and provide a Franchise Certificate of Approval. A Franchise Certificate of Approval may be obtained only after all local permits, insurance certificates and codes have been met and a certificate of occupancy has been granted. If you do not pass your initial inspection, you will be charged for all costs and expenses incurred by us in sending an inspector to re-inspect your Restaurant. We estimate that this amount will not exceed \$1,500 (Franchise Agreement – Section 2B and 5A)

Post-Opening Assistance – During your operation of the Restaurant, we will:

1. Maintain and administer the Marketing Fund (Franchise Agreement – Section 8A);
2. Provide updates to the Approved Supplies and Approved Suppliers lists (Franchise Agreement – Section 6C);
3. Make periodic visits to your Restaurant as we reasonably determine necessary to provide consultation and guidance. We will advise you of any problems arising out of the operation of your Restaurant as disclosed by the report or by or inspection (Franchise Agreement – Section 6G);
4. Periodically offer refresher training courses as we determine necessary and require you to attend (Franchise Agreement – Sections 7C and 7E).

Our Obligations Under the Multi-Unit Agreement

A developer signs the initial Franchise Agreement and the Multi-Unit Agreement at the time which includes a Development Schedule. Our obligations under the Franchise Agreement apply to a developer. Each time a developer signs another Franchise Agreement, our obligations are activated for the new Restaurant established. We do not have any separate obligations under the Multi-Unit Agreement.

Time of Opening

We estimate that it will take approximately six months after you sign a lease for your Restaurant before you open the Restaurant. You must open your Restaurant for business within 8 months from signing the lease agreement. If you fail to open the Restaurant within 8 months from signing the lease, we may at our option terminate the Agreement and your franchise fee will not be refundable. You must sign a lease for an acceptable site within 12 months after the Franchise Agreement's Effective Date. We may terminate the Franchise Agreement if you fail to sign a lease within the 12-month period. If you sign a Multi-Unit Agreement, you are required to pay the Multi-Unit Fee in full, lump sum at the time you sign the Multi-Unit Agreement, you will have up to three years to open three Restaurants. The specific timetable for opening depends on the site's condition, the Restaurant's construction schedule, the extent to which you must upgrade or remodel an existing location, the delivery schedule for equipment and supplies, the completion of training, and your compliance with local laws and regulations. You may not open the Restaurant until (1) we inspect your Restaurant and provide you with a Franchise Certificate of Approval, (2) you complete pre-opening training to our satisfaction, (3) you pay the initial franchise fee and other amounts then due to us, and (4) you give us certificates for all required insurance policies, complete copies of all insurance policies and present copies of required licenses.

Advertising

As of the date of this Disclosure Document, you must pay a Marketing and Promotion Fee of 2% for local advertising of your Gross Sales to a marketing and development fund (the "Fund") established by us. We currently have not adopted a National Marketing Fund but when the national fund is established, you must participate in and contribute to the separate fund for national advertising and marketing programs at 1% of your Gross Sales on a weekly basis.

We will administer the Fund. The Fund is not a trust or escrow account, and we do not have any fiduciary obligations with respect to the Fund. If all of the Marketing Fees are not spent in the fiscal year in which they accrue, the remaining amounts are retained in the Fund for use in the following years. We may use the Fund for various purposes, including, but not limited to: (1) salaries, benefits and any other payments made to employees/team members or any other individual or entity providing services to the Fund, (2) broadcast or print advertising, (3) the creation, development and production of advertising and promotional materials (*ie*, print ads, radio, film and television commercials, videotapes, direct mail pieces, and other print advertising), (4) any marketing or related research and development, (5) advertising and marketing expenses, including product and food research and development, services provided by advertising agencies, public relations firms or other marketing, research or

consulting firms or agencies, menu designs, customer incentive programs, sponsorships, marketing meetings and sales incentives, development of our website and intranet system, Internet access provider costs, subscriptions to industry newsletters or magazines, and administrative costs and salaries for marketing support personnel, and (6) costs and expenses incurred by us relating to any franchise convention we hold or sponsor.

We determine the use of the monies in the Fund. We are not required to spend any particular amount on marketing, advertising, or promotion in the area in which your Restaurant is located. We oversee the advertising program and use the Fund to create marketing materials and conduct national, regional or local advertising as we determine appropriate. We will contribute to the Fund amounts equal to your required percentage for each similarly situated company owned and affiliate-owned Restaurants in the same local marketing area, except those Restaurants located at "Special Sites." From time to time we may contribute to the Fund some amounts paid to us by outside suppliers. We will prepare an annual unaudited accounting of the Fund and will make it available for your review upon your written request. We have our own in house marketing and advertising production capabilities, but also may use an outside national, regional, or local agency. We may be reimbursed for administrative costs and overhead incurred in administering the Fund. We may use a portion of the advertising funds for the solicitation of franchise sales.

As of the date of this Disclosure Document, we have not collected or spent any marketing fees.

In addition to the National Marketing Fee, you also must spend at least 1% per year on local marketing and promotion. You may only use your own marketing material if we have approved it before its use. We will notify you of our approval within 30 days after the marketing material are submitted. If we do not notify you of our approval within 30 days of the marketing material being submitted then the marketing material will be deemed unapproved.

You also must engage in certain grand opening marketing events and activities during the first month your Restaurant is open. Specifically, you must spend \$3,000 to \$5,000 on a grand opening campaign which will include promotional elements, merchandise/giveaways, entertainment, decorations and labor (the "Grand Opening Marketing Campaign"). Your grand opening marketing expenditures will count towards your first year's local advertising requirements.

You must obtain our written approval of all promotional and marketing materials prior to their use.

Although we do not currently do so, we have the right to designate local advertising markets and if designated, you must participate in and contribute to the cooperative advertising and marketing programs in your designated local advertising market. If established, you must direct your local advertising expenditure to the advertising cooperative, which is separate from the payment of the National Marketing Fee. Each advertising cooperative will be required to adopt governing bylaws that meet our approval. You must obtain our written approval of all promotional and advertising materials, creative execution and media schedules prior to their implementation. Each advertising cooperative will be required to prepare annual financial statements, which must be made available to all members of the cooperative and to us upon request. Also, each advertising cooperative must submit to us its meeting minutes upon our request. We have the right to require advertising cooperatives to be formed, changed, dissolved or merged in our sole determination.

Computer System

You must obtain and use in your Restaurant an approved Point-Of-Sale cash register system. You must record all sales on the Point-Of-Sale System. The System will generate reports on the sales and expenses of the Restaurant, and it currently costs approximately \$5,000. You must obtain the Point-Of-Sale System from our designated supplier. You will be solely responsible for the acquisition, operation, maintenance, and upgrading of the Point-Of-Sale System. Neither we, nor any affiliate or third party, is obligated to provide ongoing maintenance, repairs, upgrades, or updates for the Point-Of-Sale System. We currently do not require that you purchase a maintenance,

repair, upgrade, or update service contract for the Computer System, but it is strongly suggested and we reserve the right to do so in the future.

Our current Point-Of-Sale System requirements are identified in the Franchise Agreement Schedule H. We reserve the right to change the point-of-sale cash register system and back-of-office computer at any time, but will not require you to replace these items more than three times during the initial term of the Franchise Agreement. We reserve the right to change the software each calendar year. At such time as we designate the change or enhancement to the Point-Of-Sale System you may be required to make certain payments to us or our designated suppliers. You will have 30 days to install and commence using the changed or enhanced Point-Of-Sale System. You must acquire the right to use hardware, software, peripheral equipment and accessories, and arrange for installation, maintenance and support services of the initial, changed or enhanced Point-Of-Sale System all at your cost. There are no contractual limitations on the frequency and cost of this obligation.

The Point-Of-Sale System we develop may include proprietary software. You may be required to license the proprietary software from us, an affiliate or a third party, and you also may be required to pay a software licensing or use fee in connection with your use of the proprietary software. All right, title and interest in the software will remain with the licensor of the software.

We may independently access the Point-Of-Sale System and retrieve, analyze, download and use all software, data and files Restaurant or used on the Point-Of-Sale System. We may access the Point-Of-Sale System through our intranet, in your Restaurant or from other locations. You must capture all data and information that we designate and report data and information in the manner we specify, including through our intranet or other online communications. You also must maintain a phone line and a separate modem dedicated for the sole use of allowing our computer system to interface and communicate with your Point-Of-Sale System and you may need to purchase software designated by us for this to occur. You also must have your Restaurant connected to the Internet using a connection method we approve, currently DSL or Cable modem. You must have a permanent Internet email account.

You understand that the data storage, phone line, modem, communication software, Internet access, Internet email account and all additional hardware and software needed to implement and maintain these services is at your cost.

Site Selection

You select the site for the Restaurant with site selection guidelines we provide. We will assist you in connection with selecting and securing a site for your Restaurant, but it is your responsibility to find a site for your Restaurant. We do not select your site. However, upon your submission of all required information, we will notify you whether or not we have any objections to the site you proposed. You may not proceed to develop a Restaurant on the site unless we have provided you with our acceptance of the site. Further, we must approve your plans and specifications for the Restaurant prior to the time you commence construction. Our identification or consent to a site does not constitute a guarantee, recommendation or assurance as to the success of the site or your Restaurant. The site selection factors considered by us in deciding whether or not to object to the location may include the following: (a) demographics, (b) traffic patterns, (c) parking and visibility, (d) business mix and competition, (e) ability to reflect image to be portrayed by Fresheria Restaurants, and (f) size, appearance and other physical characteristics of the site. We may reject a site proposed by you in which case you will continue to look at alternative sites.

You have up to 12 months to select a site and sign a lease. If the site selection cannot be agreed upon within this timeframe, we reserve the right to terminate the Franchise Agreement.

Training/Education

Before you open your Restaurant, we will train you and your Operating Partner to operate a Fresheria Restaurant. We will provide approximately 43 hours of training (although the specific number of days depends on our opinion of your experience and needs) at our training facility in San Diego, California, or another location we designate. We also provide approximately 20 hours of training at your location when you open your Restaurant. You must attend all the training.

Additional people beyond the first two may attend initial training if you pay our then current training charge for each additional person (we will determine the training charge, but in no event will this charge exceed \$500 per person per day). You also must pay for all travel and living expenses that you and your employees incur and for your employees' wages and workers' compensation insurance while they attend our initial training program.

Training will occur after you sign the Franchise Agreement and while you are developing the Restaurant. You and your attendees must complete the entire training program to our satisfaction before you may open your Restaurant. If you or your attendees do not successfully graduate our training program you will have to attend the entire program again at your cost before the opening of your Restaurant. As of the date of this Disclosure Document, we provide the following training:

TRAINING CHART

Phase One: Location – Fresheria Franchisor, LLC Corporate Office

SUBJECT	TIME BEGUN	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE- JOB TRAINING	INSTRUCTIONAL MATERIALS
Orientation/ Restaurant Safety Overview /Observation of FOH And BOH History, Philosophy, Mission, and Vision of Fresheria Overview of Daily Operations, Including Restaurant Layout, Menu, Concept, Environment Appearance and Attitude Personal Hygiene	Day 1	4	6	Tour of Restaurant and Overview of all Operations and Instructions
Operations Manual, Policies and Procedures, Health Regulations and Requirements, Restaurant Technologies (including, but not limited to: POS System, Telephones, Computers, Printers, Etc.)	Day 2	3	7	Operations Manual and Food Safety Manual

Operations Manual – Job Descriptions and Checklists, Build-to-Recipe Guide Vendor relations Product Handling Receiving Storage/rotation Product production Timing Presentation Portion Control/Waste Prevention	Day 3	2	8	Operations Manual and Build-To Recipe Guide
Operations Manual and POS Training	Day 4	1	9	Operations Manual and POS System Training Guide
Customer Service Opening Closing Phone procedures	Day 5	1	9	Operations Manual
Facilities Management (voids, comps, promos), FOH Operations, Shift Leader, Cashier, POS System, FOH Opening and Closing Cash Drawers, FOH Safety Procedures BOH Operations, Shift Leader, Cook/Dishwasher, BOH Equipment, BOH Opening and Closing, BOH Sidework, BOH Safety Procedures Employee Discipline Security Money handling Employee/Store Security Cleaning	Week 2	5	45	Operations Manual
Administrative Procedures Scheduling, Bookkeeping, Cash Management, Financial Reports (Financial Systems/Accounting), Back				

Office POS System Functions, Hiring, Human Resources, Cost Controls	Week 3	5	45	Operations Manual
Maximizing Sales / Profitability				
Grand opening, customer retention, profitability Neighborhood marketing, advertising Merchandising				
Efficient service controls POS Training				
Day-end digital paperwork Ordering product Conducting inventory Goal setting / Budgeting Payroll processing Operational Readiness Review				
Real Day – Running Actual Business Day				

Phase Two: Location – Franchise Unit/Franchisee’s Restaurant

SUBJECT	TIME BEGUN	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	INSTRUCTIONAL MATERIALS
Verify New Store Set-up and Installation of all Equipment, POS System, Technology, Alarm System, Vendor Relationships				Operations Manual, Equipment Manuals, Vendor List
Store Set-up, Dining Room, Kitchen, Cash Wrap, Paper Goods, Furniture, Small Equipment, Bathrooms, Back Office, Initial Inventory for Food, Beverages, and Merchandise				Operations Manual, Equipment Lists, and Inventory Lists
Staff Training				Operations Manual, POS System Training Materials, Recipe Guide
Staff Training				Operations Manual, POS System Training Materials, Recipe Guide

Staff Training				Operations Manual, POS System Training Materials, Recipe Guide
Staff Training				Operations Manual, POS System Training Materials, Recipe Guide
Grand Opening Event				Operations Manual, POS System Training Materials, Recipe Guide
Open for Business – Ongoing Observation, Support, and Trouble Shooting				Operations Manual, POS System Training Materials, Recipe Guide

Ely Castaneda and Nancy Juarez will oversee all training. Ely has ten years' experience and Nancy has 15 years in the food industry pertaining to food safety, operations, food preparation, and franchisee requirements and has been with us since its inception. Other staff members who are listed in Item 2 may oversee and assist with training. We also reserve the right to have other trainers and we determine in our sole discretion. The Operations Manual will be used as the principal instructional material.

When your Restaurant is ready to open, you must obtain approval of the completion of your Restaurant. Fourteen days after obtaining the approval to open your Restaurant we will, at our cost, send one of our representatives to your Restaurant, conduct a final inspection and assist with your Restaurant opening. Successful completion of this training phase will enable you to open your Restaurant.

You (or your Operating Partner) and/or other previously trained and experienced employees must attend and satisfactorily complete various training courses that we periodically provide at the times and locations we designate. In addition to attending these courses, you must attend an annual meeting of all franchisees at a location we designate. We will not require attendance at the annual meeting for more than three days during any calendar year. You are responsible for all related travel and living expenses and wages. As of the date of this Disclosure Document, the location, duration, frequency and content of any additional training program we may require is unknown. Generally, this additional training will be available on an "as needed" basis depending on new product and services introduction, and the availability of training locations.

We may require Restaurant managers to satisfactorily complete initial and ongoing training programs.

We may charge you a fee for training managers (we will determine the training charge, but in no event will this charge exceed \$500 per person per day). You are responsible for all related travel and living expenses and wages.

Additional Training and Conference. We may require that you pay a fee of up to \$500 per individual you designate to attend any refresher training we make available to our franchisees or for any optional training programs we may periodically conduct. You must attend any annual conferences or seminars that we may require at a location we designate. You shall pay all costs to attend any refresher training, conferences or seminars (Section 5.3 of the Franchise Agreement).

Operations Manual

The Table of Contents of the Operations Manual, together with the number of pages in each Section and the total number of pages (244), is included in Exhibit F. You must treat the Operations Manual, and other written materials created for or approved for use in the operation of the Restaurant, and the information contained in them, as confidential. The Operations Manual will remain our sole property. We may, from time to time, revise the contents of the Operations Manual and you must comply with each new or changed standard.

ITEM 12 TERRITORY

You will operate the Restaurant at a specific location that we first must approve (the "Authorized Location"). Except for Special Sites, we will not during the term of your franchise operate or grant others the right to operate a Fresheria Restaurant within a specified geographic area (As "Designated Territory"), except as generally described in this Item 12 and more fully stated in the Franchise Agreement. You do not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own or from other channels of distribution or competitive brands that we control.

We will not locate another Fresheria Restaurant, whether operated by another franchisee, us or one of our affiliates, any closer than two miles from the main entrance of your Restaurant. The boundaries of your Designated Territory may depend upon any major topographical features which clearly define a contiguous area, like rivers, major freeways, etc.

During the term of your Franchise Agreement and provided you are in compliance with the terms and conditions of your Franchise Agreement, we will not (i) modify the Designated Territory, (ii) establish a company-owned or franchised Fresheria Restaurant inside the Designated Territory, or (iii) establish a company-owned or franchised Restaurant inside the Designated Territory that offers the same products and services as your Fresheria Restaurant, except for any Merger/Acquisition Activity (as described and defined below).

You may operate the Restaurant only at the Authorized Location and may not relocate the premises without our approval. If you lose possession of the original Restaurant's premises because the lease expired by its terms, or on account of condemnation or eminent domain proceedings, or as the result of early termination under the Franchise Agreement, you must initiate the relocation procedure in time to lease, build-out and open the new Restaurant for business within 60 days after the original Restaurant closes. If your lease is terminated on account of a fire or other casualty, you must initiate the relocation procedure in time to lease, build-out and open the new Restaurant for business within 120 days after the lease for the original Restaurant terminates. We will allow relocation if circumstances dictate that it is in your and our best interests.

We retain all rights that are not expressly granted to you under the Franchise Agreement. The license granted to you under the Franchise Agreement does not provide you with any right to (i) sell products and Menu Items identified by the Marks at any location outside the Designated Territory, except for any catering or delivery services we permit, (ii) sell products or Menu Items through alternative channels or methods of distribution, including the Internet (or any other existing or future form of electronic commerce), (iii) sell products and Menu Items identified by the Marks to any person or entity for resale or further distribution, except as we may designate in writing, or (iv) exclude, control or impose conditions on our development of future franchised, company or affiliate-owned Restaurants at any time or at any location regardless of the proximity to your Designated Territory.

Further, we may, among other things, on any terms and conditions we deem advisable, without paying compensation to any franchisee, and without granting you any rights therein:

(i) establish and/or license others to establish franchised or company-owned Restaurants at any location outside your Designated Territory regardless of the proximity of such Restaurants to your Designated Territory,

(ii) merge with, acquire or become associated with ("Merger/Acquisition Activity") any businesses or Restaurants of any kind under other systems and/or other marks, which businesses and Restaurants may convert to or operate under the Marks and may offer or sell menu items, products and services that are the same as or similar to the Menu Items offered at or from the Restaurant, and which Restaurants may be located anywhere inside or outside of your Designated Territory, and

(iii) offer, sell, and distribute for ourselves and/or license others to offer, sell and distribute through franchised businesses or any other method of distribution, both inside and outside your Designated Territory, menu items the same as or different from the Menu Items offered under the System, and which are offered and distributed under the Marks or marks different than the Marks through any distribution channels or methods. The distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, wholesale, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the Internet (or any other existing or future form of electronic commerce).

Special Sites are also excluded from your Designated Territory and we have the right to develop or franchise the following Special Site locations (1) military bases, (2) public transportation facilities, (3) sports facilities, including race tracks, (4) student unions or other similar buildings on college or university campuses, (5) amusement and theme parks, (6) malls and (7) special events (collectively "Special Sites").

You must not offer catering and delivery services unless we authorize in writing. Continuation of your franchise rights and Designated Territory do not depend on the achievement of a certain sales volume, market penetration or other contingency. You do not receive the right to acquire additional franchises unless you sign another franchise agreement with us.

We do not place any restrictions on the customers you may solicit. You do not, however, have the right to use other channels of distribution to make sales.

Multi-Unit Agreement

The rights described above regarding what we and our affiliates can do for a single Restaurant are generally the same if you sign a Multi-Unit Agreement. In addition, we may terminate the Multi-Unit Agreement if you (i) fail to exercise options to enter into Franchise Agreements with us within any period on the Development Schedule, (ii) fail to comply with any other terms and conditions of the Multi-Unit Agreement, (iii) make or attempt to make a transfer or assignment in violation of the Multi-Unit Agreement, or (iv) fail to comply with the terms and conditions of any individual Franchise Agreement or of any other agreement to which you and we or our affiliates are parties.

ITEM 13 TRADEMARKS

Under the Franchise Agreement, we grant you the non-exclusive right to use the Mark in connection with the operation of your Restaurant. The following Mark has been registered upon the principle registry of the United States Patent and Trademark Office ("USPTO") "FRESHERIA." The Franchisor is the owner of the Mark. The Mark was previously owned by Nancy Juarez, who assigned it to Fresheria Franchisor, LLC on May 10, 2023.

Mark	Registration Number	Registration Date
Fresheria (Standard Character Mark)	6488880	September 21, 2021

As of the date of this Disclosure Document, we do not have a federal registration for our principal trademark. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

We claim common law trademark rights for all of the Marks. We intend to file all required affidavits and renewals for the Marks noted above.

You must follow our rules when you use the Marks, including giving proper notices of trademark and service mark registration and obtaining fictitious or assumed name registrations required by law. You may not use any Mark in your corporate or legal business name, with modifying words, terms, designs, or symbols (except for those we license to you), in selling any unauthorized services or products; or as part of any domain name, homepage, electronic address, or otherwise in connection with a Web site.

Schedule B to your Franchise Agreement identifies the Marks that you are licensed to use. We have the right to change Schedule B from time to time. Your use of the Marks and any goodwill is to our exclusive benefit, and you retain no rights in the Marks. You also retain no rights in the Marks upon expiration or termination of your Franchise Agreement. You are not permitted to make any changes or substitutions of any kind in or to the use of the Marks unless we direct in writing. We may change the System presently identified by the Marks, including the adoption of new Marks, new Menu Items, new products, new equipment, or new techniques, and you must adopt the changes in the System as if they were part of the Franchise Agreement at the time of its execution. You must comply within a reasonable time, at your expense, if we notify you to discontinue or modify your use of any Mark. We will have no liability or obligation as to your modification or discontinuance of any Mark, except that we will reimburse you for your out-of-pocket expenses, including letterhead, in an amount not to exceed \$250.

There are currently no material determinations of the U S Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court, or any pending infringement, opposition, or cancellation proceedings involving the principal Marks. There is no material federal or state court litigation regarding our use or ownership rights in any trademark.

Except as described above in this Item 13, there are no currently effective agreements that significantly limit our rights to use or license the use of these trademarks.

We will protect your right to use the Marks against claims of infringement or unfair competition arising out of your proper use of the Marks. You must notify us of the use of, or claim of rights to, a trademark identical or confusingly similar to our Marks. We have the right to determine whether or not we will take affirmative action when notified of these uses or clause and the right to exclusively control any litigation or proceedings. You are required to assist us in the prosecution of such litigation or proceedings. We will reimburse you for all actual damages (other than loss of income) and out-of-pocket expenses incurred by you in connection with any claim by any third party for infringement or unfair competition arising out of your use of the Marks, however, our obligations to reimburse you will exist only if you have used the name or Mark that is the subject of the controversy in strict accordance with the provisions of this Agreement and our rules, regulations, procedures, requirements, and instructions, and have notified us of the challenge as stated above and have otherwise fully cooperated with us in the defense of any action.

We know of no superior prior rights or infringing uses that could materially affect your use of the trademarks in the state where your franchise business will be located.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

As of the date of this Disclosure Document, we do not own any rights in or to any patents, patent applications or copyrights that are material to the franchise. We claim copyright protection for our Operations Manual and other publications and promotional materials, although we have not registered any of the materials with the United States Copyright Office. These materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement, Operations Manual, and other communications that we provide to you. We reserve the right to register any of our copyrighted materials at any time we deem appropriate.

There currently are no effective determinations of the Copyright Office (Library of Congress), United States Patent & Trademark Office, Board of Patent Appeals & Interferences, or any court, or any pending infringement, opposition or cancellation proceedings or any pending material litigation involving any patents or copyrights. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials. We are not required by any agreement to protect or defend any patent, trademark, or copyright.

We know of no superior prior rights or infringing uses that could materially affect your use of the copyrights in the state where your franchise business will be located.

Our Operations Manual and other materials contain our confidential information (some of which constitutes trade secrets under applicable law). This information includes site selection criteria, recipes, training and operations materials, methods, formats, specifications, standards, systems, procedures, food preparation techniques, sales and marketing techniques, knowledge, and experience used in developing and operating Fresheria Restaurants, marketing and advertising programs for Fresheria Restaurants, any computer software or similar technology that is proprietary to us or the system, knowledge of specifications for and suppliers of Approved Suppliers and other products and supplies, knowledge of the operating results and financial performance of Fresheria Restaurants other than your Restaurant, and graphic designs and related intellectual property.

All ideas, concepts, techniques, or materials concerning a Fresheria Restaurant, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the system, and works made-for-hire for us. To the extent any item does not qualify as a "work made-for-hire" for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent improper disclosure to others and use non-disclosure and noncompetition agreements with those having access. We may regulate the form of agreement that you use and will be a third-party beneficiary of that agreement with independent enforcement rights.

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

The day-to-day operations of your Fresheria Restaurant must be managed at all times by you (or your Operating Partner as defined below) or an "Assistant Restaurant Leader" who has satisfactorily completed our training program and exhibits the skills necessary to uphold the standards as imposed by Franchisor. Your Assistant Restaurant Leader need not have an equity interest in the business but must agree in writing not to compete against us and to preserve confidential information to which they have access and not to compete with you, us, and other franchisees. We may regulate the form of agreement that you use and be a third-party beneficiary of that agreement with independent enforcement rights. Certain other employees may also be required to enter into an agreement not to compete against Fresheria Restaurant in similar businesses or other systems while employed by you, and for 12 months after employment, and an agreement not to reveal confidential information obtained during the course of their employment with you.

You are required to inform us immediately of a change of the Operating Partner or General Manager of your business operation.

Your spouse must sign a document that makes them liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouse's marital and personal assets, including your home at risk, if your franchise fails.

You must attend any annual meeting, convention or conference of franchisees and all meetings related to new products or product preparation procedures, new operational procedures or programs, training, management, sales or sales promotion or similar topics that we offer, at your own expense. We do not anticipate requiring franchisees

to attend meetings for more than ten days during any calendar year. You are responsible for all related travel and living expenses associated with attending any additional meetings, conventions or conferences. As of the date of this Disclosure Document, the location, duration, frequency and content of any additional meetings, conventions or conferences we require you to attend is unknown and will depend on the frequency with which new products or services are introduced to the System.

If you are, or at any time during the term become, a business corporation, partnership, limited liability company, or other legal entity, you must designate an "Operating Partner." Your Operating Partner must be an individual who (a) owns and controls not less than 5% of the equity and voting rights, (b) has completed our initial training program, and (c) has the power and authority to bind you in all dealings with us. If you are a corporation, limited liability company, or partnership, your owners must personally guarantee your obligations under the Franchise Agreement and agree to be bound personally by every contractual provision, whether containing monetary or non-monetary obligations, including the covenant not to compete. This "Guaranty and Assumption of Obligations" is included with your Franchise Agreement.

