FRANCHISE DISCLOSURE DOCUMENT

GARBANZO MEDITERRANEAN FRESH	Garbanzo Mediterranean Grill Franchising, LLC A Colorado limited liability company 7700 E. Arapahoe Road Suite 270 Centennial, CO 80112 Phone: 303-221-2559 franchise@eatgarbanzo.com www.eatgarbanzo.com

The franchisee will operate a quick serve restaurant and catering and delivery business specializing in Mediterranean cuisine, including hummus, falafel, chicken and beef shwarmas and salads on handmade pita and laffa and soups and desserts under the Trademarks ("**Garbanzo Mediterranean Fresh Restaurant**" or "**Grill**"). ."

The total investment necessary to begin operation of a single Garbanzo Mediterranean Fresh Restaurant is $424,400 to $836,150. This includes $38,000 (the Initial Franchise Fee and the Training Fee) that must be paid to the franchisor.

If you are granted area development rights under an Area Development Agreement, you will be granted the right to open a minimum of three Garbanzo Mediterranean Fresh Restaurants. You will pay Franchisor a Development Fee of $90,000 for the minimum of three Garbanzo Mediterranean Fresh Restaurants and a training fee for the first two Garbanzo Mediterranean Fresh Restaurants in the amount of $16,000 The total investment necessary to begin operation of three Garbanzo Mediterranean Fresh franchisee businesses under the Area Development Agreement is $1,265,200 to $2,500,450.

If you are granted the right to open additional Garbanzo Mediterranean Fresh Restaurants after fulfilling the Area Development Agreement for the required three Garbanzo Mediterranean Fresh Restaurants, you will pay an additional $30,000 Development Fee to Franchisor for each additional Garbanzo Mediterranean Fresh Restaurant .

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

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 Larry Sidoti, Garbanzo Mediterranean Grill Franchising, LLC, at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112, 303- 221-2559.

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

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

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

Issuance Date: June 16, 2020 as amended September 3, 2020

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 E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit F 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 Garbanzo Mediterranean Fresh Restaurant business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be Garbanzo Mediterranean Fresh Restaurant franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

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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 G.

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Colorado. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Colorado than in your own state.

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

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

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FRANCHISE DISCLOSURE DOCUMENT
ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this franchise disclosure document "we", "us" and "our" means Garbanzo Mediterranean Grill Franchising, LLC, the franchisor. "You" and "your" mean the person who buys the franchise. If the franchise will be owned by a corporation or partnership or limited liability company, "you" and "your" also mean the owners of the corporation or partners of the partnership or members and manager of the limited liability company, and their spouses.

The Franchisor, Its Predecessors; And Affiliates

We are a Colorado limited liability company that was formed on October 10, 2008. We maintain our principal place of business at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112. We do not currently do business or intend to do business under any name other than Garbanzo Mediterranean Grill Franchising, LLC. We have no predecessors. Our agent for service of process in Colorado is James Park at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112. Our other agents for service of process are disclosed in Exhibit G.

On February 8, 2012, our current parent, Garbanzo Mediterranean Grill, LLC, a Delaware limited liability company ("**Garbanzo Delaware**"), acquired substantially all of the assets of our former parent company, Mediterranean Holdings, LLC, a Colorado limited liability company ("**Mediterranean Holdings**"). Garbanzo Delaware was formed on December 14, 2011, under the name of GMG Acquisition, LLC and changed its name to Garbanzo Mediterranean Grill, LLC on February 8, 2012.

Our former parent, Mediterranean Holdings, LLC is a Colorado limited liability company. It was originally formed under the name of Falafel Venture, LLC on March 28, 2007. The name was changed to Garbanzo Mediterranean Grill, LLC on July 25, 2007. The name was then changed to Mediterranean Holdings, LLC on February 9, 2012.

Currently, Garbanzo Delaware owns and operates 3 Garbanzo Mediterranean Grill restaurants. In addition, Garbanzo Delaware owns the Marks (as defined below) and System (as defined below) and licenses the right to use and sublicense the Marks and System under a License Agreement described in greater detail in Item 13. Garbanzo Delaware's principal place of business is 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112. It does business under the name "Garbanzo Mediterranean Grill". It does not franchise in this or any other business.

We have two affiliates, Garbanzo Mediterranean Fresh Missouri, LLC ("**Garbanzo Missouri**") and NB Franchising, LLC ("**La Boulangerie**"). Garbanzo Missouri is a Colorado limited liability company formed on June 28, 2017. Garbanzo Missouri's principal place of business is 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112. Garbanzo Missouri operates a Garbanzo Mediterranean Grill restaurant in St. Louis, Missouri.

La Boulangerie is a Colorado limited liability company formed on May 22, 2018. La Boulangerie's principal place of business is 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112. La Boulangerie offers franchises for bakery cafes.

We began offering franchises in October 2009; however, we did not actively seek potential franchisees until September 2010. We have not conducted a business of the type you will be operating and do not engage in any types of business activities other than franchising Garbanzo Mediterranean Fresh Restaurants, and in the past Garbanzo Mediterranean Grill restaurants, and providing services to its franchisees. Neither we nor any of our affiliates have offered franchises in other lines of businesses. None of our affiliates have sold any franchises similar to the Garbanzo Mediterranean Fresh Restaurant.

The Franchise

We are in the business of granting franchises to operate a quick serve restaurant and catering and delivery business specializing in Mediterranean cuisine, including hummus, falafel, chicken and beef shwarmas and salads on handmade pita and laffa, and soups and desserts using the System and Marks as described in the Franchise Agreement which is attached as Exhibit A ("**Franchise Agreement**"). "System" means a specially developed method of operating a quick serve restaurant under the Marks using certain procedures and methods, recipes, site evaluation criteria, layouts, accounting methods, advertising, sales and promotional techniques, personnel training, trade secrets and any other matters relating to the operation and promotion of Garbanzo Mediterranean Fresh restaurants as they may be changed, improved, modified and further developed by us or our affiliates from time to time. "Marks" means such service marks, trademarks, trade dress, trade names and copyrights and all configurations and derivations, as may presently exist, or which may be modified, changed, or acquired by us or our affiliates, in connection with the operation of a Garbanzo Mediterranean Fresh restaurant or of a Garbanzo Mediterranean Grill restaurant (We are no longer issuing franchises with the Garbanzo Mediterranean Grill mark. However, some of those restaurants are still in operation).

Marks include “Garbanzo Mediterranean Fresh”, "Garbanzo" and design, “Garbanzo Mediterranean Grill” and "Falarma". In this disclosure document, "Garbanzo Mediterranean Fresh restaurant" means any restaurant that is operated under the System and Marks whether owned by us or our affiliates, licensees or franchisees. You will do business under the fictitious or assumed name of "Garbanzo Mediterranean Fresh" or any other name that we decide to use in the future. In this disclosure document, the Garbanzo Mediterranean Fresh restaurant you will operate according to the terms of the Franchise Agreement is referred to as the "Grill." For purposes of this franchise disclosure document, "affiliate" includes our parent, Garbanzo Delaware, and any future affiliates.