ITEM 16 RESTRICTIONS ON WHAT FRANCHISEE MAY SELL

You must offer and sell all Menu Items and perform all services that we require for Fresheria Restaurants. You may not offer or sell any products or perform any services that we have not authorized. We have the unlimited right to change the required and/or authorized products and services you may offer. You may not offer for sale any Menu Items or other products through the Internet or other online programming or marketing. You are not otherwise limited in the customers to whom you may sell products or services.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 2.1	Ten years from the Effective Date of your Franchise Agreement.
	Section 2 and 4 and Appendix B to the Multi-Unit Agreement	Term depends on the number of Restaurants to be development under the Multi-Unit Agreement as specifically set forth in Appendix B
b. Renewal or extension of the term	Section 4B	Renewal for three additional term(s) of 10 years each No renewal rights under the Multi-Unit Agreement
c. Requirements for franchisee to renew or extend	Section 4B	You give us written notice of your decision to renew at least 6 months but not more than 12 months before the end of the expiring term, you sign our then current form of franchise agreement, you have complied with the modernization requirements for your Restaurant, you are not in default and have satisfied your obligations on a timely basis, if leasing, you have written proof of your ability to remain in possession of the Restaurant premises throughout the renewal

		term, you comply with our training requirements, you pay us a renewal fee, and you sign a release. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d. Termination by franchisee	Section 13C	You may terminate the Franchise Agreement only for a material breach by us, provided you give us written notice of the breach and allow 30 days to cure such breach.
e. Termination by franchisor without cause	Section 2A and 13B	If you fail to locate a site for your Restaurant within 12 months after signing the Franchise Agreement or you fail to complete our training program within 180 days after commencement, we may terminate the Franchise Agreement.
f. Termination by franchisor with cause	Section 13A and 13B	We can terminate the Franchise Agreement and Multi-Unit Agreement only if you default or fail to comply with your obligations.
	Section 7B of the Multi-Unit Agreement	
g. “Cause” defined – curable defaults	Section 6.1	You have 10 days to cure the non-submission of reports and nonpayment of amounts due and owing, and 30 days to cure defaults for the failure to abide by our standards and requirements in connection with the operation of your business, or failure to meet any requirements or specifications established by us, and any other default not listed in (h) below.
	Section 7B of the Multi-Unit Agreement	You have 30 days to cure defaults not listed in (h) below
h. “Cause” defined – non-curable defaults	Sections 2A, 5A, 5B, 5D, 9I, 13A, 13B and 15P	Non-curable defaults include any material misrepresentation or omission in your application for a franchise, abandonment, loss of lease, the failure to timely cure a default under the lease, the loss of your right of possession or failure to relocate, closing of the Restaurant, the closing of the Restaurant by the authorities for health or public safety reasons, unauthorized use of confidential information, your insolvency, unapproved assignments or transfers, defaults that materially impair the goodwill associated with any of the Marks, criminal convictions,

		intentionally (or unintentionally in two or more occasions) understating or underreporting Gross Sales or other fees, multiple defaults, you employ or seek to employ, directly or indirectly, any person who is at the time or was at any time during the prior 6 months employed in any type of managerial position by us, our affiliates, or by any franchisee in the system, or failure to cure within 24 hours of notice a default which violates any health, safety or sanitation law or regulation or any system standard as to food handling, cleanliness, health or sanitation
	Section 4C, 7B and 10N of the Multi-Unit Agreement	Non-curable defaults include insolvency or general assignment for the benefit of creditors, appointment of a receiver of your property, a final judgment remains unsatisfied of record for 30 days or longer execution is levied against your business or property, suit to foreclose any lien or mortgage against your premises or equipment is instituted against you and is not dismissed or in the process of being dismissed within 30 days, failure to meet the Development Schedule, you employ or seek to employ, directly or indirectly, any person who is at the time or was at any time during the prior 6 months employed in any type of managerial position by us, our affiliates, or by any franchisee in the system, or notice of termination of a Franchise Agreement
i. Franchisee's obligations on termination/non-renewal	Section 7	Obligations include complete de-identification and payment of amounts due, assignment of lease and telephone numbers upon our demand, return of Operations Manual and confidential information, proprietary materials, and related writings, and right to purchase assets of the Restaurant (also see (o) and (r) below).
	Sections 8A-G of the Multi-Unit Agreement	You lose all remaining rights to develop Restaurants Other obligations include those obligations noted above if existing Franchise Agreements also are terminated. We also may have the right to purchase assets of the Restaurants (see (o) below)
j. Assignment of contract by franchisor	Section 11G Section 9A of the Multi-Unit Agreement	No restriction on our right to assign.
k. "Transfer" by franchisee definition	Section 11A	Includes any transfer of your interest in the Franchise Agreement or in the business or any ownership change listed in Section 11A of the Franchise Agreement and Section 9B of the Multi-Unit Agreement
	Section 9B of the Multi-Unit Agreement	

l. Franchisor approval of transfer by franchisee	Section 11B	We have the right to approve all transfers but will not unreasonably withhold approval
	Section 9B of the Multi-Unit Agreement	
m. Conditions for franchisor approval of transfer	Sections 11B-11D	Transferee meets all of our then-current requirements for new franchisees, transfer fee and any applicable training fee paid, all amounts owed by prior franchisee paid, required modernization is completed, training completed, transferee executes then current form of franchise agreement (modified to reflect that agreement relates to a transfer), required guarantees signed, necessary financial reports and other data on franchise business is prepared, release signed by you, full compliance of your obligations under all Franchise Agreements executed between you and us, and other conditions that we may reasonably require from time to time as part of our transfer policies (also see (r) below)
	Section 9B of the Multi-Unit Agreement	You cannot transfer rights under the Multi-Unit Agreement unless you transfer all of your rights and interests under all Franchise Agreements
n. Franchisor's right of first refusal to acquire franchisee's business	Section 11F	We can match any offer for your Restaurants assets and, in the case of a proposed stock sale, we can purchase your Restaurant assets at a price determined by an appraiser, unless you and we agree otherwise
o. Franchisor's option to purchase your business	Section 14B	Upon termination, we have the right (but not the obligation) to purchase or designate a third party that will purchase all or any portion of the assets of your Restaurant, including the land, building, equipment, fixtures, signs, furnishings, supplies, leasehold improvements, and inventory. Qualified appraiser(s) will determine price as set forth in the Franchise Agreement.
p. Death or disability of franchisee	Section 11E	You can transfer your franchise rights to your heir or successor in interest like any other transfer, provided the person satisfies our training requirements and other transfer conditions, but if assignee is your spouse or child, no transfer fee is required.
q. Non-competition covenants during the term of the franchise	Section 10D	Except as we otherwise agree to in writing, no direct or indirect involvement in the operation of any Competing Business (defined in (r) below) other than the one authorized in the Franchise Agreement.

r. Non-competition covenants after the franchise is terminated or expires	Section 10D	No direct or indirect involvement in a Competing Business for two years (i) at the premises of the former Restaurant (ii) within 25 miles of the former Restaurant or (iii) within 25 miles of any other business or Restaurant using the System. A Competing Business for purposes of the post-term non-compete includes any business where 10% or more of its sales includes the sale of smoothies, energy bowls, acai bowls, wraps, sincronizadas, tortas, tostadas, salads and an assortment of natural juices.
s. Modification of the agreement	Section 15B	No modification unless agreed to in writing by both parties.
	Section 10D of the Multi-Unit Agreement	
t. Integration/merger clause	Section 15B	Only the terms of the Franchise Agreement are binding (subject to state law) Any representations or promises made outside the Franchise Agreement or this Disclosure Document may not be enforceable.
	Section 10D of the Multi-Unit	
u. Dispute resolution by arbitration or mediation	Section 12	Except for certain claims, all disputes must be mediated or arbitrated in the city closest to where our headquarters are located (currently, San Diego, California) (subject to state law
	Section 10.M of the Multi-Unit Agreement	
v. Choice of forum	Section 15.I	Litigation must be in the applicable federal or state court where our headquarters are located (currently, California) (subject to state law)
	Section 10.G of the Multi-Unit Agreement	
w. Choice of law	Section 15H	Except for claims under federal trademark law, and the parties rights under the Federal Arbitration Act, the law of the state where the Franchisee's Restaurant is located will govern (subject to state law)
	Section 10.G 1 of the Multi-Unit Agreement	

ITEM 18 PUBLIC FIGURES

We do not use any public figure to promote our Franchise System. However, we may use public figures in the future.

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.

If you receive any other financial performance information or projections of your future income other than the information provided below, you should report it to the franchisor's management by contacting Cesar De Santiago, 627 Pearl Street, La Jolla, California 92037, (619) 715-3318, Email: cesar_desantiagom@yahoo.com the Federal Trade Commission, and the appropriate state regulatory agencies.

We compiled our information for affiliate owned Fresheria Restaurants from the internal, unaudited financial statements of our affiliate for the last two fiscal years, which includes calendar year 2024 and 2025. None of the information was obtained from financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP), but all the information is believed to be reliable. Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

The Gross Sales reflected in this analysis should not be considered as the actual or potential Gross Sales that you will realize. We do not represent that any franchisee can expect to attain the Gross Sales described in this Item 19, or any particular level of sales, performance, costs or profits. In addition, we do not represent that any franchisee will derive income that exceeds the initial payment for or investment in the Fresheria Restaurant.

The amount of Gross Sales realized from any new franchised Fresheria Restaurant will vary from Restaurant to Restaurant, as will your costs and expenses. A newly developed and opened Fresheria Restaurant will encounter startup costs and other obstacles that all new businesses face. The sales, costs and expenses of your Fresheria Restaurant will be directly affected by many factors, such as the Fresheria Restaurant's size, geographic location, and competition in the marketplace; the presence of other Fresheria Restaurants; the quality of management and service at the Fresheria Restaurant; contractual relationships with landlords and vendors; the extent to which you finance the construction and operation of the Fresheria Restaurant; your legal, accounting, real estate and other professional fees; federal, state and local income, gross profits or other taxes; discretionary expenditures; accounting methods used; general economic and market conditions; availability and cost of raw materials and labor; effectiveness of advertising; use of incremental advertising and word of mouth; local tastes; your compliance with the System; and weather, national disasters or acts of war or terrorism. You should, therefore, use this analysis only as a reference to conduct your own analysis.

Your results may also be affected by your ability to obtain and maintain alcoholic beverage permits and licenses to operate your Fresheria Restaurant if alcoholic beverages will be offered and sold. The requirements for obtaining alcoholic beverage licenses and permits, and the scope of permitted activities under alcoholic beverage licenses and permits, vary widely by jurisdiction and even by specific site. You are urged to consult with appropriate business and legal advisors regarding the requirements and permitted scope of activities under alcoholic beverage permits and licenses generally in your jurisdiction and as to any particular site you consider for your Fresheria Restaurant.

Certain fees which you must pay to us under the Franchise Agreement (see Items 5 and 6 of the disclosure document) and other differences between the costs of a franchised Fresheria Restaurant and an affiliate owned Fresheria Restaurant are not reflected in this Item 19. Nor does this Item 19 include any estimates of the federal income tax that would be payable on the net income from a Fresheria Restaurant or state or local net income or gross profits taxes that may be applicable to the particular jurisdiction in which a Fresheria Restaurant is located.

The earnings claims figure(s) does not reflect the costs of sales, operating expenses, or other costs or expense that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your

franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

You are urged to consult with your tax, financial, business and legal advisers to conduct your own analysis with the information contained in this Item 19, including the impact of federal, state and local taxes in your local jurisdiction.

We specifically instruct our sales personnel, agents and employees (including officers, directors, and general managers of our affiliated-operated Fresheria Restaurant) that they may not make any representations or statements, expressly or by implication, as to a specific level or range of actual or potential earnings, sales or profits, or prospects or chances of success of a Fresheria Restaurant other than what is stated in this Item 19. They are not authorized to represent or estimate dollar figures as to a Fresheria Restaurant's operation other than what is shown below. Except as provided by applicable law, we will not be bound by allegations of any unauthorized representation as to earnings, sales, profits, or prospects or chances for success, and you must acknowledge that you have not relied on any such representation in purchasing your Fresheria Restaurant franchise.

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

**Gross Sales, Cost of Goods Sold, Gross Profit, Expenses and Net Income for Four Affiliate-owned
Fresheria Restaurants For the Period from January 1, 2025 to December 31, 2025**

Year	Total Income	Cost of Goods Sold	Gross Profit	Gross Profit¹ (if Franchisee)	Net Income	Net Income¹ (if Franchisee)
2025 La Jolla	\$610,714	\$188,910	\$421,804	\$392,278	-\$4,103	-\$33,629
2025 San Diego	\$484,322	\$260,812	\$223,509	\$207,864	-\$125,298	-\$140,943
2025 Chula Vista	\$954,591	\$335,164	\$619,426	\$576,067	\$66,924	\$23,565
2025 Bonita	\$1,009,979	\$346,414	\$663,565	\$617,116	\$71,822	\$25,373
2025 La Mesa	\$1,384,347	\$478,065	\$906,282	\$842,843	\$435,807	\$372,368

Notes:

Note 1. These numbers represent the Gross Profit of the affiliate-owned locations if they incur the cost of payment of Royalty Fees (6% of Gross Sales) and the National Marketing Fund (1% of Gross Sales).

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ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

Table No.1
System wide Outlet Summary
For Years 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	4	4	0
	2024	4	4	0
	2025	4	5	+1
Total	2023	4	4	0
	2024	4	4	0
	2025	4	5	+1

Table No. 2
Transfers of Outlets from Franchisees to New Owners (Other Than the Franchisor)
For Years 2023 to 2025

State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Total	2023	0
	2024	0
	2025	0

Table No. 3
Status of Franchised Outlets
For Years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
All States	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Total	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

Table No. 4
Status of Company-Owned Outlets
For Year 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
California	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	1	0	0	0	5
Total	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	+1	0	0	0	5

Table No. 5
Projected Openings
As of December 31, 2025

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	0	1	0
Totals	0	1	0

As of the date of this Disclosure Document, we do not have any franchisees. There have been no franchisees that have ceased to do business under the Franchise Agreement or had an outlet terminated, canceled, not renewed or who have not communicated with us, within the last ten weeks. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no franchisees have signed confidentiality clauses. We have not created, sponsored, or endorsed any trademark-specific franchisee associations.

ITEM 21 FINANCIAL STATEMENTS

Attached as Exhibit E to this Disclosure Document is our audited financial statement for December 31, 2024 and December 1, 2025.

Our fiscal year ends on December 31.

ITEM 22 CONTRACTS

Attached to this Disclosure Document are the following Exhibits:

Exhibit	
C	Franchise Agreement
D	Multi-Unit Agreement
G	State Addenda to the Disclosure Document
H	Form of General Release

There are no other contracts or agreements you are required to sign to purchase your Fresheria Restaurant.

ITEM 23 RECEIPTS

Exhibit J of this Disclosure Document contains detachable documents acknowledging your receipt of this Disclosure Document and all Exhibits

EXHIBIT A
TO THE DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT



FRESHERIA FRANCHISOR, LLC
FRANCHISE AGREEMENT

FRANCHISEE

EFFECTIVE DATE OF AGREEMENT

TERRITORY

RESTAURANT NO.

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D	Electronic Transfer of Funds Authorization
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F	Personal Guarantee
G	Addendum to Franchise Agreement
H	Acknowledgement of Addendum

FRESHERIA FRANCHISOR, LLC FRANCHISE AGREEMENT

This Franchise Agreement is made this _____ day of _____, 20____ between Fresheria Franchisor, LLC, a California limited liability company with its principal business located at 627 Pearl Street, La Jolla, California 90037 ("we" or "us"), and "Franchisee" or "you" as identified on the Data Sheet attached as Schedule A (the "Data Sheet"). If the franchisee is a corporation, partnership, limited liability company or other legal entity, certain provisions to this Agreement also apply to its owners.

RECITALS

- A. We, Fresheria Franchisor, LLC, have developed a unique system for the establishment and operation of a Fresheria Restaurant that features our healthy menu of cold pressed juices, smoothies, energy bowls, acai bowls, wraps, sincronizadas, tortas, tostadas, salads, and an assortment of natural juices.
- B. The Franchisor is the owner of the Trademark and other trademarks used in connection with the operation of a Fresheria Restaurant;
- C. You desire to develop and operate a Fresheria Restaurant; and
- D. We have agreed to grant you a franchise to operate a Fresheria Restaurant, subject to the terms and conditions of this Agreement.

In consideration of the above and mutual premises and agreement contained herein, the receipt and sufficiency of which is hereby acknowledged, the parties agree to the following:

DEFINITIONS

- 1. For purposes of this Agreement, the terms below have the following definitions:
 - A. "Gross Sales" includes the total revenues and receipts from the sale of all products, services and merchandise sold in your Restaurant, whether under any of the Trademarks or otherwise, including any catering or delivery services, such as but not limited to Grubhub, Uber eats and DoorDash, cover charges or fees, in your Restaurant or on. Its premises and all revenues denied from any type of authorized vending machines Gross Sales, excludes sales taxes.
 - B. "Menu Items" means tortas, sandwiches, wraps, tostadas, soups, salads, sincronizadas, cold pressed juices, smoothies, power shots and beverages, and other products prepared according to our specified recipes and procedures, as we may modify and change from time to time.
 - C. "Manual" or "Operations Manual" means any collection of written, video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, all of which we or our agents produce and which contain specifications, standards, policies, procedures, and recommendations for your Fresheria Restaurant, all of which we may change from time to time.
 - D. "Operating Partner" means the person designated by Franchisee (if Franchisee is a legal entity) who (i) owns at least a 5% ownership interest in Franchisee, (ii) has completed our initial training program and (iii) has the authority to bind Franchisee in all dealings with us. If the Franchisee is one or more individuals, each individual is an Operating Partner of the franchisee. Your Operating Partner(s) are identified on the Data Sheet. Every time there is a change in the persons who are your Operating Partners, you must, within 10 days from the date of each

such change, update the Data Sheet. As used in this Agreement, any reference to Operating Partner includes all Operating Partners.

E. "Restaurant" means the Fresheria Restaurant you develop and operate pursuant to this Agreement.

F. "System" means the Fresheria Franchisor System, which consists of distinctive food and beverage products prepared according to special and confidential recipes and formulas with unique storage, preparation, service and delivery procedures and techniques, offered in a setting of distinctive exterior and interior layout, design and color scheme, signage, furnishings and materials and using certain distinctive types of facilities, equipment, supplies, ingredients, business forms, training materials. Manuals, sales techniques, methods and procedures, all of which we may modify and change from time to time.

G. "Trademarks" means the Fresheria Trademark that has been registered with the United States Patent and Trademark Office ("USPTO") and elsewhere and the trademarks, service marks and trade names set forth on Schedule B, as we may modify and change from time to time, and the trade dress and other commercial symbols used in the Restaurant. Trade dress includes the designs, color schemes and image we authorize you to use in the operation of the Restaurant from time to time.

GRANT OF LICENSE

2. The following provisions control with respect to the license granted hereunder:

A. License, Authorized Location, Designated Territory, Fresheria Training Program. Subject to the terms of this Agreement, we grant you the right and license to establish and operate one Restaurant identified by the Fresheria Trademarks at the location identified on the Data Sheet as the authorized location, which authorized location must be (i) within the Designated Territory identified on the Data Sheet (the "Designated Territory") and (ii) designed by you and approved by us within two (2) years from the date of this Agreement (the "Authorized Location"). When a location has been timely designated by you and you have received an approval notice from us, it will become the Authorized Location under this Section 2 A as if originally stated. If an Authorized Location is not timely designated by you and approved by us, we may terminate this Agreement. You accept the license and undertake the obligation to operate the Restaurant at the Authorized Location using the Trademarks and the System in compliance with the terms and conditions of this Agreement.

During the term of this Agreement and provided you are in compliance with the terms and conditions of this Agreement, we will not (i) modify the Designated Territory, (ii) establish a company-owned or franchised Fresheria Restaurant within the Designated Territory, or (iii) established a company-owned or franchised restaurant inside the Designated Territory that offers the same products and services as your Fresheria Restaurant, except for any Merger/Acquisition Activity (as described and defined below).

After you sign this Agreement but before you commence the site selection process you must satisfactorily complete our Fresheria Training Program. It will take you approximately 43 hours to complete Fresheria Training Program.

B. Opening. You agree that the Restaurant will be open and operating in accordance with the requirements of subparagraph 5.A within eight months after you sign a lease for your Restaurant unless we authorize in writing an extension of time. Before you open your Restaurant for business, we will inspect your Restaurant and provide you with a Franchise Certificate of Approval.

C. [Reserved].

D. Non-exclusivity, Our Reservation of Rights. The license is limited to the right to develop and operate one Restaurant at the Authorized Location.

The license granted to you does **not** provide you with any right to (i) sell products and Menu Items identified by the Trademarks at any location outside the Designated Territory, except for authorized catering or delivery services as noted in subparagraph 1.E, (ii) sell products or Menu Items through any alternative channels or methods of distribution, including the Internet (or any other existing or future form of electronic commerce), (iii) sell products and Menu Items identified by the Trademarks to any person or entity for resale or further distribution, except as we may designate in writing, or (iv) exclude, control or impose conditions on our development of future franchised, company or affiliate-owned restaurants at any time or at any location regardless of the proximity to your Designated Territory. You acknowledge that the consumer trade area or service area of another Fresheria Restaurant may overlap with your Designated Territory.

We retain all rights that are not expressly granted to you under this Agreement. Further, we may, among other things, on any terms and conditions we deem advisable, without compensation to any franchisee, and without granting you any rights therein:

(i) establish and/or license others to establish franchised or company-owned Restaurants at any location outside your Designated Territory regardless of the proximity of such Restaurants to your Designated Territory;

(ii) merge with, acquire or become associated with ("Merger/Acquisition Activity") any businesses or Restaurants of any kind under other systems and/or marks, which businesses and Restaurants may convert to or operate under the Trademarks and may offer or sell menu items, products and services that are the same as or similar to the Menu Items offered at or from the Restaurant, and which Restaurants may be located anywhere inside or outside of your Designated Territory; and

(iii) offer, sell and distribute for ourselves and/or license others to offer, sell and distribute through franchised businesses or any other method of distribution, both inside and outside your Designated Territory, menu items the same as or different from the Menu Items offered under the System and which are offered and distributed under the Trademarks or marks different from the Trademarks through any distribution channels or methods. The distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, wholesale, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the Internet (or any other existing or future form of electronic commerce).

You acknowledge and agree that certain locations are by their nature unique and separate in character from sites generally developed as Fresheria Restaurants. As a result, you agree that we have the right to develop or franchise the following locations ("Special Sites") regardless of whether these locations are located inside your Designated Territory (1) military bases, (2) public transportation facilities, (3) sports facilities, including race tracks, (4) student unions or other similar buildings on college or university campuses, (5) amusement and theme parks, (6) malls, and (7) special events.

E. Catering and Delivery. You may not engage in catering and delivery services unless we authorize you in writing, as further described in subparagraph 6.K.

TRADEMARK STANDARDS AND REQUIREMENTS

3. You acknowledge and agree that the Trademarks are the property of Franchisor and we have the right to license the use of the Trademarks to you and others. You further acknowledge that your right to use the Trademarks is specifically conditioned upon the following:

A. Trademark Ownership. The Trademarks are the valuable property of us and we all right, title and interest in and to the Trademarks and all past, present, or future goodwill of the Restaurant and of the business conducted at the Authorized Location that is associated with or attributable to the Trademarks. Your use of the Trademarks will inure to the benefit us. You may not, during or after the term of this Agreement, engage in any

conduct directly or indirectly that would infringe upon, harm, or contest our rights in any of the Trademarks or the goodwill associated with the Trademarks, including any use of the Trademarks in a derogatory, negative, or other inappropriate manner in any media, including but not limited to print or electronic media.

B. Trademark Use. You may not use, or permit the use of, any trademarks, trade names or service marks in connection with the Restaurant except those set forth in Schedule B or except as we otherwise direct in writing. You may use the Trademarks only in connection with such products and services as we specify and only in the form and manner we prescribe in writing. You must comply with all trademark, trade name and service mark notice marking requirements. You may use the Trademarks only in association with products and services approved by us and that meet our standards or requirements with respect to quality, mode and condition of storage, production, preparation and sale, and portion and packaging.

C. Restaurant Identification. You must use the name Fresheria as the trade name of the Restaurant and you may not use any other mark or words to identify the Restaurant without our prior written consent. You may not, however, use the word "FRESHERIA" or any of the other Trademarks as part of the legal name of your corporation, partnership, limited liability company or other similar entity. You may use the Trademarks on various materials, such as business cards, stationery and checks, provided you (i) accurately depict the Trademarks on the materials as we prescribe, (ii) include a statement on the materials indicating that the business is independently owned and operated by you, (iii) do not use the Trademarks in connection with any other trademarks, trade names or service marks unless we specifically approve in writing prior to such use, and (iv) make available to us, upon our request, a copy of any materials depicting the Trademarks. You must post a prominent sign in the Restaurant identifying you as a FRESHERIA franchisee in a format we deem reasonably acceptable, including an acknowledgment that you independently own and operate the Restaurant and that the FRESHERIA Trademark is owned by us and your use is under a license we have issued to you. All your internal and external signs must comply at all times with our guidelines, requirements, and practices, as they are modified from time to time.

D. Litigation. In the event any person or entity improperly uses or infringes the Trademarks or challenges your use or our use or ownership of the Trademarks, our affiliate and we will control all litigation and our affiliate and we have the right to determine whether suit will be instituted, prosecuted or settled, the terms of settlement and whether any other action will be taken. You must promptly notify us of any such use or infringement of which you are aware or any challenge or claim arising out of your use of any Trademark. You must take reasonable steps, without compensation, to assist us with any action we undertake. We and our affiliate will be responsible for our fees and expenses with any such action, unless the challenge or claim results from your misuse of the Trademarks in violation of this Agreement, in which case you must reimburse us and our affiliate for our fees and expenses.

E. Changes. You may not make any changes or substitutions to the Trademarks unless we direct in writing. We reserve the right to change the Trademarks at any time. Upon receipt of our notice to change the Trademarks, you must cease using the former Trademarks and commence using the changed Trademarks. We will reimburse you for any out-of-pocket expenses you incur in connection with any change to the Trademarks on your letterhead, provided, however, that our reimbursement obligation during the Term of this Agreement will not exceed \$250.

F. Creative Works. All ideas, concepts, techniques, or materials concerning the Fresheria Restaurant, whether or not protectable intellectual property and whether created by or for you or one of your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent any item does not qualify as a "work made-for-hire" for us, you must assign ownership of that Item, and all related rights to that item, to us and must take whatever action (including signing an assignment agreement or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

TERM AND RENEWAL

4. The following provisions control with respect to the term and renewal of this Agreement:

A. Term. The initial term of this Agreement is ten years unless this Agreement is sooner terminated in accordance with Paragraph 13. The initial term commences upon the Effective Date (as defined in subparagraph 15.Q) of this Agreement. We may extend this initial term in writing for a limited period of time not to exceed six months to take into account the term of any applicable lease for the Authorized Location.