Under the Development Program, we assign a territory ("**Development Area**") within which you must open and operate a certain number of Garbanzo Mediterranean Fresh restaurants ("Units") (a minimum of three) within a specified period of time ("**Development Schedule**"). If you elect to participate in and are approved for this program, you will execute an Area Development Agreement (the "**ADA**") in the form attached as Exhibit B, which will describe your Development Area and the Development Schedule. For each Unit, you must sign separate Franchise Agreements in the form of the then current Franchise Agreement we offer our new franchisees. That then current Franchise Agreement may be different than the Franchise Agreement attached as Exhibit A. However, the initial franchise fee will be $30,000 and the royalty fees will be at the same rate as in the standard Franchise Agreement at the time the ADA is signed. In no event will you sign a Franchise Agreement for any Unit until we have complied with any applicable waiting periods prescribed by law, and in no event will you be a franchisee entitled to operate a Unit as a Garbanzo Mediterranean Fresh restaurant until we sign the Franchise Agreement for that particular Unit. You will sign a Franchise Agreement, which is in the form found in Exhibit A for your first Unit at the same time you sign the ADA.

Market; Competition

The goods and services offered by our franchisees are used primarily by the general public for personal consumption and are not limited to any specific submarket. Your Grill will have to compete with other restaurants offering similar products including other franchises, fast food restaurants and full-service restaurants. You should also recognize that the intense competition for the food dollar can affect your business and all competing businesses and could affect the profitability of your Grill.

Regulation

Health and licensing regulations specific to the operation of a restaurant are in effect in most jurisdictions. You will be required to comply with all local, state and federal health and sanitation laws that apply to restaurant operations and mobile kitchen businesses (if applicable), including any requirements for food handlers to have certain inoculations. You must check all applicable governmental laws, regulations, and ordinances. You are responsible for knowing and complying with all laws and licensing requirements related to the operation of your Grill and it is likely that you will be required by city and/or state laws to obtain licenses to operate your Grill. You must comply with all federal, state and local laws, codes and regulations, including the applicable provisions of the Americans with Disabilities Act, regarding the construction, design and operation of your Grill. Building codes and requirements vary in different jurisdictions and it is important for you and your architect to be aware of and comply with all local laws. You should check with your local attorney or local authorities for advice on complying with applicable law and you should consider the cost of compliance.

ITEM 2. BUSINESS EXPERIENCE

James Park: CEO

Mr. Park serves as our CEO since December 2015 and as the CEO of La Boulangerie since May 22, 2018. Prior to joining Garbanzo Mediterranean Grill Franchising, LLC, Mr. Park was the VP Operations and VP Marketing for Which Wich Superior Sandwiches, Inc. located in Dallas, Texas from July 2012 to October 2015. From March 2011 until April 2012, Mr. Park was the Director Global Marketing, Consumer Insights, and Fresh Foods for 7-Eleven, Inc. located in Dallas, Texas.

Michael Staenberg: President

Mr. Staenberg serves as our President since December 2014. He is also a member of our parent company's (Garbanzo Delaware) board of directors since June 2014. Prior to joining Garbanzo Mediterranean Grill Franchising, LLC, from September of 1991 until November of 2012, Mr. Staenberg was the President and a member of the board of directors for THF Management, Inc. located in St. Louis, MO. From September 1991 to January 2017, Mr. Staenberg served as President and a member of the board of directors for THF Realty, Inc. in St. Louis, MO. From November 2012 to the present, Mr. Staenberg serves as President and a member of the board of directors for Staenberg Group, Inc. based in St. Louis, MO.

Larry Sidoti – Chief Development Officer

Mr. Sidoti serves as our Chief Development Officer since June 25, 2018 and as the Chief Development Officer of La Boulangerie since May 22, 2018. Prior to joining Garbanzo Mediterranean Grill Franchising, LLC, Mr. Sidoti was the Chief Development Officer for Paris Baguette in Commerce, California from June 2015 until June 2018. He also served as the Vice President of Development for Ruby's Diner Franchise Co., Inc. from September 2014 until June 2015 and Vice President of Development for Yogurtland Franchising, Inc. from May 2009 until July 2014 in Irvine, California.

Gabriel Moreno – Vice President of Operations

Mr. Moreno has served as our Vice President of Operations since September 2019 in Denver, Colorado. From June 2018 to August 2019, Mr. Moreno served as Senior Director of Operations of La Boulangerie de San Francisco in Denver, Colorado. From October 2018 through September 2019, Mr. Moreno was the Senior Director of Operations for Loving Cup located in San Francisco, California. From January 2013 through August 2018, Mr. Moreno served in various roles for Which Wich Superior Sandwiches in Dallas, Texas.

Devin Handler: Director of Marketing

Mr. Handler serves as our Director of Marketing since January 2018. He previously served as the Director of Marketing for QDOBA Restaurant Corp. in Denver, Colorado from August 2010 until June 2017.

ITEM 3. LITIGATION

We filed arbitration proceedings with the American Arbitration Association, (Case No. 01-14-0001-5831) on September 30, 2014. The parties to the arbitration are Garbanzo Mediterranean Grill Franchising, LLC, ("**Claimant**") and GARBOCA LLC a/k/a GARCENTRAL LLC and David Topper (collectively, "**Respondents**"). GARBOCA, LLC entered into a franchise agreement and area developer agreement with Claimant in 2012 (collectively, "**Agreements**"). David Topper signed the Guaranty and Assumption of Obligations agreement guaranteeing GARBOCA, LLC's performance under the Agreements. Claimant sought unspecified damages arising from Respondents' breaches of the Agreements associated with failing to complete the development schedule and with the closure of the one franchise unit. There were no counterclaims. We also filed an associated Expedited Motion to Compel Arbitration on November 17, 2014 in Arapahoe County Court, Arapahoe County, Colorado (Case # 214cv32639).

All parties entered into a voluntary settlement agreement that dismissed both actions, voluntarily terminated the Agreements and declared that no party was liable or had engaged in any wrongdoing. The settlement also included a mutual release of all claims and a confidentiality provision. Under the settlement agreement the Claimant paid the Respondents $50,000 and agreed to pay an additional $30,000 in 12 equal monthly payments beginning on January 1, 2016. The settlement also included a payment by Claimant to Respondents of an additional $150,000 at some future time if any one of three contingencies occurs. The three contingencies are as follows: (1) if Garbanzo Mediterranean Grill Franchising, LLC, ever conducts a public offering, (2) if Garbanzo Fresh Mediterranean Franchising, LLC ever sells 80% or more ownership interest to third parties unaffiliated with the current owners of Garbanzo Mediterranean Grill Franchising, LLC; or, (c) if Garbanzo Mediterranean Grill Franchising, LLC, ever sells all or substantially all of our assets to third parties unaffiliated with the current owners of Garbanzo Mediterranean Grill Franchising, LLC.

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

ITEM 4. BANKRUPTCY

On August 12, 2020, Garbanzo Mediterranean Grill Franchising, LLC, our parent company, Garbanzo Mediterranean Grill, LLC, and our affiliates, Garbanzo Mediterranean Fresh Missouri, LLC and Garbanzo Mediterranean Fresh, LLC filed petitions to reorganize under Chapter 11 of the U.S. Bankruptcy Code in the Eastern District of Missouri, Eastern Division (Case No. 20-43965-399).

ITEM 5. INITIAL FEES

Initial Franchise Fee

You must pay us an initial franchise fee in a lump sum, in unencumbered cash, and it cannot be borrowed when you sign the Franchise Agreement. Our initial franchise fee is $30,000 (the "**Initial Franchise Fee**"). The Initial Franchise Fee is fully earned by us upon payment and is non-refundable to you. During the fiscal year ending December 31, 2019, initial franchise fees for Non-Traditional Garbanzo Mediterranean Fresh Restaurants ranged between $25,000-$30,000.