B. Renewal Term and Conditions of Renewal. You may renew your license for three renewal terms of ten years each, provided that with respect to each renewal (i) you have given us written notice of your decision to renew at least six months but not more than 12 months prior to the end of the expiring term, (ii) you sign our then-current form of franchise agreement (modified to reflect any additional renewal term(s) upon expiration and other modifications to reflect that the agreement relates to the grant of a renewal), the terms of which may differ from this Agreement, including higher fees, (iii) you have complied with the provisions of subparagraph 5E regarding modernization and you perform any further items of modernization and/or replacement of the building, premises, trade dress, equipment and grounds as may be necessary for your Restaurant to conform to the standards then applicable to new Fresheria Restaurants, regardless of the cost of such modernizations and/or replacements, (iv) you are not in default of this Agreement or any other agreement pertaining to the franchise granted, have satisfied all monetary and material obligations on a timely basis during the term and are in good standing, (v) if leasing the Restaurant premises, you have renewed the lease and have provided written proof of your ability to remain in possession of the premises throughout the renewal period, (vi) you comply with our then-current training requirements, (vii) you pay us, at least 30 days prior to the end of the expiring term, a renewal fee in the amount of 50% of our then-current initial franchise fee, and (viii) you and your Operating Partner (s) and guarantors execute a general release of claims in a form we prescribe.

C. Interim Period. If you do not exercise your right to renew this Franchise Agreement prior to the expiration of this Agreement and continue to accept the benefits of this Agreement after the expiration of this Agreement, then at our option, this Agreement may be treated either as (i) expired as of the date of expiration with you then operating a franchise without the right to do so and in violation of our rights, or (ii) continued on a month-to-month basis ("Interim Period") until one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate 30 days after receipt of the notice to terminate the Interim Period. In the latter case, all of your obligations shall remain in full force and effect during the Interim Period as if this Agreement had not expired, and all obligations and restrictions imposed on you upon expiration of this Agreement will be deemed to take effect upon termination of the Interim Period.

FACILITY STANDARDS AND MAINTENANCE

5. You acknowledge and agree that we have the right to establish, from time to time, quality standards regarding the business operations of Fresheria Restaurants to protect the distinction, goodwill and uniformity symbolized by the Trademarks and the System. Accordingly, you agree to maintain and comply with our quality standards and agree to the following terms and conditions:

A. Restaurant Facility Site Under Control. You are responsible for purchasing or leasing a site that meets our site selection guidelines. You must use our designated vendor in connection with selecting and securing a site for your Restaurant. We must consent to the site in writing. You may not use the Restaurant premises or Authorized Location for any purpose other than the operation of a Fresheria Restaurant during the term of this Agreement or any Interim Period. We make no guarantees concerning the success of the Restaurant located on any site to which we consent.

You may not open your Restaurant for business until we inspect your Restaurant and provide you with a Franchise Certificate of Approval and we have consented to your opening date. A Franchise Certificate of Approval may be

obtained only after all local permits, certificates and codes have been met and a certificate of occupancy has been granted. If you do not pass your initial inspection, you will be charged for all costs and expenses incurred by us in sending an inspector to re-inspect your Restaurant. We are not responsible or liable for any of your pre-opening obligations, losses, or expenses you might incur for your failure to comply with these obligations or your failure to open by a particular date. We also are entitled to injunctive relief or specific performance under subparagraph 12.C for your failure to comply with your obligations.

In the event that you plan to enter into any type of lease for the Restaurant premises, you and your landlord must sign the Lease Addendum attached as Schedule C. We recommend you submit the Lease Addendum to the landlord at the beginning of your lease review and negotiation, although the terms of the Lease Addendum may not be negotiated without our prior approval. If the landlord requires us to negotiate the Lease Addendum, we reserve the right to charge you a fee, which will not exceed our actual costs associated with the negotiation. You must provide us a copy of the executed lease and Lease Addendum within five days of its execution. We have no responsibility for the lease, it is your sole responsibility to evaluate, negotiate and enter into the lease for the Restaurant premises.

You must execute, and provide us an executed copy of your lease (including an executed copy of the Lease Addendum) or the purchase agreement for the selected and approved site for your Restaurant within 12 months from the date of execution of this Agreement. If you fail to have your "site under control" (execute the lease or the purchase agreement within the timeframe set forth in this subparagraph), we will have the right to terminate this Agreement without opportunity to cure pursuant to subparagraph 13.B.2.

B. Construction Future Alteration. You must construct and equip the Restaurant in strict accordance with our current approved specifications and standards pertaining to equipment, inventory, signage, fixtures, furnishings, and design and layout of the building. You may not commence construction of the Restaurant until you have received our written consent to your building plans. Without limiting the generality of the prior paragraph, you must promptly and in no event more than 60 days after obtaining possession of the site for the Restaurant (i) have prepared and submitted for our approval a site survey and basic architectural plans and specifications consistent with our general atmosphere, image, color scheme and decor requirements as set forth from time to time in the manuals for a Fresheria Restaurant (including requirements for dimensions, exterior design, materials, interior design and layout, equipment, fixtures, furniture, signs and decorating), (ii) purchase or lease and then, in the construction of the Restaurant, use only the approved building materials, equipment, fixtures, furniture and signs, (iii) complete the construction and/or remodeling, equipment, fixtures, furniture and sign installation and decorating of the Restaurant in full and strict compliance with plans and specifications we approve and all applicable ordinances, building codes and permit requirements without any unauthorized alterations, (iv) obtain all customary contractors' sworn statements and partial and final waivers, obtain all necessary permits, licenses and architectural seals and comply with applicable legal requirements relating to the building, signs, equipment and premises, including, but not limited to, the Americans With Disabilities Act, and (v) obtain and maintain all required zoning changes, building, utility, health, sanitation, and sign permits and licenses and any other required permits and licenses. It is your responsibility to comply with the foregoing conditions.

Any change to the building plans or any replacement, reconstruction, addition, or modification in the building, interior or exterior decor or image, equipment or signage of the Restaurant to be made after our consent is granted for initial plans, whether at the request of you or of us, must be made in accordance with specifications that have received our prior written consent. You may not commence such replacement, reconstruction, addition or modification until you have received our written consent to your revised plans.

C. Maintenance. The building, equipment, fixtures, furnishing, signage and trade dress (including the interior and exterior appearance) employed in the operation of your Restaurant must be maintained and refreshed in accordance with our requirements established periodically and any of our reasonable schedules prepared based upon periodic evaluations of the premises by our representatives. Within a period of 30-60 days (as we determine depending on the work needed) after the receipt of any particular report prepared following such an evaluation, you

must effect the Items of maintenance we designate, including the repair of defective items and/or the replacement of irreparable or obsolete items of equipment and interior signage. If, however, any condition presents a threat to customers or public health or safety, you must effect the items of maintenance immediately, as further described in subparagraph 6. G. As between us and you, you are solely responsible for the safety and well-being of your employees and the customers of the Restaurant.

D. Relocation. If you need to relocate because of condemnation, destruction, or expiration or cancellation of your lease for reasons other than your breach, we will grant you authority to do so at a site acceptable to us, provided that the new Restaurant is open and operating within 180 days after construction commences, all in accordance with our then-current standards. If you voluntarily decide to relocate the Restaurant, your right to relocate the Restaurant will be void and your interest in this Agreement will be voluntarily abandoned, unless you have given us notice of your intent to relocate not less than 60 days prior to closing the Restaurant, have procured a site that we accept within 60 days after closing the prior Restaurant, have opened the new Restaurant for business within 180 days of such closure and complied with any other conditions that we reasonably require. You must pay us a \$5,000 relocation fee to cover our costs associated with the relocation.

In the event your Restaurant is destroyed or damaged and you repair the Restaurant at the Authorized Location (rather than relocate the Restaurant), you must repair and reopen the Restaurant at the Authorized Location in accordance with our then-current standards for the destroyed or damaged area within 180 days of the date of occurrence of the destruction or damage.

You do not have the right to relocate in the event you lose the right to occupy the Restaurant premises because of the cancellation of your lease due to your breach. The termination of your lease due to your breach is grounds for immediate termination under subparagraph 13.B.2.

E. Modernization or Replacement. From time to time as we require, you must effect items of modernization and/or replacement of the building, premises, trade dress, equipment and grounds as may be necessary for your Restaurant to conform to the standards for similarly situated new Fresheria Restaurants. Furthermore, in addition to performing general continued maintenance and refreshing of the Restaurant premises whenever necessary as set forth in subparagraph 5.C, you must effect any required expenditures for equipment or leasehold improvements necessary to prepare new menu items or products. We will not require you to spend more than \$30,000 on Restaurant modernization and replacement during the initial term of this Agreement.

Each and every transfer of any interest in this Agreement or your business governed by Paragraph 11 or any renewal covered by Paragraph 4 is expressly conditioned upon your compliance with these modernization or replacement requirements at the time of transfer or renewal.

You acknowledge and agree that the requirements of this subparagraph 5.E are both reasonable and necessary to ensure continued public acceptance and patronage of Fresheria Restaurants and to avoid deterioration or obsolescence in connection with the operation of the Restaurant. If you fail to make any improvement as required by this subparagraph or perform the maintenance described in subparagraph 5. C, we may, in addition to our other rights in this Agreement, effect such improvement or maintenance and you must reimburse us for the costs we incur.

F. Signage. The outdoor signage at your Restaurant must comply with our then current specifications, which we may modify and change from time to time due to modifications to the System, including changes to the Trademarks. You must make such changes to the outdoor signage as we require.

PRODUCTS AND OPERATIONS STANDARDS AND REQUIREMENTS

6. You must implement and abide by our requirements and recommendations directed to enhancing substantial System uniformity. The following provisions control with respect to products and operations:

A. Authorized Menu. Your business must be confined to the preparation and sale of only such Menu Items and other food and beverage products as we designate and approve in writing from time to time for sale by your Restaurant. You must offer for sale from the Restaurant all items and only those items listed as Menu Items and other approved food and beverage products. We have the right to make modifications to these items from time to time, and you agree to comply with any modifications. You may not offer or sell any other product or service at the Authorized Location without our prior written consent.

B. Authorized Products and Ingredients. You must use in the operation of the Restaurant and in the preparation of Menu Items and other food and beverage products only the proprietary and non-proprietary ingredients, recipes, formulas, techniques, processes and supplies we designate, and prepare and serve the Menu Items and products in such portions, sizes, appearance, taste, and packaging, all as we specify in our Operations Manual or otherwise in writing. You acknowledge and agree that we may change these periodically and that you are obligated to conform to the requirements. All supplies, including containers, cups, plates, wrappings, eating utensils, and napkins, and all other customer service materials of all descriptions and types must meet our standards of uniformity and quality. You acknowledge that the Restaurant must at all-time maintain an inventory of ingredients, food and beverage products and other products, materials and supplies that will permit operation of the Restaurant at maximum capacity.

C. Approved Supplies and Suppliers. We will furnish to you from time to time lists of approved supplies or approved suppliers. You must only use approved products, services, inventory, equipment, fixtures, furnishings, signs, advertising materials, trademarked items and novelties, and other items or services (collectively, "Approved Supplies") in connection with the design, construction and operation of the Restaurant as set forth in the Approved Supplies lists, as we may amend from time to time. Although we do not do so for every item, we have the right to approve the manufacturer, distributor and/or supplier of Approved Supplies (an "Approved Supplier"). You acknowledge and agree that certain Approved Supplier may only be available from one required Approved Supplier source, and we may be that source. For example, you must purchase all trademarked retail items, and certain products, supplies, equipment and materials from us or our designated supplier. You will pay the then-current price in effect for Approved Supplies purchased from us, or affiliates or any third party we designate. All inventory, products, materials and other items and supplies used in the operation of the Restaurant that are not included in the Approved Supplies or Approved Suppliers lists must conform to the specifications and standards we establish from time to time. **ALTHOUGH APPROVED OR DESIGNATED BY US, WE MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO SERVICES, PRODUCTS, EQUIPMENT (INCLUDING, WITHOUT LIMITATION, ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER APPROVED ITEMS IN ADDITION, WE DISCLAIM ANY LIABILITY ARISING OUT OF OR IN CONNECTION WITH THE SERVICES RENDERED OR PRODUCTS FURNISHED BY ANY SUPPLIER APPROVED OR DESIGNATED BY US OUR APPROVAL OR CONSENT TO ANY SERVICES, GOODS, SUPPLIERS, OR ANY OTHER INDIVIDUAL, ENTITY OR ANY ITEM SHALL NOT CREATE ANY LIABILITY TO US.**

D. POS System. You must purchase a POS system from our required supplier, including all future updates, supplements, and modifications (the "POS System"). The POS System includes all hardware and software used in the operation of the Restaurant, including electronic point-of-sale cash registers and any software we may designate to record and analyze sales, labor, inventory, product usage, employee information and tax information. The POS System also will include any credit card processing system we designate. You agree that in connection with any credit, debit and/or charge card payments you receive, you will adhere to, and cause any service provider or third party-provided payment applications to adhere to cardholder data security standards according to the then-current PCI (Payment Card Industry) Data Security Standards. You will be responsible for any costs and expenses related to compliance with such standards and/or related audits. You must provide us with evidence of such compliance at our request. You also must provide notice to us of any potential or actual data security breach relating to cardholder data.

The computer software package developed for use in the Restaurant may include proprietary software. You may be required to license the proprietary software from us or a third party and you also may be required to pay a software licensing or user fee in connection with your use of the proprietary software. All right, title and interest in the software will remain with the licensor of the software. You shall not use or download any software on your computer unless it has been authorized by us in writing. In the event that you use or download any unauthorized software, you shall be liable for all damages and problems caused by the unauthorized software in addition to the other remedies provided under this Agreement. You acknowledge and agree that we will have full and complete access to the information and data entered and produced by the POS System. You must, at all times, have at the Authorized Location Internet access with a form of high speed connection as we require and you must maintain an email account for the Restaurant.

E. Serving and Promotional Items. All sales promotion material, customer goodwill items, cartons, containers, wrappers, and paper goods, eating and serving utensils and other items, and customer convenience items used in the sales promotion, sale and distribution of products covered by this Agreement are subject to our approval and must, where practicable, contain one or more of the Trademarks. You must purchase these items from our Approved Suppliers.

F. Health and Sanitation. Your Restaurant must be operated and maintained at all times in compliance with any and all applicable health and sanitary standards prescribed by governmental authority. You also must comply with any standards that we prescribe. In addition to complying with such standards, if the Restaurant is subject to any sanitary or health inspection by any governmental authorities under which it may be rated in one or more than one classification, it must be maintained and operated so as to be rated in the highest available health and sanitary classification with respect to each governmental agency inspecting the same. In the event you fail to be rated in the highest classification or receive any notice that you are not in compliance with all applicable health and sanitary standards, you must immediately notify us of such failure or noncompliance.

G. Evaluations. We or our authorized representative have the right to enter your Restaurant at all reasonable times during the business day for the purpose of making periodic evaluations and to ascertain if the provisions of this Agreement are being observed by you, to inspect and evaluate your building, land and equipment, and to test, sample, inspect and evaluate your supplies, ingredients and products, as well as the storage, preparation and formulation and the conditions of sanitation and cleanliness in the storage, production, handling and serving. Any failure of an inspection is a default under Section 13.A of this Agreement. Further, if we determine that any condition in the Restaurant presents a threat to customers or public health or safety, we may take whatever measures we deem necessary, including requiring you to immediately close the Restaurant until the situation is remedied to our satisfaction. Our inspections and evaluations may include a "mystery shopper" program from time to time throughout the term of this Agreement. If you fail an evaluation by us or by a mystery shopper or if we receive a specific customer complaint, you must pay the costs and expenses of subsequent "mystery shopper" visits.

H. Period of Operation. Subject to any contrary requirements of local law, your Restaurant must be opened to the public and operated during the days and times set forth in the Operations Manual. You acknowledge and agree that if your Restaurant is closed for a period of two consecutive days or five or more days in any 12-month period without our prior written consent, such closure constitutes your voluntary abandonment of the franchise and business, and we have the right, in addition to other remedies provided for herein, to terminate this Agreement. Acts of force majeure, as defined in subparagraph 16.M, that prevent you from complying with the foregoing will not constitute an abandonment of the franchise business as noted in this Section 6.H.

I. Operating Procedures. You must adopt and use as your continuing operational routine the required standards, service style, procedures, techniques and management systems described in our Operations Manual or other written materials relating to product preparation, menu, storage, uniforms, financial management, equipment, facility and sanitation. We will revise the Operations Manual and these standards, procedures, techniques and management systems periodically to meet changing conditions of retail operation in the best interest of Restaurants

operating under the Trademarks. Any required standards exist to protect our interests in the System and the Trademarks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. You must use your best efforts to promote and increase the sales and service of Menu Items and to effect the widest and best possible distribution throughout the Designated Area.

You acknowledge having received one copy of the Operations Manual on loan from us for the term of this Agreement. The Operations Manual is at all times our sole property. You must at all times treat the Operations Manual, and the information it contains, as secret and confidential, and must use all reasonable efforts to maintain such information as secret and confidential. We may from time to time revise the contents of the Operations Manual and you expressly agree to comply with each new or changed requirement. You must at all times ensure that your copy of the Operations Manual is kept current and up to date, and in the event of any dispute as to the contents of said Operations Manual, the terms of the master copy of the Operations Manual that we maintain are controlling. You acknowledge and agree that in the future the Operations Manual and other system communications may only be available on the Internet or other online or computer communications.

J. Confidential Information. You, the Operating Partners, and your manager may not, during the term of this Agreement or thereafter, disclose, copy, reproduce, sell or use for the benefit of any other person or entity Confidential Information, except to such employees that must have access to it to operate the Restaurant. For purposes of this Agreement, "Confidential Information" means the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures and/or improvements regarding the business that is valuable and secret in the sense that it is not generally known to our competitors and any proprietary information contained in the Operations Manual or otherwise communicated to you in writing, verbally or through the Internet or other online or computer communications, and any other knowledge or know-how concerning the methods of operation of the Restaurant, as well as the content of this Agreement and any other document executed in connection with this Agreement. Any and all Confidential Information, including, without limitation, proprietary ingredients, secret formulas and recipes, customer lists, methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data, may not be used for any purpose other than operating the Restaurant. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from any persons owning a majority interest in the franchise, the Operating Partners, your manager and other key employees. You must provide executed copies of these agreements to us upon our request. Notwithstanding the foregoing, you are authorized to disclose the terms of this Agreement to any lender providing you financing for the Restaurant as well as to your landlord.

K. Catering and Delivery Services. If you want to offer catering or delivery service to customers, you must obtain our prior written approval. Any catering or delivery services must meet our written standards. You also must charge the same price for products offered by the Restaurant whether delivered or catered by or sold in the Restaurant. Any income from catering or delivery services must be included in Gross Sales for purposes of your Royalty Fee and National Marketing Fee.

L. Compliance with Law, Licenses and Permits. You must at all times maintain your premises and conduct your Restaurant operations in compliance with all applicable laws, regulations, codes, and ordinances. You must secure and maintain in force all required licenses, permits and certificates relating to your Restaurant.

If you elect to sell beer and wine you must stock and maintain alcoholic beverages and related supplies in compliance with the Manual and must at all times comply with (a) all federal, state, city, local and municipal licensing, insurance and other laws, regulations, and requirements applicable to the sale of alcoholic beverages at the Restaurant, and (b) the liquor liability insurance requirements set forth in the Manual.

You acknowledge that you are an independent business and responsible for control and management of your Restaurant, including, but not limited to, the hiring and discharging of your employees and setting and paying wages

and benefits of your employees. You acknowledge that we have no power, responsibility or liability in respect to the hiring, discharging, setting and paying of wages or related matters.

You must immediately notify us in writing of any claim; litigation or proceeding that arises from or affects the operation or financial condition of your Fresheria business or Restaurant, including any notices of health code violations.

M. Participation in Internet Websites or Other Online Communications. We may require you, at your expense, to participate in our Fresheria website on the Internet, our intranet system or extranet system or other online communications as we may require. We have the right to determine the content and use of our website and intranet or extranet system and will establish the rules under which franchisees may or must participate. You may not separately register any domain name containing any of the Trademarks, participate in any website or social media platform that markets goods and services similar to a Fresheria Restaurant, or operate a website for your Restaurant that does not link to our website. We retain all rights relating to our website and intranet system and may alter or terminate our website, extranet system, or intranet system. Your general conduct on our website and intranet and extranet systems or other online communications (including social media) and specifically your use of the Trademarks or any advertising is subject to the provisions of this Agreement. You acknowledge that certain information related to your participation in our website or intranet system may be considered Confidential Information, including access codes and identification codes. Your right to participate in our website and intranet or extranet system, or otherwise use the Trademarks or System on the Internet or other online communications, will terminate when this Agreement expires or terminates.

N. Vending and Gaming Machines, Tickets. You may not, except with our prior written permission, permit any jukeboxes, electronic games, vending machines, ATMs, newspaper racks, entertainment devices, coin- or token-operated machines, or gambling devices or kiosks to be used on the Restaurant premises and may not sell or allow employees to sell any tickets, subscriptions, chances, raffles, lottery tickets or pull tabs.

O. System Modifications. You acknowledge and agree that we have the right to modify, add to or rescind any requirement, standard or specification that we prescribe under this Agreement to adapt the System to changing conditions competitive circumstances, business strategies, business practices and technological innovations and other changes as we deem appropriate. You must comply with these modifications, additions, or rescissions at your expense, subject to any express limitations set forth in this Agreement.

P. Suggested Pricing Policies. You generally have the right to establish prices for the Menu Items and other products and services you sell. We may, from time to time, suggest prices for the Menu Items and other products and services you sell. We do, however, have the right to modify the Menu Items or System to give us the right to establish prices, both minimum and maximum. Any such modification will be in writing. Unless we so modify the Menu Items or our System, any list or schedule of prices we furnish to you is a recommendation only and any decision you make to accept or reject the suggestion will not in any way affect the relationship between you and us.

PERSONNEL AND SUPERVISION STANDARDS

7. The following provisions and conditions control with respect to personnel, training, and supervision:

A. Supervision. You (if Franchisee is an individual) or one of your owners (if Franchisee is a legal agent) must devote adequate time and best efforts to the management and operation of your Restaurant. You must devote a minimum of ten hours per week to managing your Restaurant. You may hire an Assistant Restaurant Leader to assist you in managing the day-to-day operations of the Restaurant. Any Assistant Restaurant Leader or replacement Assistant Restaurant Leader(s) you hire must complete our training as described in subparagraphs 7.B – 7.E. Any Assistant Restaurant Leader(s) or replacement Assistant Restaurant Leader(s) you hire must be trained by us. Any Assistant Restaurant Leader you may hire need not have any interest in Franchisee. The use of an

Assistant Restaurant Leader in no way relieves you of your obligations to comply with this Agreement and to ensure that the Restaurant is properly operated.

B. Training. You must comply with all of the training requirements we prescribe for the Restaurant to be developed under this Agreement. You (or if Franchisee is a legal entity your Operating Partner) must complete our initial training program to our satisfaction.

We will provide our initial training program to you (or your Operating Partner) and one additional person without charging you a fee. You, however, are responsible for paying all costs daily living expenses, including hotel and transportation costs, for these individuals to attend our training program. If you would like us to train more than the two people noted above, or if it becomes necessary to retrain a certain individual, we will charge you our then-current training fee, which fee will not exceed \$500 per person per day. You will be responsible for paying all costs and other daily expenses for any additional person who attends our initial training program.

We also will provide you with up to four days of on-site assistance. Specifically, when your Restaurant is ready to open, we will, at our cost, send one of our representatives to your Restaurant to provide opening assistance and support.

The training requirements may vary depending on your experience and the experience of any manager you hire or other factors specific to the Restaurant. In the event you are given notice of default as set forth in subparagraphs 13.A and 13.B, and the default relates, in whole or in part, to your failure to meet any operational standards, we have the right to require as a condition of curing the default that you and your manager, at your expense, comply with the additional training requirements we prescribe. Any new manager you hire must comply with our training requirements within a reasonable time as we specify. The training of new managers generally occurs at our corporate Restaurant, but we may schedule your training at another site. Under no circumstances may you permit the management of the Restaurant's operation on a regular basis by a person who has not successfully completed to our reasonable satisfaction all applicable training we require.

If you request additional training or if we determine that it is necessary to provide you with more training, we may require you to pay to us for each additional training day at our then-current daily training fee.

C. Ongoing Training. We may require you, your manager and other key employees of the Restaurant to attend, at your expense, ongoing training at our training facility, the Authorized Location or other location we designate. If you request training in addition to the initial training program identified above, you must pay to us our then-current daily training fee plus expenses.

D. Staffing. You will employ a sufficient number of competent and trained employees to ensure efficient service to your customers. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever.

E. Attendance at Meetings. You must attend, at your expense, any annual franchise conventions we may hold or sponsor and all meetings relating to new products or product preparation procedures, new operational procedures or programs, training. Restaurant management, sales or sales promotion, or similar topics. If you are not able to attend a meeting or convention, you must notify us prior to the meeting and must have a substitute person acceptable to us attend the meeting.

ADVERTISING

8. You agree to actively promote your Restaurant, to abide by all of our advertising requirements and to comply with the following provisions:

A. Marketing Fund. You must pay to us a National Marketing Fee as set forth in subparagraph 9.F. All Marketing Fees will be placed in a Marketing Fund that we own and manage. The Marketing Fund is not a trust or escrow account, and we have no fiduciary obligation to franchisees with respect to the Marketing Fund, provided, however, we will make a good faith effort to expend such fees in a manner that we determine is in the general best interests of the System. We have the right to determine the expenditures of the amounts collected and the methods of marketing, advertising, media employed and contents, terms and conditions of marketing campaigns and promotional programs. Because of the methods used, we are not required to spend a prorated amount on each Restaurant or in each advertising market. We have the right to make disbursements from the Marketing Fund for expenses incurred in connection with the cost of formulating, developing, and implementing marketing, advertising, and promotional campaigns. The disbursements may include payments to us for the expense of administering the Marketing Fund, including accounting expenses and salaries and benefits paid to our employees engaged in the advertising functions. If requested, we will provide you an annual unaudited statement of the financial condition of the Marketing Fund.

B. Required Local Expenditures. You must use your best efforts to promote and advertise the Restaurant and participate in any local marketing and promotional programs we establish from time to time. . Upon our request, you must provide us with itemization and proof of marketing and an accounting of the monies that you have spent for approved local marketing. If you fail to make the required expenditure, we have the right to collect and contribute the deficiency to the Marketing Fund.

C. Grand Opening Marketing. You must spend at least \$3,000 and up to \$5,000 on a grand opening campaign which will include promotional elements, merchandise/giveaways, entertainment, decorations, yogurt and labor (the "Grand Opening Marketing Campaign"). All grand opening marketing and promotion must be approved by us. Your Grand Opening Marketing Campaign expenditures will count towards your first year local advertising requirements.

D. Approved Materials. You must use only such marketing materials (including any print, radio, television, electronic, social media, or other media forms that may become available in the future) as we furnish, approve, or make available, and the materials must be used only in a manner that we prescribe. Furthermore, any promotional activities you conduct in the Restaurant or on its premises are subject to our approval. We will not unreasonably withhold approval of any sales promotion materials or media and activities, provided that they are current, in good condition, in good taste and accurately depict the Trademarks.

E. Advertising Cooperatives. We have the right to designate local advertising markets and if designated, you must participate in and contribute to the cooperative advertising and marketing programs in your designated local advertising market. If established, you must direct your local advertising expenditure to the advertising cooperative, which is separate from the payment of the Marketing Fee. Each Fresheria Restaurant within a designated local advertising area is a member of the local advertising cooperative and each Restaurant has one vote on all matters requiring a vote. Each advertising cooperative will be required to adopt governing bylaws that meet our approval. You must obtain our written approval of all promotional and advertising materials, creative execution, and media schedules prior to their implementation. Each advertising cooperative will be required to prepare annual financial statements, which must be made available to all members of the cooperative and to us upon request. Also, each advertising cooperative must submit to us its meeting minutes upon our request. We have the right to require advertising cooperatives to be formed, changed, dissolved, or merged in our sole determination.

F. Gift Cards, Certificates and Checks. You must use and honor only system-wide gift cards, certificates and checks that we designate and you must obtain all certificates, cards or checks from an Approved Supplier.

FEES, REPORTING AND AUDIT RIGHTS

9. You must pay the fees described below and comply with the following provisions:

A. Initial Franchise Fee. You must pay to us an Initial Franchise Fee of \$50,000. If you are signing this Agreement in connection with your rights and obligations under a Multi-Unit Agreement, the Initial Franchise Fee you will pay under this Agreement will be set forth in the Multi-Unit Agreement. The Initial Franchise Fee must be paid at the time you sign this Agreement, is fully earned upon receipt, and except as noted below, is nonrefundable.

You may choose to open additional Restaurants (a maximum of three Restaurants including the Restaurant operated under this Agreement) and receive the benefit of a reduced, per Restaurant, Initial Franchise Fee. If you choose to exercise this option, you will be required to pay us the difference between the Initial Franchise Fee(s) you already paid and the balance owed for the additional Restaurants you agree to open, which will be calculated and paid in accordance with the terms of our then-current form of Multi-Unit Agreement. You also will be required to sign a Multi-Unit Agreement, or if you are already a party to a Multi-Unit Agreement, an addendum to the Multi-Unit Agreement identifying the additional Restaurants you have agreed to open.

B. Royalty Fee. In addition to the Initial Franchise Fee, during the full term of this Agreement, or any Interim Period, and in consideration of the rights granted to you, you must pay to us weekly, on every Tuesday. Royalty Fee equal to 5% of Gross Sales.

C. Uniforms, Merchandise and Restaurant Supplies. Prior to the opening of your Restaurant, you must pay us between \$3,000 to \$5,000 for uniforms, merchandise, and restaurant supplies, depending on the size of your Restaurant.

D. Fresheria Proprietary System Software Package. You must pay us a monthly fee in the amount of **\$100** for the Fresheria Proprietary System Software Package. The fee will cover our expenses associated with furnishing one user with our franchise management software, creating email accounts, email marketing, and providing technology administration and maintenance according to our then current guidelines and procedures, which may change from time to time. The monthly fee for the Fresheria Proprietary System Software Package is non-refundable and you will begin paying the fee 30 days after you sign a lease for your Restaurant. We reserve the right to increase or decrease the monthly fee each calendar year in an amount not to exceed 5%. We will provide you with written notice of any change to the fee 14 days prior to any change.

E. National Marketing Fee. When established You must pay to us a weekly Marketing Fee not to exceed 2% of Gross Revenue. These fees are not held by us in trust and become our property to be spent in accordance with Paragraph 8 A of this Agreement.

F. Computations and Remittances. Except for the Initial Franchise Fee, Development Services Fee, and Technology Fee, you must compute all amounts due and owing at the end of each weekly period from Sunday to Saturday and remittance for the amounts must be made to us on or before Friday of the following week, accompanied by the reports required by subparagraph 9.J of this Agreement. We reserve the right to change the reporting day of the week for any or all amounts. You must certify the computation of the amounts in the manner and form we specify, and you must supply to us any supporting or supplementary materials as we reasonably require to verify the accuracy of remittances. You waive any and all existing and future claims and offsets against any amounts due under this Agreement, which amounts you must pay when due. We have the right to apply or cause to be applied against amounts due to us any amounts that we may hold from time to time on your behalf or that we owe to you.

G. Electronic Transfer of Funds. You must sign an electronic transfer of funds authorization, attached as Schedule D, to authorize and direct your bank or financial institution to transfer electronically, on a weekly basis, the Royalty Fee, and National Marketing Fee directly to our account and to charge to your account all amounts due to us. You will pay us the Technology Fee on a monthly basis via electronic transfer. You must maintain a balance

in your account sufficient to allow us to collect the amounts owed when due. You are responsible for any penalties, fines or other similar expenses associated with the transfer of funds described in this subparagraph.

H. Interest Charges: Late Fees. Any and all amounts that you owe to us will bear interest at the rate of 10% per annum or the maximum contract rate of interest permitted by governing law, whichever is less, from and after the date of accrual. In addition to interest charges on late Royalty Fee and Marketing Fee payments, you must pay to us a service charge of 10% of the delinquent amount for each delinquent report or payment that you owe to us under this Agreement. A payment is delinquent for any of the following reasons (i) we do not receive the payment on or before the date due, or (ii) there are insufficient funds in your bank account to collect the total payment by a transfer of funds on or after the date due. The service charge is not interest or a penalty, it is only to compensate us for increased administrative and management costs due to late payment.

I. Financial Planning and Management. You must keep books and records and submit reports as we periodically require, including but not limited to a monthly profit plan, monthly balance sheet and monthly statement of profit and loss, records of prices and special sales, check registers, purchase records, invoices, sales summaries and inventories, sales tax records and returns, payroll records, cash disbursement journals and general ledgers, all of which accurately reflect the operations and condition of your Restaurant operations. You must compile, keep, and submit to us the books, records, and reports on the forms and using the methods of bookkeeping and accounting as we periodically may prescribe. The records that you are required to keep for your Restaurant must include detailed daily sales, cost of sales, and other relevant records or information maintained in an electronic media format and methodology we approve. You must provide this information to us according to reporting formats, methodologies and time schedules that we establish from time to time. You also must preserve and retain the books, records and reports for not less than five years. You must allow us electronic and manual access to any and all records relating to your Restaurant.

J. Reports and Audit. Within ten days after the end of each month, you must submit to us a report of your Gross Sales with respect to the preceding month in the form and content as we periodically prescribe. The report must include, but not be limited to, the following information for the preceding month (i) amount of Gross Sales and gross receipts of the Restaurant, amount of sales tax and the computation of the Royalty Fee and the National Marketing Fee, (ii) quantities of products purchased and the sources from which each were obtained, (iii) copies of your most recent sales tax return, sales summary and monthly balance sheet and statement of profit and loss, including a summary of your costs for utilities, labor, rent and other material cost items (iv) if requested by us to verify your Gross Sales, all such books and records as we may require under our audit policies published from time to time. You also must, at your expense, submit to us within 90 days after the end of each fiscal year a detailed balance sheet, profit and loss statement and statement of cash flows for such fiscal year. We may require that the annual financial statements be reviewed by a certified public accountant. You must certify all reports to be true and correct. You acknowledge and agree that we have the right to impose these requirements on you regardless of whether we impose the same requirement on our other franchisees.

We or our authorized representative have the right at all times during the business day to enter the premises where your books and records relative to the Restaurant are kept and to evaluate, copy and audit such books and records. We also have the right to request information from your suppliers and vendors. In the event that any such evaluation or audit reveals any understatement of 2% or more of your Gross Sales, you must pay for the audit, and in addition to any other rights we may have, we have the right to conduct further periodic audits and evaluations of your books and records as we reasonably deem necessary for up to three years thereafter and any further audits and evaluations will be at your sole expense, including, without limitation, professional fees, travel, and room and board expenses directly related thereto. Furthermore, if you intentionally understate or underreport Gross Sales at any time, or if a subsequent audit or evaluation conducted within the three-year period reveals any understatement of your Gross Sales of 2% or more, in addition to any other remedies provided for in this Agreement, at law or in equity, we have the right to terminate this Agreement immediately. In order to verify the information that you supply, we have the right to reconstruct your sales through the inventory extension method or any other reasonable method of analyzing

and reconstructing sales. You agree to accept any such reconstruction of sales unless you provide evidence in a form satisfactory to us of your sales within a period of 14 days from the date of notice of understatement or variance. You must fully cooperate with us or our representative in performing these activities and any expenses incurred by us from your lack of cooperation shall be reimbursed by you.

We will keep your financial books, records and reports confidential, unless the information is requested by tax authorities or used as part of a legal proceeding or in a manner as set forth in subparagraph 11.D.8 or where your information is grouped with similar information from other Restaurants to produce shared results like high-low ranges or average gross sales or expenses on a system-wide or regional basis.

YOUR OTHER OBLIGATIONS; NONCOMPETE COVENANTS

10. You agree to comply with the following terms and conditions:

A. Payment of Debts. You agree to pay promptly when due (i) all payments, obligations, assessments and taxes due and payable to us and our vendors, suppliers, lessors, federal, state or local governments, or creditors in connection with your business, (ii) all liens and encumbrances of every kind and character created or placed upon or against any of the property used in connection with the Restaurant or business, and (iii) all accounts and other indebtedness of every kind incurred by you in operating the Restaurant or business. In the event you default in making any such payment, we are authorized, but not required, to pay the same on your behalf and you agree promptly to reimburse us on demand for any such payment.

B. Indemnification. You waive all claims against us for damages to property or injuries to persons arising out of the operation of your Restaurant. You must fully protect, indemnify and hold us and our owners, directors, officers, insurers, successors and assigns harmless from and against any and all claims, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of your Restaurant (regardless of cause or any concurrent or contributing fault or negligence of us) or any breach by you or your failure to comply with the terms and conditions of this Agreement. We also reserve the right to select our own legal counsel to represent our interests, and you must reimburse us for all our costs and all attorneys' fees immediately upon our request as they are incurred.

We waive all claims against you for damages to property or injuries to persons arising out of the operation of our company-owned restaurants. We must fully protect, indemnify and defend you and your affiliates and hold you and them harmless from and against any and all claims, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of our company-owned Restaurants (regardless of cause or any concurrent or contributing fault or negligence of you) or any breach by us or our failure to comply with the terms and conditions of this Agreement.

C. Insurance. You must purchase and maintain in full force and effect, at your expense insurance that insures both you and us, and any other persons we designate by name. You must obtain your insurance from the source we designate. The insurance policy or policies must be written in accordance with the standards and specifications (including minimum coverage amounts) set forth in writing by us from time to time, and, at a minimum, must include the following (except as different coverages and policy limits may be specified for all franchisees from time to time in writing) (i) "special" causes of loss coverage forms (sometimes called "All Risk Coverage" or "All Peril Coverage") on the Restaurant, Restaurant improvements and all furniture, fixtures, equipment, supplies and other property used in the operation of the Restaurant, for full repair and replacement value, except that an appropriate deductible clause is permitted, (ii) business interruption insurance covering a minimum of 12 months loss of income, including coverage for our Royalty Fees (for example, in the event of a fire or destruction of the premises, the insurance must cover our average royalty payments (based on the previous 12-month timeframe, or if a shorter timeframe, the total operating timeframe for the Restaurant) during the rebuilding process), (iii) comprehensive general liability insurance including product liability insurance and contractual liability insurance, (iv) workers' compensation insurance covering all of your employees, (v) liquor liability

insurance, (vi) motor vehicle insurance, (vii) umbrella liability insurance which also includes employers liability, (viii) "Per Location" aggregate limits when multiple Restaurant locations are insured under one comprehensive general liability and umbrella liability policy(cies), (ix) Fresheria Franchisor, LLC named as an additional insured on all liability policies required by this subparagraph, (x) severability of interests and/or separation of insureds provisions must be included in the liability policies and all policies must be primary and non-contributing with any insurance policy earned by Fresheria Franchisor, LLC, and (xi) any other such insurance coverages or amounts as required by law or other agreement related to the Restaurant.

The insurance coverages referenced above must commence as of the date you sign a lease or purchase agreement for the Authorized Location. You must deliver to us at commencement and annually or at our request a proper certificate evidencing the existence of such insurance coverage and your compliance with the provisions of this subparagraph. The insurance certificate must show our status as an additional insured and provide that we will be given 30 days' prior written notice of a material change in or termination or cancellation of the policy. We require you to provide full and complete copies of all insurance policies. We may from time to time modify the required minimum limits and require additional insurance coverages, by providing written notice to you, as conditions require, to reflect changes in relevant circumstances, industry standards, experiences in the Fresheria System, standards of liability and higher damage awards. If you do not procure and maintain the required insurance coverage required by this Agreement, we have the right, but not the obligation, to procure insurance coverage and to charge the costs to you, together with a reasonable fee for the expenses we incur in doing so. You must pay these amounts to us immediately upon written notice.

D. Noncompete Covenants. You agree that you will receive valuable training. Confidential Information and goodwill that you otherwise would not receive or have access to but for the rights licensed to you under this Agreement. You therefore agree to the following noncompetition covenants:

1. Unless otherwise specified, the term "you" as used in this subparagraph 10.D includes, collectively and individually, all Operating Partners, guarantors, officers, directors, members, managers, partners, as the case may be, and holders of any ownership interest in you. We may require you to obtain from your manager and other individuals identified in the preceding sentence a signed non-compete agreement in a form satisfactory to us that contains the non-compete provisions of this subparagraph 10 D.

2. You covenant that during the term of this Agreement or during any Interim Period you will not, except as we otherwise agree to in writing, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any Competing Business (as defined below).

3. You covenant that you will not, for a period of two years after the expiration or termination of this Agreement, or after the expiration of any Interim Period, regardless of the cause of termination, or within two years of the sale of the Restaurant or any interest in you, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in a Competing Business:

- a. At the premises of the former Restaurant,
- b. Within 25 miles of the former Restaurant, or
- c. Within 25 miles of any other business or restaurant using the Fresheria System, whether franchised or owned by us.

For purposes of this Section 10.D, a Competing Business includes any business where 10% or more of its sales include the sale of smoothies, energy bowls, acai bowls, wraps, sincronizadas, tortas, tostadas, salads, and an assortment of natural juices.

4. You agree that the length of time in subpart (3) will be tolled for any period during which you are in breach of the covenants or any other period during which we seek to enforce this Agreement. The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement.

TRANSFER OF FRANCHISE

11. You agree that the following provisions govern any transfer or proposed transfer:

A. Transfers. We have entered into this Agreement with specific reliance upon your financial qualifications, experience, skills, and managerial qualifications as being essential to the satisfactory operation of the Restaurant. Consequently, neither your interest in this Agreement nor in the Restaurant may be transferred or assigned to or assumed by any other person or entity (the "assignee"), in whole or in part, unless you have first tendered to us the right of first refusal to acquire this Agreement in accordance with subparagraph 11.F, and, if we do not exercise such right, unless our prior written consent is obtained, the transfer fee provided for in subparagraph 11.C is paid, and the transfer conditions described in subparagraph 11.D are satisfied. Any sale (including installment sale), lease, pledge, management agreement, contract for deed, option agreement, assignment, bequest, gift or otherwise, or any arrangement pursuant to which you turn over all or part of the daily operation of the business to a person or entity who shares in the losses or profits of the business in a manner other than as an employee will be considered a transfer for purposes of this Agreement. Specifically, but without limiting the generality of the foregoing, the following events constitute a transfer and you must comply with the right of first refusal, consent, transfer fee, and other transfer conditions in this Paragraph 11:

1. Any change, pledge, or seizure of any ownership interest in you that affects the ownership of 25% or more of you, or
2. Any change in the general partner of a franchisee that is a general, limited, or other partnership entity, or

In the event of your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, if your legal representative, successor, receiver or trustee desires to succeed to your interest in this Agreement or the business conducted hereunder, such person first must notify us, tender the right of first refusal provided for in subparagraph 11.F, and if we do not exercise such right, must apply for and obtain our consent to the transfer, pay the transfer fee provided for in subparagraph 11.C, and satisfy the transfer conditions described in subparagraph 11.D. In addition, you or the assignee must pay the attorneys' fees and costs that we incur in any bankruptcy or insolvency proceeding pertaining to you.

You may not place in, on or upon the location of the Restaurant, or in any communication media or any form of advertising, any information relating to the sale of the Restaurant or the rights under this Agreement, without our prior written consent.

B. Consent to Transfer. We will not unreasonably withhold our consent to transfer, provided we determine that all of the conditions described in this Paragraph 11 have been satisfied. Application for our consent to a transfer and tender of the right of first refusal provided for in subparagraph 11.F must be made by submission of our form of application for consent to transfer, which must be accompanied by the documents (including a copy of the proposed purchase or other transfer agreement) and other required information. The application must indicate whether you or an Operating Partner proposes to retain a security interest in the property to be transferred. No security interest may be retained or created, however, without our prior written consent and except upon conditions

acceptable to us. Any agreement used in connection with a transfer will be subject to our prior written approval, which approval will not be withheld unreasonably. You immediately must notify us of any proposed transfer and must submit promptly to us the application for consent to transfer. Any attempted transfer by you without our prior written consent or otherwise not in compliance with the terms of this Agreement will be void, your interest in this Agreement will be voluntarily abandoned, and it will provide us with the right to elect either to deem you in default and terminate this Agreement or to collect from you and the guarantors a transfer fee equal to two times the transfer fee provided for in subparagraph 11.C.

C. Transfer Fee. You must pay to us a transfer fee in the amount of \$20,000. The transfer fee is nonrefundable even if, for any reason, the proposed transfer does not occur.

D. Conditions of Transfer. We condition our consent to any proposed transfer, whether to an individual, a corporation, a partnership, or any other entity upon the following:

1. Assignee Requirements. The assignee must meet all of our then-current requirements for our Fresheria franchise program we are offering at the time of the proposed transfer and sign our then-current form of franchise agreement modified to reflect the term remaining under this Agreement.

2. Payment of Amounts Owed. All amounts owed by you to us or your suppliers or any landlord for the Restaurant premises and Authorized Location, or upon which we have any contingent liability must be paid in full.

3. Reports. You must have provided all required reports to us in accordance with subparagraphs 9.J and K.

4. Modernization. You must have complied with the provisions of subparagraph 5.E.

5. Guarantee. In the case of an installment sale for which we have consented to you or any Operating Partner retaining a security interest or other financial interest in this Agreement or the business operated thereunder, you or such Operating Partner, and the guarantors, are obligated to guarantee the performance under this Agreement until the final close of the installment sale or the termination of such interest, as the case may be.

6. General Release. You, each Operating Partner, and each guarantor must sign a general release of all claims arising out of or relating to this Agreement, your Restaurant or the parties' business relationship, in the form we designate, releasing us.

7. Training. The assignee must, at your or assignee's expense, comply with the training requirements of subparagraph 7.B.

8. Financial Reports and Data. We have the right to require you to prepare and furnish to assignee and/or us such financial reports and other data relating to the Restaurant and its operations reasonably necessary or appropriate for assignee and/or us to evaluate the Restaurant and the proposed transfer. You agree that we have the right to confer with proposed assignees and furnish them with information concerning the Restaurant and proposed transfer without being held liable to you, except for intentional misstatements made to an assignee. Any information furnished by us to proposed assignees is for the sole purpose of permitting the assignees to evaluate the Restaurant and proposed transfer and must not be construed in any manner or form whatsoever as a financial performance representation or claims of success or failure.

9. Other Conditions. You must have complied with any other conditions that we reasonably require from time to time as part of our transfer policies.

E. Death, Disability or Incapacity. If any individual who is an Operating Partner dies or becomes disabled or incapacitated and the decedent's or disabled or incapacitated person's heir or successor-in-interest wishes to continue as an Operating Partner, such person or entity must apply for our consent under subparagraph 11.B, pay the applicable transfer fee under subparagraph 11.C, and satisfy the transfer conditions under subparagraph 11.D, as in any other case of a proposed transfer, all within 180 days of the death or event of disability or incapacity. During any transition period to an heir or successor-in-interest, the Restaurant still must be operated in accordance with the terms and conditions of this Agreement. If the assignee of the decedent or disabled or incapacitated person is the spouse or child of such person, no transfer fee will be payable to us and we will not have a right of first refusal as set forth in subparagraph 11.F.

F. Right of First Refusal. If you propose to transfer or assign this Agreement or your interest herein or in you or the business, in whole or in part, to any third party, including, without limitation, any transfer contemplated by subparagraph 11.E or any transfer described in subparagraph 11.A, you first must offer to sell to us your interest under the same terms. In the event of a bona fide offer from such third party, you must obtain from the third-party offeror and deliver to us a statement in writing, signed by the offeror and by you, of the terms of the offer. In the event the proposed transfer results from a transfer under subparagraphs 11.A 1 through 11.A 3, or your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, you first must offer to sell to us your interest in this Agreement and the land, building equipment, furniture and fixtures, and any leasehold interest used in the operation of your Restaurant. Unless otherwise agreed to in writing by us and you, the purchase price for our purchase of assets in the event of a transfer that occurs by a transfer under subparagraphs 11.A 1 through 11.A 2 or insolvency or bankruptcy filing will be established by a qualified appraiser selected by the parties and in accordance with the price determination formula established in subparagraph 14.B (the formula that includes the value of any goodwill of the business) in connection with an asset purchase upon expiration. In addition, unless otherwise agreed to in writing by us and you, the transaction documents, which we will prepare, will be those customary for this type of transaction and will include representations and warranties then customary for this type of transaction. If the parties cannot agree upon the selection of such an appraiser, a Judge of the United States District Court for the District in which the Authorized Location is located will appoint one upon petition of either party.

You or your legal representative must deliver to us a statement in writing incorporating the appraiser's report and all other information we have requested. We then have 30 days from our receipt of the statement setting forth the third-party offer or the appraiser's report and other requested information to accept the offer by delivering written notice of acceptance to you. Our acceptance of any right of first refusal will be on the same price and terms set forth in the statement delivered to us, provided, however, we have the right to substitute equivalent cash for any noncash consideration included in the offer. If we fail to accept the offer within the 30-day period, you will be free for 90 days after such period to effect the disposition described in the statement delivered to us provided such transfer is in accordance with this Paragraph 11. You may effect no other sale or assignment of you, this Agreement, or the business without first offering the same to us in accordance with this subparagraph 11.F.

G. Transfer by Us. We have the right to sell or assign, in whole or in part, our interest in this Agreement. In addition, we may assign certain of our obligations or duties under this Agreement to a sub-franchisor or area developer. For example, a sub-franchisor or area developer may assist us with or provide training or ongoing supervision to our franchisees.

DISPUTE RESOLUTION

12. The following provisions apply with respect to dispute resolution:

A. Mediation. Before any party may bring an action in court or against the other, or commence an arbitration proceeding (except as noted in Section 12 C below), the parties must first meet to mediate the dispute. The mediation will be held in the city in which our headquarters are located at the time of the mediation. Any such

mediation will be non-binding and conducted by the American Arbitration Association in accordance with its then-current rules for mediation of commercial disputes.

B. Arbitration. Except as qualified below, any dispute between you and us or any of our or your affiliates arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or your Restaurant or Authorized Location must be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be determined by arbitration administered by the American Arbitration Association pursuant to its then-current commercial arbitration rules and procedures. Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. In the event a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate will become null and void and the parties must submit all claims to the jurisdiction of the courts. The arbitration must take place in the city where our headquarters is located at the time of the dispute.

The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least 5 years of significant experience in franchise law. A judgment may be entered upon the arbitration award by any state or federal court in the state where we maintain our headquarters or the state where your Restaurant is located. The decision of the arbitrator will be final and binding on all parties to the dispute, however, the arbitrator may not under any circumstances (1) stay the effectiveness of any pending termination of this Agreement, (2) assess punitive or exemplary damages, or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set.

C. Exceptions to Arbitration. Notwithstanding Section 12 B, the parties agree that the following claims will not be subject to arbitration:

1. any action for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder, and

2. any action in ejectment or for possession of any interest in real or personal property.

D. Attorneys' Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement, any lease or sublease for the Restaurant or Authorized Location, or the business will be entitled to recover its reasonable attorneys' fees and costs.

DEFAULT AND TERMINATION

13. The following provisions apply with respect to default and termination:

A. Defaults. You are in default if we determine that you or any Operating Partner or guarantor has breached any of the terms of this Agreement or any other agreement between you and us, which without limiting the generality of the foregoing includes making any false report to us, intentionally understating or underreporting or failure to pay when due any amounts required to be paid to us, conviction of you, an Operating Partner, or a guarantor of (or pleading no contest to) any misdemeanor that brings or tends to bring any of the Trademarks into disrepute or impairs or tends to impair your reputation or the goodwill of any of the Trademarks or the Restaurant, any felony, filing of tax or other liens that may affect this Agreement, voluntary or involuntary bankruptcy by or against you or any Operating Partner or guarantor, insolvency, making an assignment for the benefit of creditors or any similar voluntary or involuntary arrangement for the disposition of assets for the benefit of creditors.

B. Termination by Us. We have the right to terminate this Agreement in accordance with the following provisions

1. Termination After Opportunity to Cure. Except as otherwise provided in this subparagraph 13 B or elsewhere in the Agreement (i) you will have 30 days from the date of our issuance of a written notice of default to cure any default under this Agreement, other than a failure to pay amounts due or submit required reports, in which case you will have ten days to cure those defaults, (ii) your failure to cure a default within the 30-day or ten-day period will provide us with good cause to terminate this Agreement, (iii) the termination will be accomplished by mailing or delivering to you written notice of termination that will identify the grounds for the termination, and (iv) the termination will be effective immediately upon our issuance of the written notice of termination.

2. Immediate Termination With No Opportunity to Cure. In the event any of the following defaults occurs, you will have no right or opportunity to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination any material misrepresentation or omission in your franchise application, your voluntary abandonment of this Agreement or the Authorized Location, the loss of your lease, the failure to timely cure a default under the lease, the loss of your right of possession or failure to reopen or relocate under subparagraph 5.D, the closing of the Restaurant by any state or local authorities for health or public safety reasons, failure to locate a site for your Restaurant within 12 months after signing this Agreement, failure to complete our initial training program, any unauthorized use of the Confidential Information, insolvency of you, an Operating Partner, or guarantor, you, an Operating Partner, or guarantor making an assignment or entering into any similar arrangement for the benefit of creditors, any default under this Agreement that materially impairs the goodwill associated with any of the Trademarks, conviction of you, any Operating Partners, or guarantors of (or pleading no contest to) any felony regardless of the nature of the charges, or any misdemeanor that brings or tends to bring any of the Trademarks into disrepute or impairs or tends to impair your reputation or the goodwill of the Trademarks or the Restaurant, intentionally understating or underreporting Gross Sales, Royalty Fees or National Marketing Fees or any understatement or 2% variance on a subsequent audit within a 3 year period under subparagraph 9.J, violation by you of the provisions of subparagraph 15.P, any unauthorized transfer or assignment in violation of Paragraph 11 or any default by you that is the third same or similar default within any 12-month consecutive period.