Training Fee

You must pay us an initial training fee in a lump sum, in unencumbered cash, and it cannot be borrowed when you sign the Franchise Agreement. Our initial training fee is $8,000 (the "**Initial Training Fee**"). The Initial Training Fee is fully earned by us upon payment and is non-refundable to you. If you are an Area Developer (see below), you will pay the Initial Training Fee for the first two Units you open. You will not be required to pay the Initial Training Fee for the third or subsequent Unit you open in accordance with the ADA, unless we determine that initial training is required, in which case you will pay the Initial Training Fee for any subsequent Units until we no longer determine that initial training is required. During the fiscal year ending December 31, 2019, we collected a uniform Initial Training Fee in the amount of $8,000.

Development Fee for Multi-Units

If you choose, and we agree, you may purchase multiple Units (a minimum of three Units) at the time you sign the initial Franchise Agreement under our Development Program. You will be required to sign our Area Developer Agreement ("**ADA**") and you must pay us a development fee of $30,000 for each Unit (the "**Development Fee**") to be opened and operated in the Development Area in accordance with a Development Schedule under the ADA. The minimum Development Fee for the minimum number of Units you will be required to open under the ADA is $90,000. The Development Fee must be paid in unencumbered cash and it cannot be borrowed.

The Development Fee for the first two Units is payable on execution of the ADA. We will credit you $30,000 towards the Initial Franchise Fee due for the first two Units at the time you the Franchise Agreement for the particular Unit. At the time you sign the ADA, you will also pay 50% of the Development Fee ("Deposit") for the third Unit and each additional Unit you agree to open under the ADA. The Deposit will be credited towards the Initial Franchise Fee at the time you sign the Franchise Agreement for the particular Unit. The balance of the Development Fee for the third Unit and each additional Unit you agree to open will be payable at the time you sign the lease for the particular Unit. The Development Fee is fully earned when paid. In no event is the Area Development Fee refundable.

During fiscal year ending December 31, 2019, we collected $60,000 Development Fee with the balance due and payable at the time the Franchisee signs the lease for each Grill.

ITEM 6. OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty Fees[1]	5% of Net Sales	Payable each week on Monday (based on Net Sales of the previous week, Wednesday through Tuesday)	Fees and sales back-up report due. Payments must be made via electronic funds transfer ("**EFT**").
Advertising Fee[2]	Up to 2% of Net Sales	Payable weekly by Monday of the following week	. Payments must be made via EFT. The Advertising Fee is currently 1.25%.
Regional Cooperative Fee[2]	Up to 2% of Net Sales	Payable weekly by Monday of the following week	Only if and when the Fund is established. Payments must be made via EFT.
Technology Fee for Grill	The then current fee for use of the Computer System. Currently, the fee is estimated at $175 per month.	Monthly	The Technology Fee is for use of the Computer System. The Technology Fee may change upon prior notice to you if the software vendor changes the license fee, we change vendors, we change functionality or for any other reason. You may be required to pay us or our designated supplier the Technology Fee in our determination.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Customer Survey Fee	Our then current fee. Currently, $15 per month	Monthly	Us.
Transfer Fee for Grill	50% of the then current Initial Franchise Fee for a transfer to third parties or if you are just transferring to your wholly controlled entity, $750	Prior to consummation of transfer	Payable when you transfer your franchise
Renewal Fee for Grill	50% of the then current Initial Franchise Fee	At the time of the time of renewal	Payable when you renew the franchise for your Grill
Training Fee	$8,000	At the time the Franchise Agreement is signed	This fee is required for your first two Units. After that time it is to be determined by us whether initial training is required.
Additional Training[3]	$2,500 per day plus expenses	Upon request or as we require	This is for additional training we may provide from time to time
Additional Assistance[3]	All expenses	Upon request or as we require	This is for additional assistance that you need or request
Audit[4]	Cost of Audit	Upon demand	If we determine that you have been deficient by more than 2% on payment of fees
Interest on late payments[4]	Lesser of 1 ½% per month or maximum legal rate not exceeding 10% annually	On all overdue payments	Payable on all overdue amounts
Late Report Fee[4]	$100 plus $100 for every week or month a report is late	Upon demand	Payable on all late reports
Liquidated Damages[5]	$200 per day	Upon demand	Payable for each day unauthorized products or services are offered for sale or sold
Taxes[6]	Actual cost	Upon demand	Payable if certain taxes are levied or assessed on the fees you pay to us or our affiliates
Indemnification**	Will vary under circumstances	As incurred	You must reimburse us if we are held liable
Costs and Attorneys' Fees**	Will vary under circumstances	As incurred	If we prevail in an action to enforce the Franchise Agreement, Truck Addendum or ADA

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Arbitration Fee**	Cost of Arbitration and attorneys' fees	Upon demand	If awarded by arbitrators
Fee for Testing Alternative Supplier's Goods	The actual cost of the test made by us or by an independent testing laboratory designated by us	Upon demand	Only if you want us to test an proposed supplier to become an approved supplier

*All fees other than arbitration fees are imposed by and are payable to us or our Affiliates. All fees are non-refundable and are uniformly imposed.

**Under both the Franchise Agreement and the Area Development Agreement.

NOTES:

1. Royalty Fee. You are required to pay us a Royalty Fee equal to 5% of Net Sales from your Grill by Monday of the week following the week in which the sales were made. "Net Sales" means the total amount of all sales of products, services and merchandise sold from, through, or in connection with your Grill, whether for cash, on credit, barter or otherwise, exclusive of applicable sales, use or service taxes and complimentary sales. You will authorize us to take the Royalty Fees from you by electronic transfer.

2. Advertising Fees and Regional Cooperative Fees. You will pay us an Advertising Fee of up to 2% of Net Sales from your Grill from the prior week. We currently assess an Advertising Fee of 1.25%. We also reserve the right to establish a Regional Cooperative. When we do, in addition to the Advertising Fee, you will pay us a Regional Cooperative fee of up to 2% of Net Sales from your Grill from the prior week. There are currently no Regional Cooperatives. If a Regional Cooperative is established, franchisor-owned outlets will have controlling voting power. You will authorize us to take the Advertising Fee from you by electronic transfer. We also reserve the right to deduct the Regional Cooperative Fees, if any, from you by electronic transfer.

3. Additional Training and Assistance Fees. We reserve the right to charge you a reasonable amount for any training we provide to you or your managers or employees after the opening of your Grill. You will also be responsible for any travel, meal, incidental, and lodging expenses incurred by persons conducting the training programs and attending the training program. We will make available continuing advisory assistance in a manner as we deem appropriate. If we send our representatives to your Grill to provide assistance, we reserve the right to charge a reasonable fee and our expenses.

4. Interest, Audit Fees and Late Report Fees. You must pay interest on any unpaid amounts at the rate of the lesser of l ½% per month or the maximum legal rate in the jurisdiction where your Grill is located not to exceed 10% annually. In addition, if the amount of Net Sales you report for any calendar year is less than 98% of the actual Net Sales for that period, you must reimburse us for all costs of the investigation or audit that uncovered the underreported sales, including salaries, professional fees, travel, meals, and lodging. If you fail to send us your weekly reports by the Wednesday of the following week, we can charge you, to the extent permitted by law, a late fee of $100 plus $100 for each week your report is late. If you fail to send us a report that is due on a monthly basis, annual basis or quarterly basis, we can charge you a late report fee of $100 plus $100 for each month your report is late.