3. Immediate Termination After No More than 24 Hours to Cure. In the event that a default under this Agreement occurs that violates any health safety or sanitation law or regulation, violates any system standard as to food handling, cleanliness, health and sanitation, or if the operation of the Restaurant presents a health or safety hazard to your customers or to the public (i) you will have no more than 24 hours after we provide written notice of the default to cure the default, and (ii) if you fail to cure the default within the 24 hour period, this Agreement will terminate effective immediately on our issuance of written notice of termination.

4. Effect of Other Laws. The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for termination of this franchise supersede any provision of this Agreement that is less favorable to you.

C. Termination by You. You may terminate this Agreement as a result of a breach by us of a provision of this Agreement provided that (i) you provide us with written notice of the breach that identifies the grounds for the breach, and (ii) we fail to cure the breach within 30 days after our receipt of the written notice. If we fail to cure the breach, the termination will be effective 30 days after our receipt of your written notice of breach. Your termination of this Agreement under this Paragraph will not release or modify your Post-Term obligations under Paragraph 14 of this Agreement.

POST-TERM OBLIGATIONS

14. Upon the expiration or termination of this Agreement, or the expiration of any Interim:

A. Reversion of Rights Discontinuation of Trademark Use. All of your rights to the use of the Trademarks and all other rights and licenses granted herein and the right and license to conduct-business under the Trademarks at the Authorized Location will revert to us without further act or deed of any party. All of your right, title, and interest in, to and under this Agreement will become our property. Upon our demand, you must assign to us or our assignee your remaining interest in any lease then in effect for the Restaurant (although we will not assume any past due obligations). You must immediately comply with the post-term non-compete obligations under subparagraph 10.D, cease all use and display of the Trademarks and of any proprietary material (including the Operations Manual) and of all or any portion of point-of-sale materials furnished or approved by us, assign all right, title and interest in the telephone numbers for the Restaurant and cancel or assign, at our option, any assumed name rights or equivalent registrations filed with authorities. You must pay all sums due to us or our designees and all sums you owe to third parties that have been guaranteed by us. You must immediately return to us, at your expense, all copies of the Operations Manual, Confidential Information, and customer lists then in your possession or control or previously disseminated to your employees and continue to comply with confidentiality provisions of subparagraph 6.J. You must promptly at your expense and subject to subparagraph 14.B, remove or obliterate all Restaurant signage, displays or other materials (electronic or tangible) in your possession at the Authorized Location or elsewhere that bear any of the Trademarks or names or material confusingly similar to the Trademarks and so alter the appearance of the Restaurant as to differentiate the Restaurant unmistakably from duly licensed restaurants identified by the Trademarks. If, however, you refuse to comply with the provisions of the preceding sentence within 30 days, we have the right to enter the Authorized Location and remove all Restaurant signage, displays or other materials in your possession at the Authorized Location or elsewhere that bear any of the Trademarks or names or material confusingly similar to the Trademarks, and you must reimburse us for our costs incurred. Notwithstanding the foregoing, in the event of expiration or termination of this Agreement (or the expiration of any Interim Period), you will remain liable for your obligations pursuant to this Agreement or any other agreement between you and us that expressly or by their nature survive the expiration or termination of this Agreement.

B. Purchase Option. We have the right to purchase or designate a third party that will purchase all or any portion of the assets of your Restaurant that are owned by you or any of your affiliates including, without limitation, the land, building, equipment, fixtures, signage, furnishings, supplies, leasehold improvements, and inventory of the Restaurant at a price determined by a qualified appraiser (or qualified appraisers if one party believes it is better to have a real estate appraiser appraise the value of the land and building and a business appraiser appraise the Restaurant's other assets) selected with the consent of both parties, provided we give you written notice of our preliminary intent to exercise our purchase rights under this Paragraph within 30 days after the date of the expiration or termination of this Agreement, or the expiration of any Interim Period. If the parties cannot agree upon the selection of an appraiser(s), one or both will be appointed by a Judge of the United States District Court for the District in which the Authorized Location is located upon petition of either party.

The price determined by the appraiser(s) will be the reasonable fair market value of the assets based on their continuing use in, as, and for the operation of a Fresheria Restaurant and the appraiser will designate a price for each category of asset (e g, land, building, equipment, fixtures, etc.), but shall not include the value of any goodwill of the business, as the goodwill of the business is attributable to the Trademarks and the System.

Within 45 days after our receipt of the appraisal report, we or our designated purchaser will identify the assets, if any, that we intend to purchase at the price designated for those assets in the appraisal report. We or our designated purchaser and you will then proceed to complete and close the purchase of the identified assets, and to prepare and execute purchase and sale documents customary for the assets being purchased, in a commercially reasonable time and manner. We and you will each pay one-half of the appraiser's fees and expenses. Our interest in the assets of the Restaurant that are owned by you or your affiliates will constitute a lien thereon and may not be impaired or terminated by the sale or other transfer of any of those assets to a third party. Upon our or our designated purchaser's exercise of the purchase option and tender of payment, you agree to sell and deliver, and cause your affiliates to sell and deliver, the purchased assets to us or our designated purchaser, free and clear of all encumbrances, and to execute and deliver, and cause your affiliates to execute and deliver, to us or our designated purchaser a bill of sale

therefore and such other documents as may be commercially reasonable and customary to effectuate the sale and transfer of the assets being purchased.

If we do not exercise our option to purchase under this subparagraph, you may sell or lease the Restaurant premises to a third party purchaser, provided that your agreement with the purchaser includes a covenant by the purchaser, which is expressly enforceable by us as a third party beneficiary, pursuant to which the purchaser agrees, for a period of two years after the expiration or termination of this Agreement, or the expiration of any Interim Period, not to use the premises for the operation of a Restaurant business that has a menu or method of operation similar to that employed by our company-owned or franchised Restaurants.

C. Claims. You and your Operating Partners and guarantors may not assert any claim or cause of action against us relating to this Agreement or the Fresheria Business after the shorter period of the applicable statute of limitations or one year following the effective date of termination of this Agreement, provided that where the one-year limitation of time is prohibited or invalid by or under any applicable law, then and in that event no suit or action may be commenced or maintain unless commenced within the applicable statute of limitations.

GENERAL PROVISIONS

15. The parties agree to the following provisions:

A. Severability. In the event one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. It is the intent and expectation of each of the parties that each provision of this Agreement will be honored, earned out and enforced as written. Consequently, each of the parties agrees that any provision of this Agreement sought to be enforced in any proceeding must, at the election of the party seeking enforcement and notwithstanding the availability of an adequate remedy at law, be enforced by specific performance or any other equitable remedy.

B. Waiver/Integration. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify the Schedules and/or standards and as otherwise provided herein, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us.

This Agreement together with all schedules, addenda and appendices to this Agreement constitutes the entire agreement between the parties and supersedes any and all prior negotiations, understandings, representations and agreements. Nothing in this Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document we furnished to you.

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or many disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

C. Notices. Except as otherwise provided in this Agreement, any notice, demand, or communication provided for herein must be in writing and signed by the party serving the same and either delivered personally or by a reputable overnight service or deposited in the United States mail, service, or postage prepaid, and if such notice is a notice of default or termination, by registered or certified mail, and addressed as follows:

1. If intended for us, addressed to Fresheria Franchisor, LLC, 627 Pearl Street, La Jolla, California 90037.

2. If intended for you, addressed to you at the address set forth on the Data Sheet or at the Authorized Location, or, in either case, to such other address as may have been designated by written notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this subparagraph.

D. Authority. Any modification, consent, approval, authorization or waiver granted hereunder required to be effective by signature will be valid only if in writing executed by you or, if on behalf of us, in writing executed by our President or one of our authorized officers.

E. References. If the franchisee is two or more individuals, the individuals are jointly and severally liable, and references to you in this Agreement include all of the individuals. Headings and captions contained herein are for conveyance of reference and may not be taken into account in construing or interpreting this Agreement.

F. Guarantee. Your spouse and all persons owning any interest in Franchisee, if Franchisee is a corporation, limited liability company, partnership or other legal entity, must execute the form of undertaking and guarantee at the end of this Agreement. Any person or entity that at any time after the date of this Agreement becomes an owner pursuant to the provisions of Paragraph 11 or otherwise must execute the form of undertaking and guarantee at the end of this Agreement.

G. Successors/Assigns. Subject to the terms of Paragraph 11 hereof, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and assigns of the parties.

H. Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. Applicable Law and Waiver. Subject to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Paragraph 12 of this Agreement, the parties' rights under this Agreement, and the relationship between the parties is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the state where your Restaurant is located.

2. Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify the requirements of subparagraph 5.E and other express limitations set forth in this Agreement.

3. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise Reasonable Business Judgment in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Trademarks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

I. Venue. Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties that is not subject to arbitration under Paragraph 12, must be brought in the state or federal district court located in the county or distinct encompassing our headquarters. Both parties hereto irrevocably submit themselves to, and consent to, the jurisdiction of said courts. The provisions of this subparagraph will survive the termination of this Agreement. You are aware of the business purposes and needs underlying the language of this subparagraph and with a complete understanding thereof, you agree to be bound in the manner set forth.

J. Jury Waiver. All parties hereby waive any and all rights to a trial by jury in connection with the enforcement or interpretation by judicial process of any provision of this Agreement, and in connection with allegations of state or federal statutory violations, fraud, misrepresentation or similar causes of action or any legal action initiated for the recovery of damages for breach of this Agreement.

K. Waiver of Punitive Damages. You and your affiliates and we agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained.

L. Relationship of the Parties. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer, or employee of the other. Neither party may obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence. Without limiting the generality of the foregoing, we shall have no liability in connection with or related to the products or services rendered to you by any third party, even if we required, approved, or consented to the product or service or designated or approved the supplier.

M. Force Majeure. In the event of any failure of performance of this Agreement according to its terms by any party, the same will not be deemed a breach of this Agreement if it arose from a cause beyond the control of and without the negligence of said party. Such causes include, but are not limited to, strikes, wars, riots, and acts of government except as may be specifically provided for elsewhere in this Agreement.

N. Adaptations and Variances. Complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, we have the right to vary the Menu Items and other standards, specifications, and requirements for any franchised restaurant or franchisee based upon the customs or circumstances of a particular franchise or operating agreement, site or location, population density, business potential, trade area population, existing business practice, competitive circumstance or any other condition that we deem to be of importance to the operation of such restaurant, franchisee's business or the System. We are not required to grant to you a like or other variation as a result of any variation from standard menus, specifications or requirements granted to any other franchisee. You acknowledge that you are aware that our other franchisees operate under a number of different forms of agreement that were entered into at different times and that, consequently, the obligations and rights of the parties to other agreements may differ materially in certain instances from your rights and obligations under this Agreement.

O. Notice of Potential Profit. We may from time to time make available to you or require you to purchase goods, products and/or services for use in your Restaurant on the sale of which we may make a profit. Further, we may from time to time receive consideration from suppliers and/or manufacturers in respect to sales of goods, products, or services to you or in consideration of services rendered or rights licensed to such persons. You agree that we are entitled to said profits and/or consideration.

Interference with Employment Relations. During the term of this Agreement, or during any Interim Period, neither we nor you may employ or seek to employ, directly or indirectly, any person who is at the time or was at any time during the prior 6 months employed in any type of managerial position by the other party or any of its affiliates, or by any franchisee in the system, unless the violating party compensates the former employer for all

costs and expenses incurred in losing and replacing the employee up to a maximum of \$25,000, plus attorneys' fees and expenses. This subparagraph will not be violated if (i) at the time we or you employ or seek to employ the person, the former employer has given its written consent or (ii) we employ or seek to employ the person in connection with the transfer of the Restaurant to us. The parties acknowledge and agree that any franchisee from whom an employee was hired by you in violation of this subparagraph shall be a third-party beneficiary of this provision, but only to the extent they may seek compensation from you.

P. Effective Date. We will designate the "Effective Date" of this Agreement in the space provided on the Data Sheet. If no Effective Date is designated on the Data Sheet, the Effective Date is the date when we sign this Agreement. However, as described in subparagraph 5.A, you do not have the right to, and may not, open and commence operation of a Restaurant at the Authorized Location until we notify you that you have satisfied all of the pre-opening conditions set forth in this Agreement.

Q. Anti-Terrorism Provision. You and each Operating Partner represent and warrant to us that (a) neither you nor any Operating Partner is named, either directly or by an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U S Treasury Department's Office of Foreign Assets Control currently located at www.treas.gov/offices/enforcement/ofac/; (b) you and each Operating Partner will take no action that would constitute a violation of any applicable laws against corrupt business practices, against money laundering and against facilitating or supporting persons or entities who conspire to commit acts of terror against any person or entity, including as prohibited by the US Patriot Act (currently located at www.epic.org/pnvacv/terrorism/hr3162.html.) US Executive Order 13244 (currently located at www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html) or any similar laws, and (c) you and each Operating Partner shall immediately notify us in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

[SIGNATURE ON THE NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date stated below.

FRANCHISOR

Fresheria Franchisor, LLC

A California limited liability company

Signature _____

Printed Name Cesar De Santiago

Title _____

*Date _____
(*Effective Date of this Agreement)

FRANCHISEE

(Name of Individual or Entity)

Signature _____

Printed Name _____

Title _____
(Title of Signor, if applicable)

SCHEDULE A
To the Franchise Agreement

DATA SHEET

1. **Franchisee:** _____

2. **Operating Partner:** You represent and warrant to us that the following person or entity, and only the following person or entity, will be your Operating Partner:

Name	Home Address	Percentage of Ownership

3. **Authorized Location.** As stated in subparagraph 2.A of the Franchise Agreement, the Authorized Location is:

4. **Designated Territory:** As stated in subparagraph 2.C of the Franchise Agreement, the Designated Territory under this Agreement shall mean:

Effective Date: _____

[Signatures on following page]

By signing below you acknowledge that the Authorized Location noted above was chosen and approved by you.

FRANCHISOR

Fresheria Franchisor, LLC
A California limited liability company

Signature _____
Printed Name Cesar De Santiago
Title _____
*Date _____
(*Effective Date of this Agreement)

FRANCHISEE

(Name of Individual or Entity)

Signature _____
Printed Name _____
Title _____
(Title of Signor, if applicable)

SCHEDULE B
To the Franchise Agreement

TRADEMARKS

Mark	Registration Number	Registration Date
Fresheria	6488880	September 21, 2021

We may amend these Schedules from time to time in order to make available additional Trademarks or to delete those Trademarks that become unavailable. You agree to use only those Trademarks that are then currently authorized.

The Trademarks must be used only in the manner that we specify. No deviation will be permitted.

SCHEDULE C
To the Franchise Agreement

ADDENDUM TO LEASE

This Addendum to Lease ("Addendum"), dated _____, 20__, is entered into between _____ ("Landlord") and _____ ("Tenant").

RECITALS

The parties have entered into a Lease Agreement, dated _____, 20__ (the "Lease"), pertaining to the premises located at _____ (the "Premises").

The Landlord acknowledges that Tenant intends to operate a Fresheria Restaurant("Restaurant") from the Premises pursuant to Tenant's Franchise Agreement with Fresheria Franchisor, LLC ("Franchisor") dated _____ (the "Franchise Agreement"), whereby Tenant will utilize the Fresheria Restaurant name and the Fresheria Mark as Franchisor may designate in the operation of the Restaurant at the Premises.

Landlord further acknowledges that Franchisor has approved Tenant's request to locate its Restaurant on the Premises that is the subject of the Lease, provided that the conditions and agreements set forth in this Addendum are made a part of the Lease.

AGREEMENTS

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Lease as follows:

1. Remodeling and Décor.

Landlord agrees that Tenant has the right to remodel, equip, paint and decorate the interior of the Premises and to display such Marks and signs on the interior and exterior of the Premises as Tenant is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Tenant may operate a Restaurant on the Premises. Any remodel of the building and/or its signs shall be subject to Landlord's prior and reasonable approval.

2. Assignment By Tenant:

(a) Tenant does not have the right to sublease or assign the Lease to any third party without Landlord's and Franchisor's written approval.

(b) So long as Tenant is in good standing under the Lease, Tenant has the right to assign all of its right, title and interest in the Lease to Franchisor or its affiliates during the term of the Lease, including any extensions or renewals, without first obtaining Landlord's consent. No assignment will be effective, however, until Franchisor or its designated affiliate gives Landlord written notice of its acceptance of the assignment. Franchisor will be responsible for the Lease obligations incurred after the effective date of the assignment.

(c) If Franchisor elects to assume the Lease, Franchisor shall not be required to begin paying rent until Landlord delivers possession of the Premises to the Franchisor. At any time until the Landlord delivers possession of the Premises, Franchisor shall have the right to rescind the election to assume by written notice to Landlord.

3. Default and Notices to Franchisor

(a) Landlord shall send Franchisor copies of all notices of default under the Lease at the same time it provides Tenant with such notice. If Tenant fails to cure any defaults within the period specified in the Lease, Landlord shall promptly give Franchisor written notice thereof, specifying the defaults that Tenant has failed to cure. Franchisor has the right to unilaterally assume the Lease if Tenant fails to cure Franchisor shall have 15 days from the date Franchisor receives such notice to exercise, by written notice to Landlord and Tenant, its right for Franchisor or its affiliate designee ("Franchisor Entity"), to assume the Lease Franchisor shall have an additional 30 days from the expiration of Tenant's cure period in which to cure the default or violation.

(b) If Franchisor elects to assume the Lease, the Franchisor Entity shall not be required to cure defaults and/or to begin paying rent until Landlord delivers possession of the Premises to the Franchisor Entity. At any time until Landlord delivers possession of the Premises, Franchisor shall have the right to rescind the election to assume by written notice to Landlord.

4. Termination of Franchise Agreement; Expiration or Non-Renewal of Lease

(a) If the Franchise Agreement is terminated for any reason during the term of the Lease or any renewal or extension thereof, and if Franchisor desires to assume the Lease, Franchisor shall promptly give Landlord written notice thereof. Within 30 days after receipt of such notice. Landlord shall give Franchisor written notice specifying any defaults of Tenant under the Lease. If Franchisor elects to assume the Lease, Franchisor must cure said defaults consistent with paragraph 3 above.

(b) If the Lease contains term renewal or extension right(s) and if Tenant allows the term to expire without exercising said right(s), Landlord shall give Franchisor written notice thereof, and a Franchisor Entity shall have the option, for 30 days after receipt of said notice, to exercise the Tenant's renewal or extension right(s) on the same terms and conditions as are contained in the Lease. If a Franchisor Entity elects to exercise such right(s), it shall so notify Landlord in writing, whereupon Landlord and the Franchisor Entity shall promptly execute and deliver an agreement whereby the Franchisor Entity assumes the Lease, effective at the commencement of the extension or renewal term.

5. Access to Premises Following Expiration or Termination of Lease

Upon the expiration or termination of the Lease, Landlord will cooperate with and assist Franchisor in gaining possession of the Premises and, if the Franchisor Entity does not elect to assume the Lease for the Premises consistent with subparagraphs 3(a) or 4(b) above, Landlord will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Landlord except for any damages caused by Franchisor's willful misconduct or gross negligence, to remove all signs and all other items identifying the Premises as a Fresheria Restaurant and to make such other modifications (such as repainting) as are reasonably necessary to protect the Fresheria Mark and system, and to distinguish the Premises from Fresheria Restaurants. In the event Franchisor exercises its option to purchase assets of Tenant, Landlord must permit Franchisor to remove all such assets being purchased by Franchisor.

6. Assumption and Subsequent Assignment By Franchisor.

If Franchisor elects to assume the Lease under paragraph 2, or unilaterally assumes the Lease as provided for in paragraphs 3 or 4, Landlord and Tenant agree that:

(a) Tenant will remain liable for the responsibilities and obligations, including amounts owed to Landlord, prior to the date of assignment and assumption. Further, Tenant shall be and remain liable to Landlord for all of its obligations under the Lease, notwithstanding any assignment or assumption of the Lease by Franchisor. Franchisor shall be entitled to recover from Tenant all amounts it pays to Landlord to cure. Tenant's defaults under the Lease, including interest and reasonable collection costs.

(b) Franchisor, upon taking possession of the Premises, shall cure any default specified by Landlord within the timeframes noted herein and shall execute and deliver to Landlord its assumption of Tenant's rights and obligations under the Lease. Franchisor shall pay, perform, and be bound by all the duties and obligations of the Lease applicable to Tenant, except that the Franchisor may elect not to assume or be bound by the terms of any Amendment to the Lease executed by Tenant without obtaining Franchisor's prior written approval, which shall not be unreasonably withheld or delayed.

(c) At or after the time Franchisor assumes Tenant's interests under the Lease, the Franchisor may, at any time, assign such interests or sublet the Premises to a Fresheria franchisee. Any such assignment shall be subject to the prior written consent of the Landlord, which Landlord shall not unreasonably withhold as it relates to a creditworthy franchisee who otherwise meets Franchisor's then-current standards and requirements for franchisees and agrees to operate the Restaurant as Fresheria Restaurant pursuant to a Franchise Agreement with Franchisor. Upon receipt by Landlord of an assumption agreement pursuant to which the assignee agrees to assume the Lease and to observe the terms, conditions, and agreements on the part of Tenant to be performed under the Lease, the Franchisor shall thereupon be released from all liability as tenant under the Lease from and after the date of assignment, without any need of a written acknowledgement of such release by Landlord.

7. Access to Premises During Lease.

As provided in the Franchise Agreement, Franchisor shall have the right to access the Premises during continuance of the Lease to ensure compliance by Tenant with its obligations under the Franchise Agreement.

8. Additional Provisions.

(a) Landlord hereby acknowledges that the provisions of this Addendum to Lease are required pursuant to the Franchise Agreement under which Tenant plans to operate its business and the Tenant would not lease the Premises without this Addendum.

(b) Landlord further acknowledges that Tenant is not an agent or employee of Franchisor and the Tenant has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any affiliate of Franchisor, and that Landlord has entered into this Addendum to Lease with full understanding that it creates no duties, obligations or liability of or against Franchisor or any affiliate of Franchisor, unless and until the Lease is assigned to, and accepted in writing by, Franchisor.

(c) All notices to Franchisor required by this Addendum must be in writing and sent by registered or certified mail, postage prepaid, to the following address:

Fresheria Franchisor, LLC
627 Pearl Street
La Jolla, California 92037

Franchisor may change its address for receiving notices by giving Landlord written notice of the new address Landlord agrees that it will notify both Tenant and Franchisor of any change in Landlord's mailing address to which notices should be sent.

9. Sales Reports.

If requested by Franchisor, Landlord will provide Franchisor with whatever information Landlord has regarding Tenant's sales from the Restaurant.

10. Conflicts.

In the event of a conflict between the terms of the Lease and the terms set forth in this Addendum, the terms set forth herein shall govern. In the event of a conflict between notices provided to Landlord by Tenant and Franchisor, the notices of Franchisor shall prevail.

11. Miscellaneous.

Any waiver excusing or reducing any obligation imposed by this Addendum shall be in writing and executed by the party who is charged with making the waiver and shall be effective only to the extent specifically allowed in such writing. The language used in this Addendum shall in all cases be construed simply according to its fair meaning and not strictly for or against any party. Nothing in this Addendum is intended, nor shall it be deemed, to confer any rights or remedies upon any person or entity not a party hereto. This Addendum shall be binding upon, and shall inure to the benefit of; the successors, assigns, heirs, and personal representatives of the parties hereto. This Addendum sets forth the entire agreement with regard to the rights of Franchisor, fully superseding any and all prior agreements or understandings between the parties pertaining to the subject matter of this Addendum. This Addendum may only be amended by written agreement duly executed by each party.

IN WITNESS WHEREOF, this Addendum is made and entered into by the undersigned parties as of _____, 20____.

LANDLORD:

By: _____

Printed Name: _____

Its: _____

FRANCHISEE:

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

SCHEDULE D
To the Franchise Agreement

Electronic Transfer of Funds Authorization

Franchisee: _____

Location: _____

Date: _____

NEW	CHANGE

Attention: Bookkeeping Department

The undersigned hereby authorizes Fresheria Franchisor, LLC, or any affiliated entity (collectively, "Franchisor") to initiate weekly ACH debit entries against the account of the undersigned with you in payment of amounts for Royalty Fees, Advertising Fees or other amounts that become payable by the undersigned to Franchisor. The dollar amount to be debited per payment will vary.

Subject to the provisions of this letter of authorization, you are hereby directed to honor any such ACH debit entry initiated by Franchisor.

This authorization is binding and will remain in full force and effect until 90 days prior written notice has been given to you by the undersigned. The undersigned is responsible for, and must pay on demand, all costs or charges relating to the handling of ACH debit entries pursuant to this letter of authorization.

Please honor ACH debit entries initiated in accordance with the terms of this letter of authorization, subject to there being sufficient funds in the undersigned's account to cover such ACH debit entries.

We also need a VOIDED CHECK

Account Name

Sincerely yours,

Bank Name

Street Address

Branch

City

State

Zip Code

Street Address

Telephone Number

City

State

Zip Code

By: _____

Bank Telephone Number

Its: _____

Bank Routing Number

Date: _____

Customer's Account Number

SCHEDULE E
To the Franchise Agreement

Telephone Assignment Agreement

This Assignment Agreement (the "Assignment") is made, and entered into, between Fresheria Franchisor, LLC, a California limited liability company ("Company") and the undersigned _____ ("Franchisee").

RECITALS

A. Company has developed a unique system for the establishment and operation of a operate a health food Restaurant for retail sale to the public (the "System"),

B. Company and Franchisee have entered into a Franchise Agreement dated _____ (the "Franchise Agreement"), pursuant to which Franchisee was granted the right to operate a Fresheria Restaurant under the System, and

C. It is the desire of and in the best interests of Company and the System that in the event the Franchise Agreement terminates or expires, the telephone numbers, telephone directory listings and internet addresses used by Franchisee in connection with the operation of its Fresheria Restaurant are assigned to Company.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and Company agreeing to enter into the Franchise Agreement, Company and Franchisee agree as follows:

1. Franchisee hereby agrees to assign to Company (i) those certain telephone numbers and regular, classified, or other telephone directory listings used by Franchisee in connection with operating the Fresheria Restaurant(collectively, the "Numbers and Listings") and (ii) those certain Internet Web Site addresses ("URLs") associated with the Fresheria trademarks and service marks and used from time to time by Franchisee in connection with the operation of its Fresheria Restaurant.

2. This Assignment is for collateral purposes only and, except as specified herein, Company will have no liability or obligation of any kind whatsoever arising from or in connection with Franchisee's use of the Numbers and Listings and the URLs, unless and until Company notifies the telephone company and the listing agencies with which Franchisee has placed telephone directory listings (all such entities are collectively referred to herein as "Telephone Company") and Franchisee's Internet service provider ("ISP") to effectuate the assignment pursuant to the terms hereof.

3. Upon termination or expiration of the Franchise Agreement (without renewal or extension), Company will have the right and is hereby empowered to effectuate the assignment of the Numbers and Listings and the URLs to itself or to any third party it designates. In the event Company exercises its assignment rights Franchisee will have no further right, title or interest in the Numbers and Listings or the URLs, provided, however, Franchisee will remain liable to the Telephone Company and the ISP for any and all past due fees owing to the Telephone Company and the ISP on or before the effective date of the assignment.

4. Franchisee acknowledges and agrees that as between Company and Franchisee, upon termination or expiration of the Franchise Agreement, Company will have the sole right to and interest in the Numbers and Listings and the URLs, and Franchisee appoints Company as Franchisee's true and lawful attorney-in-fact to direct the Telephone Company and the ISP to assign the same to Company and execute such documents and take such

actions as may be necessary to effectuate the assignment. Upon such event, Franchisee will immediately notify the Telephone Company and the ISP to assign the Numbers and Listings and the URLs to Company. If Franchisee fails to promptly direct the Telephone Company and the ISP to assign the Numbers and Listings and the URLs to Company, Company will direct the Telephone Company and the ISP to effectuate the assignment contemplated hereunder to Company.

5. The parties agree that the Telephone Company and the ISP may accept Company's written direction, the Franchise Agreement, or this Assignment as conclusive proof of Company's exclusive rights in and to the Numbers and Listings and the URLs upon such termination or expiration of the Franchise Agreement and that such assignment shall be made automatically and effective immediately upon Telephone Company's and ISP's receipt of such notice from Company or Franchisee. The parties further agree that if the Telephone Company or the ISP requires that the parties execute the Telephone Company's or the ISP's assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, Company's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement.

Agreed to this _____ day of _____, 20____

FRANCHISOR

Fresheria Franchisor, LLC

A California limited liability company

Signature _____
Printed Name Cesar De Santiago
Title _____
*Date _____
(*Effective Date of this Agreement)

FRANCHISEE

(Name of Individual or Entity)

Signature _____
Printed Name _____
Title _____
(Title of Signor, if applicable)

SCHEDULE F
To the Franchise Agreement

Personal Guarantee and Agreement to be Bound
Personally by the Terms and Conditions
of the Franchise Agreement

In consideration of the execution of the Franchise Agreement by Fresheria Franchisor, LLC, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Franchise Agreement, to be paid, kept and performed by the franchisee, including without limitation the arbitration and other dispute resolution provisions of the Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Franchise Agreement, including but not limited to the noncompete provisions in subparagraph 10.D, and agree that this Personal Guarantee will be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of this Franchise Agreement.

The undersigned waives (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed, (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed, and (3) any right he/she may have to require that an action be brought against the franchisee or any other person as a condition of liability.

In addition, the undersigned consents and agrees that (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the franchisee or any other person, and (2) such liability will not be diminished, relieved or otherwise affected by franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Franchise Agreement, or the amendment or extension of the Franchise Agreement with or without notice to the undersigned.

It is further understood and agreed by the undersigned that the provisions, covenants, and conditions of this Guarantee will inure to the benefit of our successors and assigns.

FRANCHISEE: _____

PERSONAL GUARANTORS:

_____	_____	_____	_____
Individually		Individually	
_____	_____	_____	_____
Print Name		Print Name	
_____	_____	_____	_____
Address		Address	
_____	_____	_____	_____
City	State	Zip Code	
_____	_____	_____	_____
Telephone		Telephone	

SCHEDULE G
To the Franchise Agreement

Addendum to Fresheria Franchisor, LLC Franchise Agreement

This Addendum to the Franchise Agreement ("Addendum"), dated _____, 20____, is entered into between _____ ("Franchisee"), and Fresheria Franchisor, LLC ("Franchisor").

RECITALS

A. The parties have entered into _____ separate Franchise Agreements, all dated _____, 20____, relating to the development and operation of Fresheria Restaurant around the following locations (1) _____ (the "Agreement"), (2) _____ (the "Agreement"), (3) _____ (the "Agreement").

B. The parties desire to amend Sections 2.A and 2.B of the Agreement in accordance with the terms and conditions contained in this Addendum.

AGREEMENT

Franchisor and Franchisee agree that the Agreement is hereby modified as follows:

1. Paragraph 2.A is deleted in its entirety and replaced with the following:

A. Authorized Location. We grant to you the right and license to establish and operate a Restaurant identified by the Fresheria Trademarks or such other marks as we may direct at the location identified on the Data Sheet, which location must be designated within _____ days from the date of this Agreement (the "Authorized Location"). When a location has been designated by you and you have received a non-objection (approval) notice from us, it will become part of this subparagraph 2.A as if originally stated. If an Authorized Location is not designated by you and approved by us within ____ days from the date of this Agreement, we may terminate this Agreement. You accept the license and undertake the obligation to operate the Restaurant at the Authorized Location using the Trademarks and the System in compliance with the terms and conditions of this Agreement.

2. Paragraph 2.B is deleted in its entirety and replaced with the following:

B. Opening. You agree that the Restaurant will be open and operating in accordance with the requirements of subparagraph 5.A within ____ to ____ days from the date of this Agreement unless we authorize in writing an extension of time. Before you open your Restaurant for business, we will inspect your Restaurant and provide you with a Franchise Certificate of Approval.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Franchise Agreement on the dates written below.

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

SCHEDULE H
To the Franchise Agreement

COMPUTER AND SOFTWARE REQUIREMENTS

- A. Point of Sale Platform for Restaurant
 - 1. Fresheria locations must use Fresheria approved POS platform, currently approved vendors
 - 2. Approved POS platform must report daily to the Fresheria portal
- B. Restaurant Office
 - 1. Restaurant Office is required to use Windows PC for all non-POS related tasks including but not limited to, reporting, accounting, electronic communications, and web based activities
 - 2. Color Printer
- C. Restaurant IT Environment
 - 1. Restaurant required to maintain PCI-DSS compliance
 - 2. DVR security cameras require a PCI complaint configuration
 - 3. If site provides wireless access a separate Internet connection and local area network is required
 - 4. POS network minimum internet bandwidth – 3Mbps download / 2Mbps upload

EXHIBIT B
TO THE FRANCHISE DISCLOSURE DOCUMENT
STATE ADDENDUM

CALIFORNIA ADDENDUM

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

California Business and Professions Code Sections 20000 through 20043 provide rights to the Franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

- A. The franchisor, any person or franchise broker in Item 2 of the franchise disclosure document is not subject to any current effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A 78a et seq, suspending or expelling such person from membership in such association or exchange.
- B. The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq.)
- C. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.
- D. The franchise agreement may contain a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- E. The franchise agreement requires binding arbitration. The arbitration will occur in the city where our headquarters are then located (currently, San Diego County, California) with the costs being borne by the non-prevailing party.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as the Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

Before the franchisor can ask you to materially modify your existing franchise agreement, Section 31125 of the California Corporations Code requires the franchisor to file a material modification application with the Department that includes a disclosure document showing the existing terms and the proposed new terms of your franchise agreement. Once the application is registered, the franchisor must provide you with that disclosure document with an explanation that the changes are voluntary.

You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 Through 31516) Business and Professions Code Section 20010 Voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

- F. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act
- G. 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.
- H. The franchise agreement contains a provision requiring you to waive your right to punitive or exemplary damages against the franchisor or any of its representatives, limiting your recovery to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR CALIFORNIA FRANCHISEES**

This Addendum to the Franchise Agreement (the “Franchise Agreement”) dated _____ between Fresheria Franchisor, LLC (the “Franchisor”) and _____ (the “Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because (a) the offer or sale of the franchise to Franchisee was made in the State of California, (b) Franchisee is a resident of the State of California, and/or (c) the franchised business will be located or operated in the State of California.
2. California Business and Professions Code Sections 20000 through 20043, the California Franchise Relations Act, provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.
3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

HAWAII ADDENDUM

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

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

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

ILLINOIS ADDENDUM

YOU DO NOT RECEIVE AN EXCLUSIVE TERRITORY. WE CAN COMPETE WITH YOU IN NON-TRADITIONAL (SPECIAL SITE) LOCATIONS AND IN ALTERNATE CHANNELS OF DISTRIBUTION

Item 17. Additional Disclosures: The following statement is added to Item 17

The conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void". To the extent that any provision in the Agreement is inconsistent with Illinois law, Illinois law will control.

Except for those cases in which Franchisor is entitled to the entry of temporary and permanent injunctions and orders of specific performance in accordance with the terms of the Franchise Agreement and claims of promissory fraud, all disputes must be arbitrated in the county in which Franchisor's principal offices are located at the time the demand for arbitration is filed.

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR ILLINOIS FRANCHISEES**

This Addendum to the Franchise Agreement ("Franchise Agreement") dated _____ between Fresheria Franchisor, LLC ("Franchisor") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement:

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement This Addendum is being executed because (a) the offer or sale of the franchise to Franchisee was made in the State of Illinois, (b) Franchisee is a resident of the State of Illinois, and/or (c) the Franchised Business will be located or operated in the State of Illinois.
2. The following sentence is added to the end of Section 15 I:

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in the Franchise Agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois, provided that the Franchise Agreement may provide for arbitration in a forum outside of Illinois.
3. The last sentence of Section 15 H(I) is deleted and replaced by the following:

Notwithstanding the foregoing, the Illinois Franchise Disclosure Act shall govern the Franchise Agreement
4. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
5. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[Signatures on following page]

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

ADDENDUM TO THE MULTI UNIT AGREEMENT
REQUIRED FOR ILLINOIS DEVELOPERS

This Addendum to the Multi-Unit Agreement (the “Multi-Unit Agreement”) dated _____ between Fresheria Franchisor, LLC (the “Franchisor”) and _____ (the “Developer”) is entered into simultaneously with the execution of the Multi-Unit Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Multi-Unit Agreement. This Addendum is being executed because (a) the offer or sale of the franchise to Development was made in the State of Illinois, (b) Developer is a resident of the State of Illinois, and/or (c) the Franchise Businesses will be located or operated in the State of Illinois;
2. The following sentence is added to the end of Section 10G (1)

Notwithstanding the foregoing, the Illinois Franchise Disclosure Act shall govern this Agreement;
3. The following sentence is added to the end of Section 10 H

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in this Agreement which designated jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois, provided that this Agreement may provide for arbitration in a forum outside of Illinois
4. Section 41 of the Illinois Franchise Disclosure Act states that “any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this act is void.” To the extent that any provision of the Multi-Unit Agreement is inconsistent with Illinois law, Illinois law will control.
5. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Multi-Unit Agreement.
6. Except as expressly modified by this Addendum, the Multi-Unit Agreement remains unmodified and in full force and effect.

[SIGNATURE ON THE NEXT PAGE]

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

MARYLAND ADDENDUM

Item 1. Additional Disclosures: The following statements are added to Item 1

The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

Item 17. Additional Disclosures: The following statements are added to Item 17

The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The "Summary" column of Item 17(H) of the Disclosure Document, pertaining to "Cause defined - defaults that cannot be cured" is supplemented to state that any provision in the Franchise Agreement which terminates the franchise upon the bankruptcy of the Franchisee may not be enforceable under federal bankruptcy law.

Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law, provided that the Franchise Agreement may provide for arbitration in a forum outside of Maryland

Section 14-227(e) of the Maryland Franchise Registration and Disclosure Law requires that any claims arising under that Law be brought within 3 years after the grant of the franchise

Item 22. Additional Disclosures: The following statements are added to Item 22

Item 22 of the Disclosure Document is supplemented to state that the form of general release referred to in Items 17 c and 17 m is attached to this Disclosure Document pursuant to Maryland Franchise Registration and Disclosure Law.

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR MARYLAND FRANCHISEES**

This Addendum to Franchise Agreement ("Franchise Agreement") dated _____ between Fresheria Franchisor, LLC ("Franchisor") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because (a) the offer or sale of the franchise to Franchisee was made in the State of Maryland, (b) Franchisee is a resident of the State of Maryland, and/or (c) the Franchised Business will be located or operated in the State of Maryland.
2. The following sentence is added to the end of Section 1

Representations in the Franchise Agreement 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.
3. The following sentence is added to the end of Sections 4 B and 11 D:

The general release required as a condition of renewal or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law
4. The following sentence is added to the end of Section 15.I:

Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law, provided that the Franchise Agreement may provide for arbitration in a forum outside of Maryland.
5. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement
6. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect

[Signatures on following page]

Franchisor: Fresheria Franchisor, LLC

By: _____

Its: _____

Developer: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

MINNESOTA ADDENDUM

Item 13. Additional Disclosure: The following statement is added to Item 13

We will protect your right to use the Marks or indemnify you from any loss, costs or expenses arising out of any claim, suit, or demand regarding the use of the name to the extent required by Minn Stat Sec 80C 12, Subd 1(g)

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

With respect to franchises governed by Minnesota law. Franchisor will comply with Minnesota Statute § 80C 14, subdivisions 3, 4, and 5 which requires, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement

Item 17. Governing Law. Jurisdiction and Venue and Choice of Forum: The following statement is added to the cover page and Item 17

Minnesota Statutes, Section 80C21 and Minnesota Rule 2860 4400J 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 any of franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction

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

Minnesota Rule 2860 4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C01-80C 22

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR MINNESOTA FRANCHISEES**

This Addendum to the Franchise Agreement ("Franchise Agreement") dated _____ between Fresheria Franchisor, LLC ("Franchisor") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement This addendum is being executed because (a) the offer or sale of the franchise to Franchisee was made in the State of Minnesota, (b) Franchisee is a resident of the State of Minnesota, and/or (c) the Franchised Business will be located or operated in the State of Minnesota

2. The following sentence is added to the end of Section 13 B

With respect to franchises governed by Minnesota law. Franchisor will comply with Minnesota Statute § 80C 14, subdivision 3, 4, and 5 which requires, except in certain cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

3. The following sentence is added to the end of Sections 4 B and 11 D

Notwithstanding the foregoing. Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C 01 - 80C 22.

4. Section 12 C IS deleted and replaced with the following:

Franchisor shall be entitled to the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to (1) Franchisee's use of the Trademarks, (2) the construction and equipping of the Franchised Business, (3) the obligations of Franchisee upon termination or expiration of this Agreement, (4) a Transfer of this Agreement, any ownership interest therein or in the lease for the Franchised Business, and (5) as necessary to prohibit any act or omission by Franchisee or its employees that would constitute a violation of any applicable law, ordinance, or regulation, or which is dishonest or misleading to Franchisor and/or Franchisor's other licensees

5. The following sentences are added to the end of Sections 12 B and 15 I:

Minnesota Statute § 80C 21 and Minnesota Rule 2860 4400J prohibit Franchisor from requiring arbitration or litigation to be conducted outside Minnesota In addition, nothing in the Disclosure Document or the Franchise Agreement can abrogate or reduce any of Licensee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement
7. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Developer: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

NEW YORK ADDENDUM

Item 3. Additional Disclosure: Item 3 is revised to read as follows:

Neither Franchisor, nor any predecessor, nor any person identified in Item 2 above, nor any affiliate offering franchises under Franchisor's principal trademark

A. Has any administrative, criminal, or civil action pending against that person alleging a felony, a violation of franchise law, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations or 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.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-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 a violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion, or misappropriation of property, or unfair or deceptive practices, or comparable allegation.

C. Is subject to currently effective injunctive or restrictive order or decree relating to franchises, or under a Federal State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange, or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

Item 4. Additional Disclosure: Item 4 is deleted and replaced with the following

Neither we nor any of our predecessors, affiliates, or officers, during the 10-year period immediately before the date of the Disclosure Document (a) filed as debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code, (b) obtained a discharge of its debts under the Bankruptcy Code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of its debts under the U S Bankruptcy Code during or within one year after the officer or general partner of the franchisor held this position in the company or partnership.

Item 5. Initial Fee. Item 5 is revised to include the following language

We will use the Initial Fee to partially defer our cost in franchise selection and providing our initial services.

Item 17. Additional Disclosures :The following statements are added to Item 17

Franchisor will not assign its rights under the Franchise Agreement except to an assignee who in Franchisor's good faith and judgment is willing and financially able to assume Franchisor's obligations under the Franchisor's obligations under the Franchise Agreement or Multi-Unit Agreement.

The New York Franchises Law requires that New York law govern any cause of action which arises under the New York Franchises Law.

Franchisee or Multi-Unit Developer may terminate the Agreement on any grounds available by law.

The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee or upon the Multi-Unit Developer by Article 33 of the General Business Law of the State of New York.

The New York General Business Law, Article 33, Sections 680 through 695 may supersede any provision of the Franchise Agreement inconsistent with that law.

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**ADDENDUM TO THE FRANCHISE AGREEMENT
AND MULTI UNIT DEVELOPMENT AGREEMENT
REQUIRED FOR NEW YORK FRANCHISEES**

This Addendum to the Franchise Agreement ("Franchise Agreement") dated _____ between Fresheria Franchisor, LLC ("Franchisor") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement This Addendum is being executed because (a) the offer or sale of the franchise to Franchisee was made in the State of New York, (b) Franchisee is a resident of the State of New York, and/or (c) the Franchised Business will be located or operated in the State of New York.
2. Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.
3. The following sentence is added to the end of Sections 4 B and 11 D:

Any provision in the Franchise Agreement requiring Franchisee to sign a general release of claims against Franchisor does not release any claim Franchisee may have under New York General Business Law Article 33, Sections 680-695
4. The following sentence is added at the end of Section 11 G:

Franchisor will not assign its rights under the Franchise Agreement except to an assignee who in Franchisor's good faith and judgment is willing and able to assume Franchisor's obligations under the Franchise Agreement
5. The following sentence is added to the end of Section 15 H(l):

Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law
6. Franchisee or Multi-Unit Developer may terminate the Agreement on any grounds available by law
7. The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee or upon the Multi-Unit Development by Article 33 of the General Business Law of the State of New York
8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement
9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[Signature on Next Page]

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Developer: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

NORTH DAKOTA ADDENDUM

Item 17. Additional Disclosures: The following statements are added to Item 17

Pursuant to the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota is void Any mediation or arbitration will be held at a site agreeable to all parties The laws of the State of North Dakota will govern any dispute.

Any general release the franchisee is required to assent to is not intended to nor shall it act as a release, estoppel or waiver of any liability Fresheria Franchisor, LLC may have incurred under the North Dakota Franchise Investment Law.

Covenants not to compete upon termination or expiration of the franchise agreement are generally not enforceable in the State of North Dakota, except in certain instances as provided by law.

The Franchise Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document and Franchise Agreement.

The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Fresheria Franchisor, LLC in enforcing the agreement For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees

The Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document and Franchise Agreement. The Franchise Disclosure Document, Franchise Agreement and Area Development Agreement state that franchisee must consent to the jurisdiction of courts in the state of California. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document, Franchise Agreement and Area Development Agreement

The Franchise Disclosure Document and Franchise Agreement may require franchisees to consent to termination or liquidated damages. The Commissioner has determined this to be unfair, unjust, and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Disclosure Document and Franchise Agreement

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead the statute of limitations under North Dakota law will apply.

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR NORTH DAKOTA FRANCHISEES**

This Addendum to the Franchise Agreement ("Franchise Agreement") dated _____ between Fresheria Franchisor, LLC ("Franchisor") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement:

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because (a) the offer or sale of the franchise to Franchisee was made in the State of North Dakota, (b) Franchisee is a resident of the State of North Dakota, and/or (c) the Franchised Business will be located or operated in the State of North Dakota.
2. Any release executed in connection herewith shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.
3. Covenants not to compete are generally considered unenforceable in the State of North Dakota.
4. The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. The laws of the State of North Dakota will govern any dispute.
5. The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Agreement.
6. The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Agreement.
7. The requirement that mediation or arbitration be held in California may not be enforceable under the North Dakota Franchise Investment Law. Any mediation or arbitration will be held at a site agreeable to all parties.
8. The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust, and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Agreement.
9. The Franchise Agreement states that franchisee must consent to the jurisdiction of courts in the state of California. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Agreement.
10. The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead, the statute of limitations under North Dakota law will apply.
11. The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Fresheria Franchisor, LLC in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

**ADDENDUM TO THE MULTI UNIT AGREEMENT
REQUIRED FOR NORTH DAKOTA DEVELOPERS**

Notwithstanding anything to the contrary in the Area Development Agreement to which this Addendum is attached, the following terms and conditions shall control

1. The Multi-Unit Development Agreement states that Developer must consent to the jurisdiction of courts in the state of California that requirement will not apply to North Dakota Developers and is deemed deleted in each place it appears in the Multi-Unit Development Agreement.
2. The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. The laws of the State of North Dakota will govern any dispute.

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Developer: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

RHODE ISLAND ADDENDUM

Item 17. Additional Disclosure: The following statement is added to Item 17

Section 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act"

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR RHODE ISLAND FRANCHISEES**

This Addendum to the Franchise Agreement ("Franchise Agreement") dated _____ between Fresheria Franchisor, LLC ("Franchisor") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement:

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because (a) the offer or sale of the franchise to Franchisee was made in the State of Rhode Island, (b) Franchisee is a resident of the State of Rhode Island, and/or (c) the Franchised Business will be located or operated in the State of Rhode Island
2. The following sentence is added to the end of Sections 15 I Section 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act"
3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement
4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

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

Item 17. Additional Disclosure: In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Franchisor for use in the Commonwealth of Virginia shall be amended as follows:

"Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable"

Estimated Initial Investment: The franchisee will be required to make an estimated initial investment ranging from \$522,000 to \$771,500. This amount exceeds the franchisor's stockholders equity as of December 31, 2015 which is \$37,128.

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.

WASHINGTON ADDENDUM

General

- The State of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19 100 180 (“Act”), which may supersede the Franchise Agreement in your relationship with Franchisor including the areas of termination and renewal of your franchise. There also may be court decisions which may supersede the Franchise Agreement in your relationship with Franchisor including the areas of termination and renewal of your franchise.

Item 17

- In any arbitration involving a franchise purchased in the State of Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of arbitration, or as determined by the arbitrator
- In the event of a conflict of laws, the provisions of the Act shall prevail
- A release or waiver of rights executed by Franchisee shall not include rights under the Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights, or remedies under the Act such as a right to a jury trial, may not be enforce.
- Transfer fees are collectable to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer

Item 21

- The Franchisor has posted a surety bond to secure its performance of its obligations to Washington franchisees and multi-unit developers

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR WASHINGTON FRANCHISEES**

This Addendum to the Franchise Agreement ("Franchise Agreement") dated _____ between Fresheria Franchisor, LLC ("Franchisor") and _____ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement:

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because (a) the offer or sale of the franchise to Franchisee was made in the State of Washington, (b) Franchisee is a resident of the State of Washington, and/or (c) the Franchised Business will be located or operated in the State of Washington.
2. The State of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19 100 180 ("Act"), which may supersede the Franchise Agreement in Franchisee's relationship with Franchisor including the areas of termination and renewal of your franchise. There also may be court decisions which may supersede the Franchise Agreement in your relationship with Franchisor including the areas of termination and renewal of your franchise.
3. Section 9 A of the Franchise Agreement is revised to provide that we will defer collection of the Initial Franchise Fee until such time as we have fulfilled our initial obligations to you and your Restaurant is operational.
4. In any arbitration involving a franchise purchased in the State of Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.
5. In the event of a conflict of laws, the provisions of the Act shall prevail.
6. A release or waiver of rights executed by Franchisee shall not include rights under the Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. No provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the act, rights, or remedies under the Act such as a right to a jury trial, may not be enforceable.
7. Transfer fees are collectable to the extent that they reflect the franchisor's reasonably estimated or actual costs in effecting a transfer.
8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.
10. The undersigned does hereby acknowledge receipt of this Addendum

[Signature on Following Page]

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

EXHIBIT C
MULTI-UNIT AGREEMENT

FRESHERIA FRANCHISOR, LLC

MULTI UNIT AGREEMENT

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FRESHERIA FRANCHISOR, LLC MULTI UNIT AGREEMENT

This Multi-Unit Agreement is made this day ____ of _____, 20____, between Fresheria Franchisor, LLC, a California limited liability company with its principal business located at 627 Pearl Street, La Jolla, California 92037 ("we" or "us"), and "Developer" or "you" as identified on the Data Sheet attached as Appendix A (the "Data Sheet"). If the developer is a corporation, partnership or limited liability company, certain provisions of the Agreement also apply to your owners and will be noted.

RECITALS

A. We have developed a unique system for the establishment and operation of a health food Restaurant for retail to the public.

B. You desire to develop and operate several Fresheria Restaurant; and

C. We have agreed to grant you the right to develop several Fresheria Restaurants subject to the terms and conditions of this Agreement.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

DEFINITIONS

For purposes of this Agreement, the terms below have the following definitions:

"Gross Sales" includes the total revenues and receipts from the sale of all products, services and merchandise sold in your Restaurants, whether under any of the Trademarks or otherwise, including any catering or delivery services, such as but not limited to Grubhub, Uber eats and DoorDash cover charges or fees, in your Restaurants or on the premises and all revenues derived from any type of authorized vending machines Gross Sales excludes sales tax.

"Menu Items" means tortas, sandwiches, wraps, tostadas, soups, salads, sincronizadas, cold pressed juices, smoothies, power shots and beverages, and other products prepared according to our specified recipes and procedures, as we may modify and change from time to time.

"Manual" or "Operations Manual" means any collection of written, video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, all of which we or our agents produce and which contain specifications, standards, policies, procedures, and recommendations for your Fresheria Restaurant, all of which we may change from time to time.

"Restaurants" means the Fresheria Restaurants you develop and operate pursuant to this Agreement.

"System" means the Fresheria System, which consists of our smoothies, energy bowls, acai bowls, wraps, sincronizadas, tortas, tostadas, salads and an assortment of natural juices and beverage products prepared according to special and confidential recipes and formulas with unique storage, preparation, service and delivery procedures and techniques, offered in a setting of distinctive exterior and interior layout, design and color scheme, signage, furnishings and materials and using certain distinctive types of facilities, equipment, supplies, ingredients, business techniques, methods and procedures, all of which we may modify and change from time to time.

"Trademarks" means the Fresheria Trademarks that have been registered with the United States Patent and Trademark Office ("USPTO") and the trademarks, service marks and trade names set forth in each Franchise Agreement, as we may modify and change from time to time, and the trade dress and other commercial symbols

used in the Restaurants. Trade dress includes the designs, color schemes and image we authorize you to use in the operation of the Restaurants from time to time.

GRANT OF DEVELOPMENT RIGHTS

The following provisions control with respect to the rights granted hereunder:

A. We grant to you, under the terms and conditions of this Agreement, the right to develop and operate () Fresheria Restaurants (the "Restaurants").

B. You are bound by the development schedule ("Development Schedule") set forth in Appendix B. Time is of the essence for the development of each Restaurant in accordance with the Development Schedule. Each Restaurant must be developed and operated pursuant to a separate Franchise Agreement that you enter into with us pursuant to Section 4.B below.