5. Liquidated Damages for Sale of Unauthorized Products or Services. Uniformity of products and services offered by all Garbanzo Mediterranean Fresh restaurants is of utmost importance to us, our franchisees and the System. If you offer to sell or do sell products or services which are not authorized or are not prepared in accordance with the Operations Manual, you agree we will be damaged by your non-compliance. These damages will be calculated at the rate of $200 per day for each day unauthorized products or services are offered

or sold and will be in addition to any other rights and remedies we may have against you. We have the right to collect these amounts in addition to any and all of our other rights for non-compliance provided for under the Franchise Agreement. You and we will agree that these amounts are reasonable, constitute liquidated damages and are not a penalty.

6. Taxes. You agree to indemnify and/or reimburse us and our affiliates for all capital, gross receipts, sales, and other taxes and assessments imposed by any applicable state or local governmental authority as a result of the conduct of the Grill's business or the license of any of our or our affiliates' intangible property to you (whether required to be paid by us or our affiliates, withheld by you or otherwise). Your obligation to indemnify or reimburse us or our affiliates for these taxes does not extend to income-type taxes which a state or local government imposes on us or our affiliates' income.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT FOR GRILL

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Initial Franchise Fee[1]	$30,000	$30,000	Lump Sum	Upon signing the Franchise Agreement	Us
Training Fee	$8,000	$8,000	Lump Sum	Upon signing the Franchise Agreement	Us
Security Deposit and Lease[2]	$4,000	$12,000	Lump Sum	Signing the lease	Landlord
Improvements/ Construction/ and Interior decorating[3]	$94,000	$250,000	As incurred	Prior to Opening	General contractor, interior designer
Smallwares[4]	$9,000	$14,000	Lump Sum	Prior to Opening	Approved suppliers
Furniture/Fixtures[4]	$14,350	$65,000	Lump Sum	Prior to Opening	Approved suppliers
Equipment	$120,000	$150,500	Lump Sum	Prior to Opening	Approved suppliers
Signage	$6,500	$20,000	Lump Sum	Prior to Opening	Vendors
Office Equipment & Supplies	$1,500	$3,000	Lump sum	Prior to Opening	Vendors
Licenses and permits[5]	$200	$1,000	Lump Sum	Prior to Opening	Government agencies and utility providers
Travel and Living Expenses while Training	$12,000	$16,000	As incurred	Prior to Opening	Airlines, hotels, restaurants, car rentals
Computer Equipment	$13,700	$18,000	Lump sum	Prior to Opening	Approved suppliers and vendors

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Technology Fees for the First three Months	$525	$525	$175 per Month	Monthly	Us or our approved suppliers
Initial Inventory[6]	$6,000	$9,000	Lump sum	Prior to Opening	Approved suppliers
Professional Fees and Architect Fees[7]	$18,000	$26,000	As incurred	Prior to Opening	Attorneys, accountants, architects
Insurance[8]	$625	$1,125	Lump sum	Prior to Opening	Insurance company
Additional Funds – three months[9]	$71,000	$195,000	As incurred	As incurred	Employees, suppliers, etc.
Grand Opening Advertising	$15,000	$17,000	As incurred	Within 60 days after opening	Advertising company
TOTAL[10]	$424,400	$836,150			

YOUR ESTIMATED INITIAL INVESTMENT UNDER THE AREA DEVELOPER AGREEMENT

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Initial Franchise Fee[1]	$30,000	$30,000	Lump Sum	Upon signing the Franchise Agreement	Us
Development Fee for Subsequent Units[1]	$30,000 per additional Unit	$30,000 per additional Unit	Lump Sum	Upon signing of a Development Agreement for the specified number of units	Us
Training Fee (applicable only to the first two Units)	$8,000	$8,000	Lump Sum	Upon signing the Franchise Agreement	Us
Security Deposit and Lease[2]	$4,000	$12,000	Lump Sum	Signing the lease	Landlord
Improvements/ Construction/ and Interior decorating[3]	$94,000	$250,000	As incurred	Prior to Opening	General contractor, interior designer
Smallwares[4]	$9,000	$14,000	Lump Sum	Prior to Opening	Approved suppliers

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Furniture/Fixtures[4]	$14,350	$65,000	Lump Sum	Prior to Opening	Approved suppliers
Equipment	$120,000	$150,500	Lump Sum	Prior to Opening	Approved suppliers
Signage	$6,500	$20,000	Lump Sum	Prior to Opening	Vendors
Office Equipment & Supplies	$1,500	$3,000	Lump sum	Prior to Opening	Vendors
Licenses and permits[5]	$200	$1,000	Lump Sum	Prior to Opening	Government agencies and utility providers
Travel and Living Expenses while Training	$12,000	$16,000	As incurred	Prior to Opening	Airlines, hotels, restaurants, car rentals
Computer Equipment	$13,700	$18,000	Lump sum	Prior to Opening	Approved suppliers and vendors
Technology Fees for the First three Months	$525	$525	$175 per Month	Monthly	Us or our approved suppliers
Initial Inventory[6]	$6,000	$9,000	Lump sum	Prior to Opening	Approved suppliers
Professional Fees and Architect Fees[7]	$18,000	$26,000	As incurred	Prior to Opening	Attorneys, accountants, architects
Insurance[8]	$625	$1,125	Lump sum	Prior to Opening	Insurance company
Additional Funds – three months[9]	$71,000	$195,000	As incurred	As incurred	Employees, suppliers, etc.
Grand Opening Advertising	$15,000	$17,000	As incurred	Within 60 days after opening	Advertising company
TOTAL[10]	$454,400	$866,150			

The charts above describe the estimated initial investment for a Garbanzo Mediterranean Fresh restaurant, whether it is a single unit or a unit under the ADA. The initial investment for an Area Developer will include the Development Fee, which is equal to the number of Units to be opened under the ADA multiplied by $30,000, and a training fee per unit (only applying to the first two units) of $8,000, as further described in Item 5. You will not incur travel and living expenses for training for your third Unit opened in accordance with the ADA.

The initial investment assumes you will rent the premises. If you purchase the property, your initial expenses will dramatically increase.

NOTES:

1. Initial Franchise Fee. The Initial Franchise Fee is $30,000. As described in Item 5, if you are an area developer under our Development Program, you must pay us a Development Fee when you sign the ADA equal to the number of Units to be opened under the ADA multiplied by $30,000. When you sign a Franchise Agreement for a particular Unit under the ADA, you will receive a credit of $30,000 and, therefore, the Initial Franchise Fee for that Unit will be paid in full.

2. Security Deposit and Lease. The size of your Grill will range from 1,500-2,500 square feet and will typically be located in a strip mall. If you do not own or purchase real estate for your Grill location, you will need to lease space from a landlord. In most cases the landlord will require a security and/or rental deposit. Usually, the landlord will require you to pay the equivalent of one month's rent. Rental rates or deposits on an unknown location cannot be predicted in advance. However, the rental rates will most likely depend on the size and location of your Grill. These costs will vary greatly depending on the metropolitan area where your Grill will be located. These estimates are based on one month's rent for a security deposit and the first month's rent. These estimates are based on rents in Denver, Colorado.

3. Improvements/Construction/Interior Design. When a site has been selected, we will provide you with layout, drawings and design of a typical Garbanzo Mediterranean Fresh restaurant. The cost of construction, improvements or building varies widely by the size of the space, the existing improvements and local construction rates. Our high-end range reflects the costs of optional seating additions, including covered patios with heating that can be used year-round. Until a specific site is located and evaluated a reliable estimate of costs cannot be projected. Sometimes you may receive a construction allowance from the landlord or you may lease a location which was already built out as a restaurant and, if so, the costs may be reduced accordingly.

4. Furniture/Fixture/Smallwares. These costs include all of the furniture and fixtures for your Grill as well as the smallwares, wall décor and menus. The costs shown are for all new equipment. The cost is turnkey, including installation.

5. Licenses and Permits. These amounts represent the business license and estimated utility deposits. The amount of your actual utility deposits will vary depending on the size of your Grill, the number of utilities your landlord requires you to pay and the number of utility companies that require a deposit. Usually, a landlord will require you to pay all utilities servicing your Grill. Typically, utility providers require a deposit equal to 1 month's average charge for that utility. These estimates are based on locations in and around Denver, Colorado.

6. Initial Inventory. These amounts represent the inventory, including all food costs, you will need to begin operations.

7. Professional Fees and Architect Fees. The services of a licensed architect are usually required to detail the layout into construction plans. You will pay for the architect's services directly. In addition, you are encouraged to seek assistance from an attorney and an accountant.

8. Insurance. These amounts represent 25% of the annual premium for the required insurance. Many insurance companies will require you to pay this amount prior to opening and allow you to pay the remainder in monthly payments throughout the year. The type of insurance you are required to maintain is described in Section VII.H. of the Franchise Agreement. Typically, the annual premiums will range from $2,500 to $4,500 per year.

9. Additional Funds. This item estimates your expenses during the initial period of operation of your Grill (other than the items identified separately in the above table). These expenses include estimated rent, payroll costs, benefits, utilities, additional inventory requirements, supplies, etc., but do not include Royalty Fees, Advertising Fees, Marketing Administrative Fees, Technology Fees, or an owners' draw or salary. These figures are estimates, and you may have additional expenses in order to start the business. Your costs will depend on factors similar to

these: how closely you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and sales level reached during the initial period.

10. Total. These figures were based on our affiliate's experience operating the Garbanzo Mediterranean Grill restaurants since 2008. Except as described above, none of the fees listed in this Item are refundable. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

We do not offer, either directly or indirectly, financing to you for any items. (See Item 10 of this document.) The availability of financing will depend upon various factors like the availability of financing generally, your credit worthiness, other security that you may have, and the requirements of lending institutions concerning the type of business to be operated by you.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your Grill according to our System. At this time, you do not have to purchase or lease from us or our affiliates any goods, services, supplies, fixtures, equipment, inventory or real estate in order to establish or operate your franchise business except as noted herein. However, in order to ensure that the System is uniformly maintained, we have established standards and specifications for you to follow, which are described in the Operations Manual. Therefore, you are required to purchase all products, services, supplies, inventory, equipment, and materials required for the operation of your Grill from manufacturers, suppliers, or distributors we approve, or from other suppliers who meet our specifications and standards. At this time, the only approved supplier of the following products is a well-known, major restaurant food supplier and distributor: hummus, flour, gyros, spices, paper goods, and desserts. Details of the required purchase of specific computer hardware and software is described in Item 11. We do pay for some of the recurring software fees on your behalf and then withdraw those amounts from your bank account by EFT on a monthly basis. We also require you to use our approved architect for your first Garbanzo Mediterranean Fresh restaurant. Specification of a supplier may be conditioned on requirements relating to, among other things, frequency of delivery, standards of services, including prompt attention, as well as payments, contributions, or other consideration to us, our affiliates, any advertising fund and/or otherwise, and may be temporary, in each case in our reasonable discretion. We may, from time-to-time withhold, condition and/or revoke our approval of particular items or suppliers in our reasonable discretion. We have imposed these requirements in order to assure quality and uniformity of the decor and products sold to customers. Approved suppliers will be designated in the Operations Manual or some other writing delivered to you. We may modify the list of approved brands, products and suppliers, and will notify you, in writing, of any modification. We reserve the right to become, or designate one of our affiliates as, an approved supplier or the sole approved supplier, for particular goods or supplies. We and our affiliates may derive revenue from these required purchases. Currently, there is no designated supplier that is owned, in whole or in part, by any of our officers, but they reserve the right to own an interest in suppliers in the future.

All of the Garbanzo Mediterranean Grill restaurants currently use, and the upcoming Garbanzo Mediterranean Fresh restaurants, will use Tractor products and you will be required to do so. You may purchase Tractor products from any authorized distributor. We reserve the right to modify this policy and substitute other products or suppliers. If we do so, we will inform you of any changes by updates or supplements to the Operations Manual. There are no approved suppliers in which any of our officers own an interest.

If you wish to purchase or lease any goods, products, equipment or supplies not approved by us or suppliers not approved by us, you must first notify us in writing. We may require you to submit sufficient photographs, drawings and/or other information and samples to determine whether these goods, products, equipment, or supplies meet our specifications. Our standards and specifications may impose minimum requirements for delivery, performance, design and appearance. We will advise you within a 90-day period whether these goods, products, equipment or supplies meet our specifications. We may require samples from alternate suppliers to be delivered to us or to a designated independent testing laboratory (or other place we determine) for testing before approval and use. We may also require you to pay the actual cost of the test made by us or by an independent testing laboratory designated by us. We may require your proposed supplier to execute a confidentiality agreement.

We and our affiliates reserve the right to negotiate with various vendors for quantity discount contracts, which may include rebates to us or our affiliates under these contracts. We have the right to condition or revoke your right to participate in any supplier programs if you are in default under the Franchise Agreement. We have the right to affiliate ourselves with suppliers or become an approved supplier or the sole supplier, and/or receive revenues, rebate, commissions or other benefits from purchases made by our franchisees. However, currently we are planning on passing all rebates earned by franchisees to them, but we reserve the right to change this policy in the future. We did not receive any rebates from suppliers on account of purchases of required and approved items by franchisees or receive any revenue from selling products or services to franchises. The purchase of products from approved sources will represent approximately 24% of your overall purchases in opening the franchise and 33% of your overall purchases in operating the franchise.

Our gross revenues for 2019 was $328,046. None of these revenues came from required purchases and leases of products and services.

You will be required to use our designated Computer System (See Item 11). You must license the Computer System from our designated supplier. You will pay the Technology Fee (See Item 6). You will also be required to participate in the customer survey program designated by us which will be provided by a third party. Currently we use Tattle. Currently the cost is $15 per month for each Garbanzo Mediterranean Fresh restaurant for the customer survey.

There are currently no purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers (including price terms), for the benefit of the System. We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular products or services or use of particular suppliers.

In addition to the purchases or leases described above, you must buy and maintain, at your own expense, insurance coverage that we require and to comply with other insurance-related obligations, all of which are described in greater detail in Section VII.H in the Franchise Agreement. You will obtain and maintain the minimum insurance as described below or in the amounts described in the Operations Manual:

COMMERCIAL GENERAL LIABILITY: General Aggregate Limit: $2,000,000 Per Occurrence Limit: $1,000,000

AUTOMOBILE LIABILITY: Bodily Injury and Property Damage Combined Single Limit: $1,000,000

HIRED AND NON-OWNED LIABILITY LIMIT: $1,000,000

WORKERS' COMPENSATION: Workers' Compensation: Statutory amount UMBRELLA LIABILITY: $2,000,000

We may, from time to time, in our sole discretion, make such changes in minimum policy limits, coverage, and endorsements as we may determine. The cost of coverage will vary depending on the insurance carrier's charges, terms of payment and your history. All insurance policies must name us as an additional insured party.

ITEM 9. FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement, ADA 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.