C. The rights granted under this Agreement are limited to the right to develop and operate Restaurants and do not include any right to (i) sell products and Menu Items identified by the Trademarks at any location other than the Restaurants, (ii) sell products or Menu Items through alternative channels or methods of distribution, including the Internet (or any other existing or future form of electronic commerce), (in) sell products and Menu Items identified by the Trademarks to any person or entity for resale or further distribution, or (iv) exclude, control or impose conditions on our development or operation of franchised, company or affiliate owned Restaurants at any time or at any location. You may not use the word Fresheria or any of the other Trademarks as part of the name of your corporation, partnership, limited liability company or other similar entity.

You acknowledge and agree that we have the right to operate and franchise others the right to operate restaurants or any other business under the Trademarks or any trademarks other than the Fresheria Trademarks without paying you any compensation. We also have the right to offer, sell or distribute any products or services associated with the System (now or in the future) under the Trademarks or any other trademarks, service marks or trade names or through any distribution channel or method, all without paying you any compensation. The distribution channels or methods include, without limitation, grocery Restaurants, club Restaurants, convenience Restaurants, wholesale, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the Internet (or any other existing or future form of electronic commerce).

You acknowledge and agree that we have the sole and exclusive right to develop or franchise Fresheria Restaurants at the following locations (1) military bases, (2) public transportation facilities, (3) sports facilities, including race tracks, (4) student unions or other similar buildings on college or university campuses, (5) amusement and theme parks, and (6) community and special events ("Special Sites").

D. This Agreement is not a Franchise Agreement and you have no right to use in any manner the Trademarks by virtue of this Agreement. You have no right under this Agreement to sublicense or subfranchise others to operate a business or Restaurant or use the System or the Trademarks.

MULTI UNIT FEE

You must pay a Multi-Unit Fee as described below:

A. As a Developer, you will pay an Initial Franchise Fee for each Restaurant you agree to develop under the terms of this Agreement. Specifically, if you agree to develop three Restaurants, your Initial Franchise Fee for the first Restaurant will be \$50,000 and \$75,000 for the second and third Restaurant. If you agree to develop five Restaurants, your Initial Franchise Fee for each Restaurant will be \$50,000 for the first Restaurant and \$145,000 for Restaurants two, three, four and five.

As consideration for the rights granted in this Agreement, you must pay us a "Multi-Unit Fee" based upon the number of Restaurants you agree to develop and operate. If you agree to open three Restaurants, your Multi-Unit Fee will be \$125,000 (\$50,000 x 1, \$40,000 x 1, and \$35,000 x 1). If you agree to open five Restaurants, your Multi-Unit Fee will be \$195,000 (\$50,000 x 1, \$40,000 x 1, and \$35,000 x 3).

You will pay the total Multi-Unit Fee upon the signing this Agreement. The Multi-Unit Fee is consideration for this Agreement and not consideration for any Franchise Agreement, if fully earned by us upon receipt and is non-refundable.

A. You must submit a separate application for each Restaurant to be established by you as further described in Section 4. Upon our receipt and review of the application, a separate Franchise Agreement must be executed for each such Restaurant, at which time the balance of the Initial Franchise Fee for that Restaurant is due and owing. Such payment represents the balance of the appropriate Initial Franchise Fee, as described above in Section 3.A. Upon the execution of each Franchise Agreement, the terms and conditions of the Franchise Agreement control the establishment and operation of such Restaurant.

DEVELOPMENT SCHEDULE

The following provisions control with respect to your development rights and obligations:

A. You are bound by and strictly must follow the Development Schedule. By the dates set forth under the Development Schedule, you must enter into Franchise Agreements with us pursuant to this Agreement for the number of Restaurants described under the Development Schedule. You also must comply with the Development Schedule requirements regarding (i) the opening date for each Restaurant and (ii) the cumulative number of Restaurants to be open and continuously operating for business. If you fail to either execute a Franchise Agreement or to open a Restaurant according to the dates set forth in the Franchise Agreement, we have the right to immediately terminate this Agreement pursuant to Section 7.B.

B. You may not develop a Restaurant unless (i) at least 45 days, but no more than 60 days, prior to the date set forth in the Development Schedule for the execution of each Franchise Agreement, you send us a notice (a) requesting that we send you our then current disclosure documents, (b) confirming your intention to develop your next Restaurant and (c) sending us all information necessary to complete the Franchise Agreement for the particular Restaurant, and (ii) all of the following conditions have been met (these conditions apply to each Restaurant to be developed under the terms of this Agreement):

1. Your Submission of Information. You must furnish to us, at least 30 days prior to the earliest of (i) the date set forth in the Development Schedule by which you must execute a Franchise Agreement or (ii) the actual date in which the Franchise Agreement would be executed, a franchise application for the proposed Restaurant, financial statements and other information regarding you, the operation of any of your other Restaurants and the development and operation of the proposed Restaurant (including, without limitation, investment and financing plans for the proposed Restaurant) as we may reasonably require.

2. Your Compliance with Our Then-Current Standards for Franchisees. You must receive written confirmation from us that you meet our then-current standards for franchisees, including financial capability criteria for the development of a new Restaurant. You acknowledge and agree that this requirement is necessary to ensure the proper development and operation of your Restaurants, and preserve and enhance the reputation and goodwill of all Fresheria Restaurants and the goodwill of the Trademarks. Our confirmation that you meet our then-current standards for the development of a new Restaurant, however, does not in any way constitute a guaranty by us as to your success.

3. Good Standing. You must not be in default of this Agreement, any Franchise Agreement entered into pursuant to this Agreement or any other agreement between you or any of your affiliates and us. You also must have satisfied on a timely basis all monetary and material obligations under the Franchise Agreements for all existing Restaurants.

4. Execution of Franchise Agreement. You and we must enter into our then-current form of Franchise Agreement for the proposed Restaurant. You understand that we may modify the then-current form of Franchise Agreement from time to time and that it may be different than the current form of Franchise Agreement, including different fees and obligations. You understand and agree that any and all Franchise Agreements will be construed and exist independently of this Agreement. The continued existence of each Franchise Agreement will be determined by the terms and conditions of such Franchise Agreement. Except as specifically set forth in this Agreement, the establishment and operation of each Restaurant must be in accordance with the terms of the applicable Franchise Agreement.

C. Upon the execution of the Franchise Agreement for the proposed Restaurant, the terms and conditions of the Franchise Agreement regarding site selection and construction will control.

D. You must construct and equip each Restaurant in strict accordance with our current approved specifications and standards pertaining to equipment, inventory, signage, fixtures, design and layout of the building. You may not commence construction on any Restaurant until you have received our written consent to your building plans.

E. You acknowledge that you have conducted an independent investigation of the prospects for the establishment of the Restaurants and recognize that the business venture contemplated by this Agreement involves business and economic risks and that your financial and business success will be primarily dependent upon the personal efforts of you and your management and employees. We expressly disclaim the making of, and you acknowledge that you have not received, any estimates, projections, warranties or guaranties, express or implied, regarding potential gross sales, profits, earnings or the financial success of the Restaurants you develop.

F. You recognize and acknowledge that this Agreement requires you to open Restaurants in the future pursuant to the Development Schedule. You further acknowledge that the estimated expenses and investment requirements set forth in Items 6 and 7 of our Franchise Disclosure Document are subject to increase over time, and that future Restaurants likely will involve greater initial investment and operating capital requirements than those stated in the Franchise Disclosure Document provided to you prior to the execution of this Agreement. You are obligated to execute all the Franchise Agreements and open all the Restaurants on the dates set forth on the Development Schedule, regardless of (i) the requirement of a greater investment, (ii) the financial condition or performance of your prior Restaurants, or (iii) any other circumstances, financial or otherwise. The foregoing will not be interpreted as imposing any obligation upon us to execute the Franchise Agreements under this Agreement if you have not complied with each and every condition necessary to develop the Restaurants.

TERM

Unless sooner terminated in accordance with Section 7 of this Agreement and subject to the terms detailed in Section 2.C, the term of this Agreement and all rights granted to you will expire on the date that your last Fresheria Restaurant is scheduled to be opened under the Development Schedule.

YOUR DUTIES

You must perform the following obligations:

A. You must comply with all of the terms and conditions of each Franchise Agreement, including the operating requirements specified in each Franchise Agreement.

B. You and your owners, officers, directors, shareholders, partners, members, and managers (if any) acknowledge that your entire knowledge of the operation of a Fresheria Restaurant and the System, including the knowledge or know-how regarding the specifications, standards and operating procedures of the services and activities, is derived from information we disclose to you and that certain information is proprietary, confidential and constitutes our trade secrets. The term "trade secrets" refers to the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures and/or improvements regarding the business that is valuable and secret in the sense that it is not generally known to our competitors and any proprietary information contained in the manuals or otherwise communicated to you in writing, verbally or through the Internet or other online or computer communications, and any other knowledge or know-how concerning the methods of operation of the Restaurants. You and your owners, officers, directors, shareholders, partners, members and managers (if any), jointly and severally, agree that at all times during and after the term of this Agreement, you will maintain the absolute confidentiality of all such proprietary information and will not disclose, copy, reproduce, sell or use any such information in any other business or in any manner not specifically authorized or approved in advance in writing by us. We may require that you obtain non-disclosure and confidentiality agreements in a form satisfactory to us from the individuals identified in the first sentence of this paragraph and other key employees.

C. You must comply with all requirements of federal, state and local laws, rules and regulations.

DEFAULT AND TERMINATION

The following provisions apply with respect to default and termination:

A. The rights granted to you in this Agreement have been granted in reliance on your representations and warranties, and strictly on the conditions set forth in Sections 2, 4 and 6 of this Agreement, including the condition that you comply strictly with the Development Schedule.

B. You will be deemed in default under this Agreement if you breach any of the terms of this Agreement, including the failure to meet the Development Schedule, or the terms of any Franchise Agreement or any other agreements between you or your affiliates and us. All rights granted in this Agreement immediately terminate upon written notice without opportunity to cure if (i) you become insolvent, commit any affirmative action of insolvency or file any action or petition of insolvency, (ii) a receiver (permanent or temporary) of your property is appointed by a court of competent authority, (iii) you make a general assignment or other similar arrangement for the benefit of your creditors, (iv) a final judgment remains unsatisfied of record for 30 days or longer (unless supersedeas bond is filed), (v) execution is levied against your business or property, (vi) suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within 30 days, or is not in the process of being dismissed, (vii) you fail to meet the development obligations set forth in the Development Schedule attached as Appendix B, (viii) you violate the provisions of Section 10.O (ix) you fail to comply with any other provision of this Agreement and do not correct the failure within 30 days after written notice of that failure is delivered to you, or (x) we have delivered to you a notice of termination of a Franchise Agreement in accordance with its terms and conditions.

RIGHTS AND DUTIES OF PARTIES UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted to you will automatically terminate, and:

A. All remaining rights granted to you to develop Restaurants under this Agreement will automatically be revoked and will be null and void. You will not be entitled to any refund of any fees. You will have no right to develop or operate any business for which a Franchise Agreement has not been executed by us.

B. You must immediately cease to operate your business under this Agreement and must not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former developer of ours.

C. You must take such action as may be necessary to cancel or assign to us or our designee, at our option, any assumed name or equivalent registration that contains the name Fresheria or any other Trademark of ours, and you must furnish us with evidence satisfactory to us of compliance with this obligation within 30 days after termination or expiration of this Agreement.

D. You must assign to us or our designee all your right, title, and interest in and to your telephone numbers and must notify the telephone company and all listing agencies of the termination or expiration of your right to use any telephone number in any regular, classified or other telephone directory listing associated with the Trademarks and to authorize transfer of same at our direction.

E. You must within 30 days of the termination or expiration pay all sums owing to us. If at the time of termination you have not signed a Franchise Agreement for a Restaurant(s) that you agreed to develop under this Agreement, we will not refund any portion of the Multi-Unit Fee you paid to us nor will we charge you any additional fees for these undeveloped Restaurants. All unpaid amounts will bear interest at the rate of 18% per annum or the maximum contract rate of interest permitted by governing law, whichever is less, from and after the date of accrual. In the event of termination for any default by you, the sums due will include all damages, costs, and expenses, including reasonable attorneys' fees and expenses, incurred by us as a result of the default. You also must pay to us all damages, costs and expenses, including reasonable attorneys' fees and expenses that we incur subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement.

F. All of our and your obligations that expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied or by their nature expire.

TRANSFER

The following provisions govern any transfer:

A. We have the right to transfer all or any part of our rights or obligations under this Agreement to any person or legal entity

B. This Agreement is entered into by us with specific reliance upon your personal experience, skills, and managerial and financial qualifications. Consequently, this Agreement, and your rights and obligations under it, are and will remain personal to you. You may only Transfer your rights and interests under this Agreement if you obtain our prior written consent and you transfer **all** of your rights and interests under all Franchise Agreements for Restaurants opened pursuant to this Agreement. Accordingly, the assignment terms and conditions of the Franchise Agreements will apply to any Transfer of your rights and interests under this Agreement. As used in this Agreement, the term "Transfer" means any sale, assignment, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of your assets, or of any interest in you.

MISCELLANEOUS

The parties agree to the following provisions:

A. You agree to indemnify, defend, and hold us and our officers, directors, shareholders and employees harmless from and against any and all claims, losses, damages and liabilities, however caused, arising directly or indirectly from, as a result of, or in connection with, the development, use and operation of your Restaurants, as well as the costs, including attorneys' fees, of defending against them ("Franchise Claims"). Franchise Claims include, but are not limited to, those arising from any death, personal injury or property damage (whether caused wholly or in part through our active or passive negligence), latent or other defects in any Restaurant or your employment practices. In the event a Franchise Claim is made against us, we reserve the right in our sole judgment to select our own legal counsel to represent our interests, at your cost.

B. If one or more clauses of this Agreement are held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses.

C. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. This Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us.

D. This Agreement together with all schedules, addenda and appendices to this Agreement constitutes the entire agreement between the parties and supersedes any and all prior negotiations, understandings, representations and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the Franchise Disclosure Document we furnished to you.

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business and not as a result of representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

E. Except as otherwise provided in this Agreement, any notice, demand or communication provided for must be in writing and signed by the party serving the same and either delivered personally or by a reputable overnight service or deposited in the United States mail, service or postage prepaid and addressed as follows:

1. If intended for us, addressed to Fresheria Franchisor, LLC, 627 Pearl Street, La Jolla, California 90037,

2. If intended for you, addressed to you at the address set forth on the Data Sheet, or, in either case, to such other address as may have been designated by notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this subparagraph.

F. Any modification, consent, approval, authorization or waiver granted in this Agreement required to be effective by signature will be valid only if in writing executed by Developer (or an owner of Developer if Developer is a legal entity) or, if on behalf of us, in writing executed by our President or one of our authorized officers.

G. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. Applicable Law and Waiver. Subject to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Section 10.N of this Agreement, the parties' rights under this Agreement, and the relationship between the parties, is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the state where you are located.

2. Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify the express limitations set forth in this Agreement

3. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise Reasonable Business Judgment in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Trademarks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing, or encouraging modernization and improving the competitive position of the System.

H. Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties that is not subject to arbitration under Section 10.N must be brought in the state or federal district court located in the county or district encompassing our headquarters. Both parties irrevocably submit themselves to, and consent to, the jurisdiction of said courts. The provisions of this Section will survive the termination of this Agreement. You are aware of the business purposes and needs underlying the language of this subparagraph, and with a complete understanding, agree to be bound in the manner set forth.

I. All parties hereby waive any and all rights to a trial by jury in connection with the enforcement or interpretation by judicial process of any provision of this Agreement, and in connection with allegations of state or federal statutory violations, fraud, misrepresentation or similar causes of action or any legal action imitated for the recovery of damages for breach of this Agreement.

J. You and your affiliates and we agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained.

K. If you are a corporation, partnership, limited liability company or partnership or other legal entity, all of your owners must execute the form of undertaking and guarantee at the end of this Agreement. Any person or entity that at any time after the date of this Agreement becomes an owner must execute the form of undertaking and guarantee at the end of this Agreement.

L. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer, or employee of the other. Neither party may obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

M. In the event of any failure of performance of this Agreement according to its terms by any party, the same will not be deemed a breach of this Agreement if it arose from a cause beyond the control of and without the negligence of said party. Such causes include, but are not limited to, strikes, wars, riots and acts of government except as may be specifically provided for elsewhere in this Agreement.

N. Except as qualified below, any dispute between you and us or any of your affiliates arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or the business must be submitted to binding arbitration under the authority of the Federal Arbitration Act and must be determined by arbitration administered by the American Arbitration Association pursuant to its then-current commercial arbitration rules and procedures. Any arbitration must be on an individual basis, and the parties and arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or proceeding involving third parties. In the event a court determines that this limitation on joinder of or class action certification of clause is unenforceable, then this entire commitment to arbitrate will become null and void and the parties must submit all claims to the jurisdiction of the courts. The arbitration must take place in the city where our headquarters is located at the time of the dispute. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least five years of significant experience in franchise law. A judgment may be entered upon the arbitration award by any state or federal court in the state where we maintain our headquarters. The decision of the arbitrator will be final and binding on all parties to the dispute, however, the arbitrator may not under any circumstances (i) stay the effectiveness of any pending termination of this Agreement, (ii) assess punitive or exemplary damages, or (iii) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that we set.

Before any party may bring an action in court or against the other, or commence an arbitration proceeding (except as noted below), the parties must first meet to mediate the dispute. The mediation will be held in the city in which our headquarters are located at the time of the mediation. Any such mediation will be non-binding and conducted by the American Arbitration Association in accordance with its then-current rules for mediation of commercial disputes.

Nothing in this Agreement bars either party's right to obtain injunctive relief against threatened conduct that will cause loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions. Furthermore, we have the right to commence a civil action against you or take other appropriate action for the following reasons to collect sums of money due to us, to compel your compliance with trademark standards and requirements to protect the goodwill of the Trademarks, to compel you to compile and submit required reports to us, or to permit evaluations or audits authorized by this Agreement.

The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement will be entitled to recover its reasonable attorneys' fees and costs.

O. During the term of this Agreement, neither we nor you may employ or seek to employ, directly or indirectly, any person who is at the time or was at any time during the prior six months employed in any type of managerial position by the other party or any of its affiliates, or by any franchisee in the System. In the event that you violate this provision, we will have the right to terminate this Agreement without opportunity to cure pursuant to subparagraph 7.B. In addition, any party who violates this provision agrees to compensate the former employer for all costs and expenses incurred in losing and replacing the employee up to a maximum of \$25,000, plus attorneys' fees and expenses. This subparagraph will not be violated if (i) at the time we or you employ or seek to employ the person, the former employer has given its written consent or (ii) we employ or seek to employ the person in connection with the transfer of the Restaurant(s) to us. The parties acknowledge and agree that any franchisee from whom an employee was hired by you in violation of this subparagraph shall be a third-party beneficiary of this provision, but only to the extent that they may seek compensation from you.

P. We will designate the "Effective Date" of this Agreement in the space provided on the Data Sheet. If no Effective Date is designated on the Data Sheet, the Effective Date is the date when we sign this Agreement.

Q. You represent and warrant to us that (a) you are not named, either directly or by an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the US Treasury Department's Office of Foreign Assets Control currently located at www.treas.gov/offices/enforcement/ofac/; (b)

you will take no action that would constitute a violation of any applicable laws against corrupt business practices, against money laundering and against facilitating or supporting persons or entities who conspire to commit acts of terror against any person or entity, including as prohibited by the US Patriot Act (currently located at www.epic.org/privacy/terrorism/hr3162.html.) U S Executive Order 13244 (currently located at www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html or any similar laws, and (c) you shall immediately notify us in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate, or misleading.

IN WITNESS WHEREOF, the parties have executed the foregoing Agreement as of the dates written below.

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Franchisee: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND
PERSONALLY BY THE TERMS AND CONDITIONS
OF THE MULTI UNIT AGREEMENT

In consideration of the execution of the Multi-Unit Agreement (the "Agreement") between Fresheria Franchisor, LLC ("we" or "us") and _____ (the "Developer"), dated _____, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Agreement, to be paid, kept and performed by the Developer, including without limitation the arbitration and other dispute resolution provisions of the Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Agreement and agree that this Personal Guaranty will be construed as though the undersigned and each of them executed an agreement containing the identical terms and conditions of the Agreement.

The undersigned waives (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed, (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed, (3) any right he/she may have to require that an action be brought against the Developer or any other person as a condition of liability, and (4) notice of any changes permitted by the terms of the Agreement or agreed to by the Developer.

In addition, the undersigned consents and agrees that (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the Developer or any other person, (2) such liability will not be diminished, relieved or otherwise affected by the Developer's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned, and (3) this Personal Guaranty shall apply in all modifications to the Agreement of any nature agreed to by Developer with or without the undersigned receiving notice thereof.

[Signature on Next Page]

It is further understood and agreed by the undersigned that the provisions, covenants, and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.

DEVELOPER: _____

PERSONAL GUARANTORS:

Individually		

Print Name		

Address		
_____	_____	_____
City	State	Zip Code

Telephone		

Individually		

Print Name		

Address		
_____	_____	_____
City	State	Zip Code

Telephone		

Individually		

Print Name		

Address		
_____	_____	_____
City	State	Zip Code

Telephone		

Individually		

Print Name		

Address		
_____	_____	_____
City	State	Zip Code

Telephone		

APPENDIX A

DATA SHEET

1. Developer: _____

2. Effective Date: _____

Franchisor: Fresheria Franchisor, LLC

By: _____
Cesar De Santiago

Its: _____

Developer: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

APPENDIX B

DEVELOPMENT SCHEDULE

You acknowledge and agree that a material provision of the Multi-Unit Agreement is that the following number of Fresheria Restaurants must be opened and continuously operating in accordance with the following Development Schedule:

Restaurant Number	Date by Which Franchise Agreement Must be Signed	Date by Which the Restaurant Must be Opened and Continuously Operating for Business	Cumulative number of Restaurants Required to be Open and Continuously Operating for Business as of the Date in Preceding Column
1	Date of this Agreement		1
2			2
3			3

For purposes of determining compliance with the above Development Schedule, only the Restaurants actually open and continuously operating for business as of a given date will be counted toward the number of Restaurants required to be open and continuously operating for business.

[Signatures on following page]

Franchisor: Fresheria Franchisor, LLC

By: _____

Its: _____

Developer: _____

By: _____

Printed Name: _____

Its: _____

By: _____

Printed Name: _____

Its: _____

EXHIBIT D

TO THE FRANCHISE DISCLOSURE DOCUMENT

GENERAL RELEASE (SAMPLE FORM)

FRESHERIA FRANCHISOR, LLC

GENERAL RELEASE

(SAMPLE FORM)

THIS GENERAL RELEASE (“**Release**”) is executed on _____ by _____ (“**Franchisee**”), and _____ (“**Guarantors**”) as a condition of (1) the transfer of the Fresheria Franchise Agreement dated [month] [day], [year] between Fresheria Franchisor, LLC (“**Franchisor**”) and Franchisee (“**Franchise Agreement**”); (2) the execution of a successor Franchise Agreement by Franchisee and Franchisor; (3) any other event under the Franchise Agreement or Fresheria’s consent to a request by Franchisee.

1. **Release by Franchisee and Guarantors.** Franchisee (on behalf of itself and its parent, any subsidiaries, and affiliates and their respective past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities), and Guarantors (on behalf of themselves and their respective heirs, representatives, successors and assigns) (collectively, the “**Releasors**”) freely and without any influence forever and fully release (i) Franchisor, (ii) Franchisor’s past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities, and (iii) Fresheria’s parent, subsidiaries, and affiliates and their respective past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities (collectively, the “**Released Parties**”), from any and all claims, debts, damages, costs, demands, liabilities, suits, judgments, and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, “**Claims**”), which any Releasor ever owned or held, now owns or holds, or may in the future own or hold, including, without limitation, claims arising under federal, state, and local laws, rules, and ordinances, and claims arising out of, or relating to, the offer or sale of the Fresheria franchise opportunity, the Franchise Agreement, the relationship created thereunder, and all other agreements between any Releasor and Fresheria or Fresheria’s parent, subsidiaries, or affiliates.

2. **Risk of Changed Facts.** Franchisee and Guarantors understand that the facts in respect of which the release in Section 1 is given may turn out to be different from the facts now known or believed by them to be true. Franchisee and Guarantors hereby accept and assume the risk of the facts turning out to be different and agree that the release in Section 1 shall nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.

3. **Covenant Not to Sue.** Franchisee and Guarantors (on behalf of Releasors) covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of crossclaim, defense, or counterclaim, against any person or entity released under Section 1 with respect to any Claim released under Section 1.

4. **No Prior Assignment and Competency.** Franchisee and Guarantors represent and warrant that: (i) the Releasors are the sole owners of all Claims and rights released in Section 1 and that the Releasors have not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1; (ii) each Releasor has full and complete power and authority to execute this Release, and that the execution of this Release shall not violate the terms of any contract or agreement between them or any court order; and (iii) this Release has been voluntarily and knowingly executed after each of them has had the opportunity to consult with counsel of their own choice.

5. **Complete Defense.** Franchisee and Guarantors: (i) acknowledge that the release in Section 1 shall be a complete defense to any Claim released under Section 1; and (ii) consent to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

6. **Successors and Assigns.** This Release will inure to the benefit of and bind the successors, assigns, heirs, and personal representatives of the Released Parties and each Releasor.

7. **Counterparts.** This Release may be executed in two or more counterparts (including by facsimile) each which shall be deemed an original, and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, Franchisee and Guarantors have executed this Release as of the date shown above.

[This General Release will be modified as necessary for consistency with any state law regulating franchising.]