OBLIGATION	SECTION IN FRANCHISE AGREEMENT AND ADA	DISCLOSURE DOCUMENT ITEM
(a) Site selection and acquisition/lease	Section II of the Franchise Agreement; Section I of the ADA	Items 7 and 11
(b) Pre-opening purchases/leases	Sections VII.A and D of the Franchise Agreement	Items 7,8 and 11
(c) Site development and other pre-opening requirements	Sections II and VII.A of the Franchise Agreement	Items 6, 7, 11
(d) Initial and ongoing training	Section VI of the Franchise Agreement	Item 11
(e) Opening	Section VII.A of the Franchise Agreement	Item 11
(f) Fees	Section IV of the Franchise Agreement; Section IV of the ADA	Items 5, 6 and 11
(g) Compliance with standards and policies/Operations Manual	Sections VII.D and XIII of the Franchise Agreement	Items 8 and 11
(h) Trademarks and proprietary information	Section VIII of the Franchise Agreement	Items 13 and 14
(i) Restrictions on products/services offered	Section VII.D of the Franchise Agreement	Item 16
(j) Warranty and customer service requirements	Section VII.D of the Franchise Agreement	Item 16
(k) Territorial development and sales quotas	Section I.B of the Franchise Agreement	Item 12
(l) Ongoing product/service purchases	Section XII of the Franchise Agreement	Item 8
(m) Maintenance, appearance and remodeling requirements	Section VII.L of the Franchise Agreement	Item 11
(n) Insurance	Section VII.H of the Franchise Agreement	Items 7 and 8
(o) Advertising	Section V of the Franchise Agreement	Items 6, 7 and 11
(p) Indemnification	Section XV of the Franchise Agreement	Item 6
(q) Owner's participation/management/ Staffing	Section VII.G of the Franchise Agreement	Items 11 and 15

OBLIGATION	SECTION IN FRANCHISE AGREEMENT AND ADA	DISCLOSURE DOCUMENT ITEM
(r) Records/Reports	Section VII.M of the Franchise Agreement	Item 6
(s) Inspections/audits	Section VII.I of the Franchise Agreement	Items 6 and 11
(t) Transfer	Section XIV of the Franchise Agreement; Section VI of the ADA	Items 6 and 17
(u) Renewal	Section III.C of the Franchise Agreement	Items 6 and 17
(v) Post-termination obligations	Sections IX, X and XI.C of the Franchise Agreement	Item 17
(w) Non-competition covenants	Section X of the Franchise Agreement	Item 17
(x) Dispute Resolution	Section XVI of the Franchise Agreement; Section VIII of the ADA	Item 17

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guaranty your note, lease or obligation.

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

Except as listed below, we are not required to provide you with any assistance.

<u>Before you open your Grill, we will:</u>

1. Designate your Assigned Territory for your Grill (Franchise Agreement - Section I.B and Exhibit I).

2. Accept or reject a site for your Grill. We do not currently own sites for leasing to franchisees nor do we pick the site for you. (Franchise Agreement – Section II.A). Our consent to a particular site is not to be regarded as an endorsement by us of any particular site, nor will it constitute a warranty by us as to the future success of the Garbanzo Mediterranean Fresh restaurant at the location. You are primarily responsible for investigating the site and having any leases or sale contract for the site reviewed and approved by your attorney. There is no time limit for locating a site, however you must open the Grill within one year from the date you sign the Franchise Agreement.

3. We will provide you with our site selection criteria for a Garbanzo Mediterranean Fresh. The criteria for demographic characteristics include traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; foot traffic; daytime business population; size; appearance; and other physical and commercial characteristics. We will accept or reject a location you propose within 30 days after receiving your description of the site and all demographic information we require in order to evaluate the site. Upon your request, we will use reasonable efforts to help analyze your market area, to help determine site feasibility, and to assist in designating the location, although we will not conduct site selection activities for you. If we cannot agree upon a site, we will consider alternative sites so long as you open your Grill within one year of signing the Franchise Agreement. If you fail to open within one year of signing the Franchise Agreement, we

have the right to terminate the Franchise Agreement. Under the Area Development Agreement, we will approve the location of future units and any territories for those units. Our then current standards for sites and territories will apply.

4. If you intend to lease a site, you will submit a copy of the proposed lease to us, within 30 days of our consent to the site. Within 10 days of execution of the lease, you must provide us a copy of the executed lease. The lease must include substantially the terms in the Addendum to Lease, which is Exhibit II of the Franchise Agreement. You must also sign a Collateral Assignment of Lease, which is Exhibit III of the Franchise Agreement whereby you agree to assign your rights to the lease to us in the event of a termination or expiration of this Agreement or a default under the lease.

5. If you intend to own the site, you will furnish to us proof of ownership or an executed sale contract within 90 days after we consent to the site. You must create a separate entity to own the site and then lease the site to you at its full rental value and on commercially reasonable terms for the term of the Franchise Agreement.

6. Provide suggestions for layout and design of your Grill (Franchise Agreement – Section VI.F). Any such suggestions will not include the requirements of any federal, state, or local law, code, or regulation for your Grill, including those concerning the Americans with Disabilities Act or similar rules governing public accommodations for persons with disabilities, nor will our suggestions include the requirements of, or be used for, construction drawings or other documentation necessary to obtain permits or authorization to build your Grill. You will construct your Grill in accordance with specifications and plans prepared by you based upon our standards, subject to our right to consent. The cost of plans and specifications will be borne by you. Our consent will be limited to review of such plans to assess compliance with our design standards for Garbanzo Mediterranean Fresh restaurants, including such items as trade dress, presentation of trademarks, and the provision to the potential customer of certain products and services that are central to the functioning of your Grill.

7. Provide approved suppliers or specification for the products and services you need to equip your Grill (Franchise Agreement – Section XII). We do not provide any products or services directly at the current time, but only provide you with the names of approved suppliers and the written specification for these items. We do not deliver or install any of these items.

8. Provide an initial training program for the operation of your Grill to you, your designated manager and assistant manager. This training is described in greater detail later in this Item 11 (Franchise Agreement - Section VI.A).

9. Provide you with access to our electronic version of our Operations Manual (Franchise Agreement - Section XIII).

10. This Operations Manual, which may be in a format determined by us (i.e., in writing, on CD-ROM, via electronic media through a secure website, etc.) ("Manual") is confidential and remains our property. You will operate your Grill in strict compliance with those operational systems, procedures, policies, methods and requirements found in the Manual which are designated as mandatory and in any supplemental bulletins and notices, revisions, modifications, or amendments, all of which are a part of the Manual.

11. You must treat the Manual, any other manuals or written materials provided by us or our affiliate for use in the operation of your Grill, and the information contained in them, as confidential, and must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record, or otherwise reproduce these materials, in whole or in part, or otherwise make them available to any unauthorized person. The Manual will remain our sole property and must be kept in a secure place within your Grill. It must be returned to us upon termination or expiration of your Franchise Agreement.

12. We have the right to make additions to, deletions from or revisions to the Manual, which you have to comply with at your own cost. You must ensure that the Manual is kept current at all times. If there is any dispute as to the contents of the Manual, the terms of the master copy maintained by us, at our principal office, will be controlling. The table of contents is included as Exhibit C to this disclosure document. We estimate that the Manual is approximately 85 pages in length not including the on-line portions of the Manual, which are referenced in the table of contents.

Time for Opening the Franchised Business.

We estimate that the typical length of time between signing of the Franchise Agreement and the opening of a Grill is between eight and 12 months. Factors affecting the length of time usually include obtaining a satisfactory site, zoning and governmental requirements, financing arrangements, building improvements, and purchase and installation of equipment, fixtures, and signs. The opening of your Grill may be delayed only if the delay is caused by contingencies not within your control, such as acts of God, governmental restrictions, strikes or labor disputes. You are required to use your best efforts to cure any of these delays and any of these delays in opening will only be for a period of days equal to the number of days during which the events actually prevent completion. You must notify us of any delay promptly. If you fail to open your Grill within one year of signing the Franchise Agreement, we may terminate the Franchise Agreement.

You may open a Unit under an ADA only by signing a Franchise Agreement for that Unit. You will sign a Franchise Agreement for the first Unit at the same time you sign the ADA.

During the Operation of your Grill, we will:

1. Provide on-site opening assistance for your Grill, consisting of at least one person, for a period of up to 10 days as described in greater detail later in this Item 11 (Franchise Agreement – Section VI.C).

2. Furnish you, at your request, with additional guidance and assistance. We reserve the right to charge a reasonable fee for our guidance and assistance (Franchise Agreement - Section VI.D).

3. Continue to loan you one copy of the Manual (Franchise Agreement – Section XIII).

ADVERTISING

Advertising Fund

We reserve the right to establish an Advertising Fund (the "**Advertising Fund**"). If so, you must contribute a weekly Advertising Fee to the marketing and advertising fund maintained and operated by us of up to 2% of Net Sales from your Grill from the prior week. We agree that the Advertising Fees received from you will be made available for the payment of costs associated with the creation, production, distribution, media placement and administration of local, state, regional or national advertising programs and for any taxes incurred on these funds. Although we will try to use the Advertising Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all the restaurants, we do not ensure that the Advertising Fund expenditures in or affecting any geographic area are proportionate or equivalent to the Advertising Fund contributions by the restaurants operating in that geographic area or that any Garbanzo Mediterranean Fresh restaurant benefits directly or in proportion to its Advertising Fund contributions. These funds may be used for advertising on television, radio, direct marketing mailings, the newspaper, the Internet and other media. We have the right to determine the type of advertising and the media in which it will appear. We have the sole right to formulate and make policy decisions concerning every aspect of the advertising and franchise expansion program, consistent with applicable law. We do not have to spend the Advertising Fund contributions during any specific time period. Advertising may be handled by the outside advertising agency, which we select. The Advertising Fund will not be used for any activity whose sole purpose is to offer or sell franchises. Unaudited financial statements of the Advertising Fund will be made available to franchisees on reasonable request. If we do not use all of the Advertising Fund contributions in a particular fiscal year, the remaining contributions will be carried over to the next fiscal year and be included in that year's advertising budget. We are entitled to reimbursement from the Advertising Fund to cover our administrative and overhead expenses associated with operating the Advertising Fund. All franchisees and any affiliate-owned Garbanzo Mediterranean Grill restaurant will contribute to the Advertising Fund on an equal basis.

The Advertising Fund is not our asset. The Advertising Fund is not a trust. We have a contractual obligation to hold all Advertising Fund contributions for the benefit of the contributors and to use the contributions only for their permitted purposes as described above. We have no fiduciary obligation to you for administering the Advertising Fund. During our last fiscal year ending December 31, 2019, the Advertising Fund expenditures were used as follows:

Expenditure	Total Expenditure Percentage
Production	0%
Media Placement	0%
Administrative	0%
Other *	100%
Total	**100%**

We do not have a franchisee advertising advisory council that advises us on advertising policies.

Your Own Advertising.

In addition to your required contributions to the Advertising Fund, you must spend for local advertising and promotion of your Grill, no less than 2% of Net Sales on an annual basis. You must have proof of your expenditures if we request to review your books and records. You must submit all of your own advertising and sale promotion materials to us or our advertising agency for approval before use. If you do not receive written disapproval within 20 days after we receive the materials, we will be deemed to have given approval. You will not advertise or use in advertising or other form of promotion, the Marks without the appropriate copyright, trademark, and service mark symbols ("©", "®", "TM" or "SM") as we direct.

If we require, you must participate with other Garbanzo Mediterranean Fresh and Garbanzo Mediterranean Grill restaurants in placing advertisements on Internet directories, and you will pay for your proportionate share of the cost for these directory advertisements. Directory advertising costs must be paid in addition to the amounts payable to the Advertising Fund, but will count towards your required minimum local advertising requirement.

You may not advertise or use any of the Marks on the Internet except after obtaining our consent. Any advertising on the Internet shall be pre-approved by us and on terms specified by us. Further, you may not use the Marks (or any marks or names confusingly similar to the Marks) as an Internet domain name, user or account name, or in the content of any worldwide website, including any social media website (such as LinkedIn, Facebook or Twitter). We maintain and control the web site www.eatgarbanzo.com. We may provide contact information for your Grill on our website for so long as we determine.

Grand Opening Advertising.

In addition to the other advertising requirements, you must spend a minimum of $15,000 for grand opening advertising and sales promotions within 60 days of your Grill opening. Additionally, you must provide to us, within 90 days after the opening of your Grill, proof of your advertising and sales promotion expenditures in the form, and with the detail, including copies of all grand opening advertising materials and receipts, as we request.

Regional Advertising Cooperatives.

In addition to all other advertising requirements, we may from time to time, in our sole discretion, designate areas or territories within which we have determined, on the basis of television coverage, newspaper coverage, or other criteria we establish, in our sole discretion, the establishment of a regional advertising cooperative may be appropriate for the Garbanzo Mediterranean Fresh restaurants and Garbanzo Mediterranean Grill restaurants located within that area or territory (each a "Regional Cooperative"). If we designate an area or territory for the establishment of a Regional Cooperative, the Garbanzo Mediterranean Fresh restaurants and Garbanzo Mediterranean Grill restaurants located within that area or territory will form the Regional Cooperative for the purpose of administering advertising programs and developing, subject to our approval, promotional materials for use by the members of the Regional Cooperative and will operate it according to written by-laws (which would be available for review by you) approved by us and by the majority of its members, on the basis of one vote for each Garbanzo Mediterranean Fresh restaurant, and for each Garbanzo Mediterranean Grill restaurant, location within the area or territory. In the event of a tie vote, we will cast the deciding vote.

We have the right to consent to any proposed change to the by-laws or other organizational structure of the Regional Cooperative. All advertising and promotion materials used by the Regional Cooperative or provided to its members must conform with our standards. If your Grill is within the territory we establish for a Regional Cooperative, you must become a member of that Regional Cooperative and contribute to the Regional Cooperative the amounts designated by the governing body of that Regional Cooperative, 2% of Net Sales from your Grill from the prior week. Any Regional Cooperative fees will be applied against the amounts required for local advertising but will be in addition to the Advertising Fees and Brand Development Fees. At our request, you must furnish us with copies of the documentation evidencing your Regional Cooperative contributions as we may request.

We may exclude any particular Garbanzo Mediterranean Fresh restaurant and/or any particular Garbanzo Mediterranean Grill restaurant (including locations owned by us or our affiliates) from participation in a Regional Cooperative, but all Garbanzo Mediterranean Fresh restaurants and all Garbanzo Mediterranean Grill restaurants required to be members of the Regional Cooperative (including locations owned by us or our affiliates) will contribute on the same basis. Further, we may provide the Regional Cooperative with 90 days' notice of special promotions in which the Regional Cooperative and its members will be required to participate. The cost of any such special promotion will count towards the amounts you are required to contribute to the Regional Cooperative. If established, the Regional Cooperative will prepare annual unaudited financial statements, which will be available for review by you upon request. We will have the power to require the Regional Cooperative to be changed, dissolved or merged.