ATTEST:

FRANCHISEE

By:

By: _____

Print Name:

Print Name: _____

Title: _____

Date: _____

WITNESS:

GUARANTORS:

Print Name: _____

Print Name: _____

Date: _____

WITNESS:

Print Name: _____

Print Name: _____

Date: _____

EXHIBIT E
TO THE DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS

FRESHERIA FRANCHISOR LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2025 and 2024

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**DNJ CONSULTING INC.
dba DNJ & ASSOCIATES**

Certified Public Accountants
601 Las Tunas Drive, #108,
Arcadia, CA 91007
310-989-8507
www.dnjassociates.com

Independent Auditor's Report

To the Board of Directors and Members
FRESHERIA FRANCHISOR LLC
San Diego, CA

Opinion

We have audited the accompanying financial statements of Fresheria Franchisor LLC (the "Company"), a California limited liability company, which comprises the balance sheets as of December 31, 2025 and 2024, and the related statements of operations, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or errors

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

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

DNJ & ASSOCIATES

Arcadia, California
January 6, 2026

FRESHERIA FRANCHISOR LLC
Balance Sheets
December 31, 2025 and 2024

	Assets	
	2025	2024
Current assets		
Cash	\$ 85,135	\$ 30,732
Due from members	-	50,000
Total assets	<u>\$ 85,135</u>	<u>\$ 80,732</u>
	Members' Equity	
Members' equity	<u>\$ 85,135</u>	<u>\$ 80,732</u>
Total members' equity	<u>\$ 85,135</u>	<u>\$ 80,732</u>

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

FRESHERIA FRANCHISOR LLC
Statements of Operations
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating expenses		
General and administrative	<u>\$ 5,597</u>	<u>\$ -</u>
Total operating expenses	<u>5,597</u>	<u>-</u>
Net loss	<u><u>\$ (5,597)</u></u>	<u><u>\$ -</u></u>

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

FRESHERIA FRANCHISOR LLC
Statements of Changes in Members' Equity
For the Years Ended December 31, 2025 and 2024

Members' equity, December 31, 2023	\$ -
Members' contributions	<u>80,732</u>
Members' equity, December 31, 2024	80,732
Members' contributions	10,000
Net loss	<u>(5,597)</u>
Members' equity, December 31, 2025	<u><u>\$ 85,135</u></u>

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

FRESHERIA FRANCHISOR LLC
Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Net loss	\$ (5,597)	\$ -
Adjustments to reconcile net loss to net cash provided by operating activities		
Changes in operating assets and liabilities Due from members	<u>50,000</u>	<u>-</u>
Net cash provided by operating activities	<u>44,403</u>	<u>-</u>
Cash flows from financing activities		
Contributions from members	<u>10,000</u>	<u>-</u>
Net cash provided by financing activities	<u>10,000</u>	<u>-</u>
Net increase in cash	54,403	-
Cash, beginning of year	<u>30,732</u>	<u>-</u>
Cash, end of year	<u><u>\$ 85,135</u></u>	<u><u>\$ -</u></u>

Supplemental Disclosure of Cash Flow Information

Cash paid during the period for		
Interest	<u>\$ -</u>	<u>\$ -</u>
Income taxes	<u>\$ -</u>	<u>\$ -</u>

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

FRESHERIA FRANCHISOR LLC
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

1. Nature of Operations

Fresheria Franchisor LLC (the “Company”), a California limited liability company, was formed in August 2018 (Inception) for the purpose of providing offerings for the operation of Fresheria franchises. As of December 31, 2025 and 2024, the Company did not enter into any franchise agreement. Accordingly, the Company had no franchise-related obligations, deferred revenue, or contingent commitments as of October 31, 2025 and 2024.

2. Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation

The financial statements has been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statement as well as related disclosures. On an ongoing basis, the Company evaluates its estimates and assumptions based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents. The Company holds cash and cash equivalents at times may exceed federal insurance limits; however, the Company does not anticipate any losses related to this balance. There were no cash equivalents at December 31, 2025 and 2024.

Income Taxes

The Company is a California limited liability company (“LLC”) for federal and state income tax purposes. Pursuant to the LLC status, the income or loss of the LLC is included in the income tax returns of its members. Consequently, no provision for federal income taxes is recorded in the accompanying financial statement. However, the Company is also subject to a minimum California state tax and franchise fee based on gross receipt, which has been provided for in the accompanying financial statements.

The Company’s federal and state income tax returns are subject to examination by the Internal Revenue Service and applicable state taxing authorities for three and four years after each filing, respectively.

3. Due From Members

The Company has receivables from its members in the amount of \$0, and \$50,000 as of December 31, 2025 and 2024, respectively. The receivables represent a related-party receivable from members of the Company and arose from advances made to fund operating activities. The balance is due on demand, unsecured and noninterest bearing. Management believes the receivable is fully collectible.

FRESHERIA FRANCHISOR LLC
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

4. Subsequent Events

The Company has evaluated events through January 6, 2026, to assess the need for additional recognition or disclosure in this financial statement. Based upon this evaluation, it was determined that no events occurred that require recognition or additional disclosure in this financial statement.

EXHIBIT F
TO THE DISCLOSURE DOCUMENT
OPERATIONS MANUAL
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MASTER TABLE OF CONTENTS



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APPENDIX ONE: FRESHERIA RECIPE BUILD-TO GUIDE

EXHIBIT G
TO DISCLOSURE DOCUMENT
COMPLIANCE QUESTIONNAIRE

**FRESHERIA FRANCHISOR, LLC
COMPLIANCE QUESTIONNAIRE**

TO BE COMPLETED THE SAME DAY YOU SIGN THE FRANCHISE AGREEMENT

If you are a resident of the State of California or your franchise is located in California you are not required to sign this Questionnaire. If any California franchise completes this Questionnaire, it is against California public policy and will be void and unenforceable, and we will destroy, disregard, and will not rely on such Questionnaire.

Do not sign this Questionnaire if you are a resident of Washington, or Maryland or if the franchise operates in Washington or Maryland. If signed or otherwise completed, this Questionnaire does not apply to residents of Washington or Maryland or if the franchise is to be operated in Washington or Maryland.

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.

You are preparing to enter into a Fresheria Franchisor, LLC Franchise Agreement and/or Multi-Unit Agreement (referred to as “Agreement” or collectively “Agreements”) with us. The purposes of this Questionnaire are to confirm that you understand the terms of the contract(s) and the limitation on claims you may make by reason of the purchase and operation of your franchise, and to determine whether any statements or promises were made to you that we have not authorized or that might be untrue, inaccurate, or misleading. You must sign and date this Questionnaire the same day you sign the Franchise Agreement and/or Multi-Unit Agreement and pay your franchise fee. Please closely review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally read the Fresheria Franchisor, LLC Franchise Disclosure Document (“FDD”)?
Yes _____ No _____
2. Did you give us a signed Receipt for the copy of the FDD that we furnished to you?
Yes _____ No _____ If yes, on what date?
3. Do you understand all of the information contained in the FDD?
Yes _____ No _____

If not, what parts of the FDD do you not understand? (If you need additional space, please use the “Additional Information Intake Form” included after the signature blocks below).

4. Have you received and personally read the Fresheria Franchisor, LLC Franchise Agreement

Yes _____ No _____

5. Do you understand all of the terms of the Agreement?

Yes _____ No _____

If not, what parts of the Agreement do you not understand? (If you need additional space, please use the “Additional Information Intake Form” included after the signature blocks below).

6. Have any of our representatives recommended that you have the FDD and agreements reviewed by an attorney?

Yes _____ No _____

7. A) Have you, in fact, discussed the FDD, the agreements, and the benefits and risks of operating a Fresheria franchise with an attorney?
Yes _____ No _____
If Yes, name of attorney: _____
If No, do you wish to have more time to do so?
Yes _____ No _____
- B) Have you discussed the benefits and risks of operating a Fresheria Franchise Business any other professional advisor?
Yes _____ No _____
If Yes, name and profession of advisor: _____
- C) Did you discuss the benefits and risks of operating a Fresheria Franchise Business with an existing Fresheria franchise?
Yes _____ No _____
8. Other than information presented in Item 19 of the FDD, have any of our employees or has any other person speaking on our behalf (this does not include franchisees whom you contact on your own) made any statement or representation (oral, written, or visual) regarding:
- A) The amount of money that others have made or that you might make as a Fresheria franchisee?
Yes _____ No _____
- B) The revenue profits that a Fresheria Franchise Business will generate?
Yes _____ No _____
- C) Any other financial performance information about Fresheria businesses?
Yes _____ No _____
9. If your answer to any part of Question 8 is “Yes”, please describe the statement or representation. Please include when, where, and by whom the statement or representation was made. Please provide full details in the following space. (If you need additional space, please use the “Additional Information Intake Form” included after the signature blocks below).
- _____
- _____
- _____
- _____
10. Have you contacted any existing Fresheria franchisees about their financial performance?
Yes _____ No _____

11. If your answer to Question 10 is “Yes”, please describe the information that they shared with you in the following space. (You do not need to identify the franchisees with whom you spoke).

12. Please think about the statements or promises made to you by our employees (or by any other person purporting to speak on our behalf) concerning the advertising, marketing, training, support, or assistance that we will furnish to you. Were any such statements or promises contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

13. If you answered “Yes” to Question 12, please provide full details in the following space. (If you need additional space, please use the “Additional Information Intake Form” included after the signature blocks below).

14. In entering into the Franchise Agreement, are you relying on any statement, promise, or assurances by us or anyone speaking or purporting to speak on our behalf, other than the terms of the Agreement itself (including any Amendment, if applicable)?

Yes _____ No _____

If “Yes,” please provide full details in the following space. (If you need additional space, please use the “Additional Information Intake Form” included after the signature blocks below).

15. Would you agree that the success or failure of your Fresheria franchise will depend in large part on your own skills and abilities and efforts, and those of the people you employ, as well as many factors beyond your control such as competition, the economy, inflation, labor and equipment costs, the marketplace, and other business factors?

Yes _____ No _____

16. Do you understand the Franchise Agreement provides you can only collect compensatory damages on any claim under or relating to the Franchise Agreement, and not any punitive, exemplary, or multiple damages?

Yes _____ No _____

17. Do you understand that we do not have to sell you a franchise or additional franchises (or Areas of Primary Responsibility or Fresheria Location Assurance Program), or consent to your purchase of existing franchises?
Yes _____ No _____
18. Do you understand that the Franchise Agreement contains the entire agreement between us and you concerning the franchise for the Fresheria business, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding?
Yes _____ No _____
19. Do you understand that once you sign the Franchise Agreement and pay the Initial Franchise Fee, your Initial Franchise Fee payment is nonrefundable under any circumstance?
Yes _____ No _____
20. Do you understand that, under the terms of the Franchise Agreement, you are fully responsible and liable for complying with all government license and permit requirements, as well as with all laws and regulations applicable to the establishment and operation of your Fresheria franchise?
Yes _____ No _____
21. Do you understand the risks of operating a Fresheria franchise?
Yes _____ No _____

You understand that we are acting in reliance on the truthfulness and completeness of your responses to the questions above in entering into the Agreements with Franchisee. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions. YOU ACKNOWLEDGE AND AGREE THAT IN THE EVENT THAT ANY DISPUTE ARISES, THIS QUESTIONNAIRE WILL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION, AND YOU HEREBY WAIVE, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE.

NOTE: IF THE FRANCHISEE IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS OWNERS MUST EXECUTE THIS ACKNOWLEDGEMENT.

Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits us from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. Any provisions of the Franchise Agreement which requires a prospective franchisee to disclaim the occurrence and/or non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law in order to purchase a 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.

[SIGNATURE ON THE NEXT PAGE]

THIS COMPLIANCE QUESTIONNAIRE MAY BE COMPLETED AND SIGNED WITH FULL FORCE AND EFFECT USING ELECTRONIC FIELD INPUTS AND SIGNATURES:

FRANCHISEE

OWNER/GUARANTOR

By: _____

a/an _____

By: _____

Name: _____

Title: _____

Date: _____

Date: _____

ADDITIONAL INFORMATION INTAKE FORM TO COMPLIANCE QUESTIONNAIRE

Please use this form to provide all additional information for which you did not have sufficient space above in the body of the Compliance Questionnaire. This form is part of the Compliance Questionnaire and together with the above form, you represent and agree that all of the information included is your honest and complete responses to each question.

1. Additional Information for Question No. _____

2. Additional Information for Question No. _____

3. Additional Information for Question No. _____

EXHIBIT H
TO DISCLOSURE DOCUMENT
LIST OF CURRENT FRANCHISEES
AND
LIST OF FORMER FRANCHISEES

LIST OF CURRENT FRANCHISEES

**Franchised Outlets Open
As of December 31, 2025**

NONE

STATE	FRANCHISEE	ADDRESS	NO. OF OUTLETS	TELEPHONE

**Franchisees with Signed Franchise Agreement
But Outlet not Open as of December 31, 2025**

NONE

STATE	FRANCHISEE	ADDRESS	NO. OF OUTLETS	TELEPHONE

Note 1. The term “Outlets” as used in the above franchisee lists is consistent with the term “Outlets” used in the Item 20 charts and is the equivalent of the term “APR” or Area of Primary Responsibility as defined in the franchise agreement.

**LIST OF FORMER FRANCHISEES
As of December 31, 2025**

NONE

STATE	FRANCHISEE	ADDRESS	NO. OF OUTLETS	TELEPHONE

EXHIBIT I
TO THE DISCLOSURE DOCUMENT
DIRECTORY OF FEDERAL,
STATE AND CANADIAN
FRANCHISE REGULATORS
AND
AGENT FOR SERVICE OF PROCESS

**DIRECTORY OF FEDERAL,
STATE AND CANADIAN
FRANCHISE REGULATORS**

FEDERAL

FEDERAL TRADE COMMISSION

Division of Marketing Practices
Seventh and Pennsylvania Avenues, N.W., Room 238
Washington, D.C. 20580
Tel: 202-236-2970

STATE FRANCHISE REGULATORS & AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

California Department of
Financial Protection and Innovation
Commissioner of Financial
Protection and Innovation
651 Bannan St., Suite 300
Sacramento, CA 95811
1-866-275-2677
(916) 327-7585

FLORIDA

State Department of Agriculture and
Consumer Services
P.O. Box 6700 Suite 7200
Tallahassee, FL 32314-6700
850-410-3754

ILLINOIS

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

MARYLAND

Securities Commissioner
Division of Securities
200 St. Paul Place 20th Floor
Baltimore, Maryland 21202-2020
410-576-6360

CONNECTICUT

Banking Commissioner
44 Capitol Avenue
Hartford, Connecticut 06106
317-232-6685

HAWAII

Commissioner of Securities of the State of
Hawaii
Department of Commerce & Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street Room 203
Honolulu, Hawaii 96813
808-586-2722

INDIANA

Chief Deputy Commissioner
Securities Divisions
302 West Washington Street Room E-111
Indianapolis, Indiana 46204

MICHIGAN

Franchise Administrator
670 Law Building
Lansing, Michigan 48913
517-373-7117

MINNESOTA

Director of Registration
Minnesota Department of Commerce
133 East Seventh Street
St. Paul, Minnesota 55101
612-296-2284

NORTH DAKOTA

Franchise Examiner
600 East Boulevard 5th Floor
Bismarck, North Dakota 58505
701-224-4712

RHODE ISLAND

Associate Director and Superintendent of
Securities
Division of Securities
233 Richmond Street, Suite 232
Providence, Rhode Island 02903-4232
401-277-3048

TEXAS

Secretary of State
P.O. Box 12697
Austin, Texas 78711-2697
1019 Brazos
Austin, Texas 78701
512-463-5701

WISCONSIN

Commissioner of Securities or
Franchise Administrator
101 East Wilson Street
P.O. Box 1768
Madison, Wisconsin 53701
Commissioner 608-266-3431
Franchise Administrator 608-266-8559

NEW YORK

Principle Attorney
New York State Dept. of Law
120 Broadway, Room 23-122
New York, New York 10271
212-416-8000

OREGON

Department of Insurance and Finance
Division of Finance & Corporate Securities
Securities Section
21 Labor and Industries Building
Salem, Oregon 97310
503-378-4387

SOUTH DAKOTA

Department of Labor and Regulation
Division of Securities
124 South Euclid Suite 104
Pierre, South Dakota 57501
605-773-4823

VIRGINIA

Clerk of the State Corporation Commission
1300 East Main St, 1st Floor
Richmond, Virginia 23219
804-371-9733

State Corporation Commission
1300 East Main St. 9th Floor
Richmond, Virginia 23219
804-371-9051

WASHINGTON

Securities Administrator
150 Israel Road SW
Tumwater, Washington 98501
360-902-8760

CANADA

Director of Franchises
Alberta Securities Commission Agency
21st Floor
10025 Jasper Avenue
Edmonton, Alberta T5J 3Z5

Director of Franchises
Ontario Securities Commission
Suite 1903
20 Queen Street, West
Toronto, Ontario MSH 3S8
(416) 593-8314

Director of Franchises
New Brunswick Securities Commission
Suite 300
85 Charlotte Street
Saint John, New Brunswick 32L 2J2

Office of the Attorney General
Consumer, Corporate, and Insurance Division
PEI Securities Office
P.O. Box 2000
Charlottetown, Prince Edward Island
C1A 7N8
(902) 368-4569

AGENTS FOR SERVICE OF PROCESS

If a state is not listed, Franchisor has 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 Franchisor has appointed an agent for services of process. There may also be additional agents appointed in some of the states listed.

Alabama

Securities Commission
770 Washington Avenue, Suite 570
Montgomery, AL 36130-4700
(334) 242-2984
(800) 222-1253
(334) 242 0240 (Fax)

Colorado

Division of Securities
1560 Broadway Street, Suite 900
Denver, CO 80202
(303) 894-2320
(303) 861-2126 (Fax)

Alaska

Dept. of Community and Economic
Development
Div. of Banking, Securities & Corporations
150 Third Street, Room 217
(907) 465-2521
(907) 465-1230 (Fax)

Connecticut

Department of Banking
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8230
(860) 240-8295 (Fax)

Arizona

Corporation Commission
Securities Division
1300 West Washington Street, Third Floor
Phoenix, AZ 85007
(602) 542-4242
(602) 594-7470 (Fax)

Delaware

Department of Justice
Division of Securities
Carvel State Office Building
820 North French Street, 5th Fl.
Wilmington, DE 19801
(302) 577-8424
(302) 577-6987 (Fax)

Arkansas

Securities Department
Heritage West Building
201 East Markham, Room 300
Little Rock, AR 72201-1692
(501) 324-9260
(501) 324-9268 (Fax)

District of Columbia

Department of Insurance & Securities
Regulation
Securities Bureau
810 First Street, NE, Suite 622
Washington, DC 20002
(202) 727-8000
(202) 535-1199 (Fax)

California

Department of Financial
Protection and Innovation
Commissioner of Financial
Protection and Innovation
651 Bannan St., Suite 300
Sacramento, CA 95811
1-866-275-2677
(916) 327-7585

Florida

Financial Services Commission
Office of Financial Regulation
200 East Gaines Street
The Fletcher Building
Tallahassee, FL 32399-0372
(850) 410-9805
(850) 410-9748 (Fax)

AGENTS FOR SERVICE OF PROCESS

Georgia

Office of the Secretary of State
Division of Business Services and Regulation
Two Martin Luther King, Jr. Drive SE
802 West Tower
Atlanta, GA 30334
(404) 656-3920
(404) 651-6451 (Fax)

Iowa

Insurance Division
Securities Bureau
340 E. Maple Street
Des Moines, IA 50319-0066
(515) 281-4441
(515) 281-3059 (Fax)

Hawaii

Department of Commerce & Consumer Affairs
Division of Business Regulation
335 Merchant Street Room 203
Honolulu, HI 96813
(808) 586-2744
(808) 586-2733 (Fax)

Kansas

Office of the Securities Commissioner
618 South Kansas Avenue
Topeka, KS 66603-3804
(785) 296-3307
(785) 296-6872 (Fax)

Idaho

Department of Finance
800 Park Boulevard Suite 200
Boise, ID 83712
(208) 332-8004
(208) 332-8099 (Fax)

Kentucky

Department of Financial Institutions
1025 Capital Center Drive Suite 200
Frankfort, KY 40601
(502) 573-3390
(800) 223-2579

Illinois

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

Louisiana

Securities Commission
Office of Financial Institutions
8660 United Plaza Blvd. Second Floor
Baton Rouge, LA 70809-7024
(225) 925-4512
(225) 925-4548 (Fax)

Indiana

Office of the Secretary of State
Securities Division
302 West Washington Room E-111
Indianapolis, IN 46204
(317) 232-6681
(317) 233-3675 (Fax)

Maine

Securities Division
State House Station 121
Augusta, ME 04333
(207) 624-8551
(207) 624-8590 (Fax)

AGENTS FOR SERVICE OF PROCESS

Maryland

Maryland Securities Commissioner
200 Saint Paul Place
Baltimore, MD 21202-2020
(410) 576-6360
(410) 576-6532 (Fax)

Montana

Office of the State Auditor
Securities Department
840 Helena Avenue
Helena, MT 59601
(406) 444-2040
(406) 444-5558 (Fax)

Massachusetts

Securities Division
One Ashburton Place Room 1701
Boston, MA 02108
(617) 727-3548
(617) 248-0177 (Fax)

Nebraska

Nebraska Department of Banking & Finance
1230 "O" Street, Suite 400
Lincoln, NE 68509-5006
(402) 471-3445

Michigan

Conduct Review & Securities Division
Office of Financial & Ins. Services
Dept. of Labor & Economic Growth
611 West Ottawa St, Third Floor
Lansing, MI 48933
(877)999-6442
(517)241-3953 (Fax)

New Hampshire

Bureau of Securities Regulation
State House Annex
Suite 317A 3rd Floor
Concord, NH 03301
(603) 271-1463
(603) 271-7933 (Fax)

Minnesota

Commissioner of Commerce
85 7th Place East, Suite 500
Saint Paul, MN 55101
(651) 296-4026
(651) 296-4328 (Fax)

New Jersey

Department of Law & Public Safety
Bureau of Securities
153 Halsey Street 6th Floor
Newark, NJ 07102
(973) 504-3600
(973) 504-3601 (Fax)

Mississippi

Office of the Secretary of State Business
Regulation & Enforcement Division
700 North Street
Jackson, MS 39202
(601) 359-6371

New Mexico

Regulation & Licensing Department
Securities Division
2550 Cerrillos Road
Santa Fe, NM 87505
(505) 476-4580

Missouri

Office of the Secretary of State
600 West Main Street
Jefferson City, MO 65101
(573) 751-4136
(573) 526-3124 (Fax)

New York

Secretary of State
One Commerce Plaza
99 Washington Avenue
Albany, NY 12231-0001
(212) 416-8222

AGENTS FOR SERVICE OF PROCESS

North Carolina

Secretary of State
Securities Division
Old Revenue Complex
2 S. Salisbury Street
Raleigh, NC 27601
(919) 733-3924
(919) 821-0818 (Fax)

North Dakota

Securities Commission
600 East Boulevard
State Capitol, 5th Floor
Bismarck, ND 58505-0510
(701) 328-2910
(701) 328-2946 (Fax)

Ohio

Division of Securities
77 South High Street 22nd Floor
Columbus, OH 43215
(614) 644-7381
(614) 466-3316 (Fax)

Oklahoma

Department of Securities
1st National Center, Suite 860
120 N. Robinson
Oklahoma City, OK 73102
(405) 280-7700
(405) 280-7742 (Fax)

Oregon

Department of Consumer
& Business Services
Div. of Finance & Corp. Securities
350 Winter Street, NE
Room 410
Salem, OR 97301-3881
(503) 378-4387
(503) 947-7862 (Fax)

Pennsylvania

Securities Commission
Eastgate Office Building
1010 North 7th Street, 2nd Floor
Harrisburg, PA 17102-1410
(717) 787-8061
(717) 783-5122 (Fax)

Puerto Rico

Commission of Financial Institutions
1492 Ponce de Leon Avenue
Suite 600
San Juan, PR 00907
(787) 723-3131 ext. 2222

Rhode Island

Department of Business Regulation
Securities Division
1511 Pontiac Avenue
Cranston, RI 02920-4407
(401) 462-9588
(401) 462-9645 (Fax)

South Carolina

Office of the Attorney General
Securities Division
Rembert C. Dennis Office Building
1000 Assembly Street
Columbia, SC 29201
(803) 734-4731
(803) 734-0032 (Fax)

South Dakota

Department of Labor and Regulation
Division of Securities
124 South Euclid Suite 104
Pierre, SD 57501-2000
(605) 773-4823
(605) 773-5953 (Fax)

AGENTS FOR SERVICE OF PROCESS

Tennessee

Department of Commerce & Insurance
Securities Division
Davy Crockett Tower, Suite 680
500 James Robertson Parkway
Nashville, TN 37243-0575
(615) 741-2947
(615) 532-8375 (Fax)

Texas

State Securities Board
208 East 10th Street, 5th Floor
Austin, TX 78701
(512) 305-8300

U.S. Virgin Islands

Division of Banking and Insurance
18 Kongens Gade
Saint Thomas, VI 00802
(340) 774-7166

Utah

Department of Commerce
Division of Securities
160 East 300 South 2nd Floor
Salt Lake City, UT 84111
(801) 530-6600
(801) 530-6980 (Fax)

Vermont

Department of Banking, Insurance,
Securities & Health Care Administration
89 Main Street
Drawer 20
Montpelier, VT 05620-3101
(802) 828-3420
(802) 828-2896 (Fax)

Virginia

Clerk of the State of Corporation Commission
1300 East Main Street 1st Floor
Richmond, VA 23219
(804) 371-9733

Washington

Department of Financial Institutions
Securities Division
150 Israel Rd, SW
Tumwater, WA 98501
(360) 902-8760
(360) 902-0524 (Fax)

West Virginia

Office of the State Auditor
Securities Division
Building 1 Room W-100
Charleston, WV 25305-0230
(304) 558-2257
(877) 982-9148
(304) 558-4211 (Fax)

Wisconsin

Department of Financial Institutions
Division of Securities
345 W. Washington Avenue
4th Floor
Madison, WI 53703
(608) 266-1064
(608) 264-7979 (Fax)

Wyoming

Secretary of State
Securities Division
State Capitol, Room 109
200 W. 24th Street
Cheyenne, WY 82002-0020
(307) 777-7370
(307) 777-5339 (Fax)

EXHIBIT J
TO DISCLOSURE DOCUMENT
RECEIPTS

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.

The Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

STATES	EFFECTIVE DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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.

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 Fresheria Franchisor, 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 payment to, us or one of our affiliates in connection with the proposed franchise sale or grant.

New York and Rhode Island require that we provide you with this Disclosure Document at the earlier of the first personal meeting or ten business days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale or grant, Michigan requires that we provide you with this Disclosure Document ten business days before you sign a binding agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale or grant.

If Fresheria Franchisor, 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 or state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and the state agency listed on Exhibit I. Our registered agents authorized to receive service of process are set forth on Exhibit I.

The franchise seller for this offering is:

Name	Principal Business Address	Telephone Number
Cesar De Santiago	627 Pearl Street, La Jolla, California 90037	(619) 715-318

Issuance Date: January 6, 2026

I acknowledge receiving this Franchise Disclosure Document dated January 6, 2026, including the following Exhibits:

Exhibit A – Franchise Agreement and Attachments
Exhibit B – State Specific Appendix
Exhibit C – Multi-Unit Agreement
Exhibit D – General Release (Sample Form)
Exhibit E – Financial Statement
Exhibit F – Operations Manual Table of Contents
Exhibit G – Compliance Questionnaire
Exhibit H – List of Current Franchisees and List of Former Franchisees
Exhibit I – List of State Administrators and List of Agents for Service of Process
Exhibit J – Receipts

Dated: _____

Dated: _____

Printed Name _____

Printed Name _____

Signed individually and as an officer of
_____ (a Corporation)
_____ (a Partnership)
_____ (a Limited Liability Company)

Signed individually and as an officer of
_____ (a Corporation)
_____ (a Partnership)
_____ (a Limited Liability Company)

[KEEP THIS PAGE FOR YOUR RECORDS]

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Exhibit J – Receipts

Dated: _____

Dated: _____

Printed Name

Printed Name

Signed individually and as an officer of

(a Corporation)

(a Partnership)

(a Limited Liability Company)

Signed individually and as an officer of

(a Corporation)

(a Partnership)

(a Limited Liability Company)

**Please return this completed form to Fresheria Franchisor, LLC by
Email: cesar_desantiagom@yahoo.com or Regular Mail: 627 Pearl Street, La Jolla, CA 90037 (619) 715-318**