Computer System

You are required to purchase a POS Terminal, a Brink ParTech computer package consisting of one (1) back of house PC compatible server, Brink ParTech Quick Service software with EDC Credit Card Authorization software and modules, and Labor software (the "Computer System"). Currently, we do not require that you use a particular brand of POS Terminal, so long as your Computer System can be integrated with Brink ParTech software and our systems. The Computer System will be connected to the Internet through a modem. The estimated cost for purchasing and installing the Computer System and associated training is between $13,700 and $18,000, which does not include associated sales tax, if any, or the cost to ship the Computer System to your Grill.

You will be responsible for maintenance and upgrades to the Computer System. We estimate that your annual support and maintenance expenses will be approximately $2,800.

You will be responsible for paying the Technology Fee in the amount of $175 per month for the Computer System. You will also be required to participate in the customer survey program designated by us which will be provided by a third party. Currently we use Tattle and the cost is $15 per month for each Garbanzo Mediterranean Fresh restaurant for the customer survey. In addition, we require you to participate in our customer loyalty program. It is designed and administered by Paytronics. You will pay $79 to participate in this customer loyalty program, which is deducted from your bank account by Paytronics.

Brink ParTech service representatives will not be authorized to add customized programming specific to the addition of unauthorized menu items. Brink ParTech will require our written approval before programming of this nature can be done. We may charge an hourly rate if you request customization to the POS system or additional technology back office support.

We may revise our specifications for hardware and software as we determine necessary to meet the needs of the System and there is no contractual limitation on our ability to require the hardware or software to be improved or upgraded. We reserve the right to require different or additional software programs and hardware at any time in the future and you will be responsible for the cost of any new, modified or updated programs and the hardware.

The types of business information which will be collected by the Computer System will be, among other items, sales reports by category, department, menu item, inventory, waiter, cashier, lunch, dinner and hour on a daily and weekly basis. We will have independent access to information or data in the Computer System. We have no contractual obligation to upgrade or update any hardware or software. We are not obligated to provide or assist you in obtaining the above item or services. In the future, you may be required to change, upgrade or modify the type of computer hardware and software you must use at your expense (i.e. web-based reporting solutions.) Internet service may be required to make your Computer System accessible for web-based solutions.

TRAINING PROGRAMS

We or our representatives or agents will provide the following training to you (or, if you are a corporation, partnership or limited liability company, your designated Operation Partner) and your manager and assistant manager. You (or your Operation Partner), your manager and assistant manager must all complete the training program to our satisfaction before you open your Grill. If you currently operate a Garbanzo Mediterranean Fresh restaurant, the training program is not mandatory, unless we deem it necessary.

The initial training program will most likely take place in an existing Garbanzo Mediterranean Fresh restaurant or Garbanzo Mediterranean Grill restaurant in the Denver, Colorado area for a period of approximately 5-6 weeks. You will pay us $8,000 for the Training Program and you are responsible for wages, travel, and living expenses for you (or your Operation Partner), manager and assistant manager during training. We expect that training will be conducted after the Franchise Agreement has been signed and while your Grill is being developed. There currently is no fixed (i.e. monthly or bi-monthly) training schedules but the training programs are given on an as-needed basis. The training may be modified, at our option, if you are already operating a Garbanzo Mediterranean Grill or Garbanzo Mediterranean Fresh restaurant.

TRAINING PROGRAM

Operational Partner

SUBJECT	HOURS OF CLASS ROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Associate Functions, Learning Prep, Bake & Line Functions		63 hours	Denver, CO
Running AM Shifts		54hours	Denver, CO
Running PM Shifts		54 hours	Denver, CO
Catering and Marketing		24 hours	Denver, CO
Supervising Multiple Restaurants		20 hours	Denver, CO
TOTAL		215 hours	

Managers

SUBJECT	HOURS OF CLASS- ROOM TRAINING	HOURS OF ON THE JOB TRAINING	LOCATION
Associate Functions, Learning Prep, Bake & Line Functions		81 hours	Denver, CO
Running AM/MID Shifts		54 hours	Denver, CO
Running PM Shifts		54 hours	Denver, CO
Recruitment, Catering and Marketing		24 hours	Denver, CO
TOTAL		213 hours	

Note that some subjects may be intermingled and time periods and subject matter may be subject to change. The hours listed for "On the Job" will typically include more than one subject matter. The above are merely estimates. The training program materials are part of the Manual. The training programs are supervised by Mr. Moreno. His background is in ITEM 2.

Your Grill must always be under the supervision of an Operation Partner or a manager or assistant manager who has satisfactorily completed our initial training program. Any new Operation Partner or manager or assistant manager must attend our initial training program at your sole cost and expense prior to being in charge of your Grill. You are solely responsible for the costs and expenses associated with this initial training including the then prevailing standard rates charged by us for additional attendees at our initial training program and all travel, meals and lodging costs and compensation of, and workers' compensation insurance.

We will, at our expense, also provide on-site, opening assistance, consisting of at least two people, for a period of 10 consecutive days, at your Grill location. On site, store opening training is typically conducted as follows: (a) eight days prior to the scheduled Grill opening, (b) opening day and, (c) one day after the scheduled opening of your Grill. We will provide this on-site opening assistance for your first two Grills, whether Garbanzo Mediterranean Fresh or Garbanzo Mediterranean Grill restaurants. For any additional Garbanzo Mediterranean Fresh restaurants you open, we can charge you a reasonable fee to cover all of our expenses to provide this on-site opening assistance.

We may also provide re-fresher programs at a reasonable fee and you will be responsible for all costs and expenses of you or your employees attending these programs. Currently the fee for additional training is $2,500 per day. Attendance at any re-fresher programs or conventions is not mandatory at this time, but may be in the future. The location, duration, and content of such re-fresher training programs has not been determined yet. We may elect to charge a reasonable fee for any training or assistance provided after the opening of your Grill. You are solely responsible for paying the compensation of your trainees as well as your trainees' travel, lodging and personal expenses.

ITEM 12. TERRITORY

Assigned Territory for Your Grill

You must operate your Grill at a specific location identified in the Franchise Agreement. You may not conduct business at any site other than your Grill, including without limitation, the use of any other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of the Assigned Territory. You may not relocate your Grill without our written consent that we will not unreasonably withhold. The Assigned Territory will be determined when we both agree on the site as described in Exhibit I of the Franchise Agreement. Your Assigned Territory will be tailored to your specific site's demographics (there is no minimum geographic territory). Your Assigned Territory will be dependent upon the location of your Grill. The following are the typical size of the Assigned Territory based on the location of the Grill:

Densely populated downtown area	1/8 of a mile radius around the Grill
Urban area	.5-mile radius around the Grill
Suburban Area	3-mile radius around the Grill
Rural area	population of 50,000

So long as the Franchise Agreement is in force and you are not in default under it or any other agreement with us or any affiliate of ours, neither we nor our affiliates will own or operate or franchise or license others to own or operate a Garbanzo Mediterranean Fresh restaurant or Garbanzo Mediterranean Grill restaurant within your Assigned Territory, other than in a Non-Traditional Location. A "Non-Traditional Location" is a location that is in a transportation facility, a sporting arena, an educational facility, a medical facility, an entertainment facility, or a military facility. A Non-Traditional Location is not considered part of the Assigned Territory.

Except as limited above in this Item 12, we and our affiliates retain all rights with respect to Garbanzo Mediterranean Fresh and Garbanzo Mediterranean Grill restaurants, the Marks, the sale of similar or dissimilar products and services and any other activities we deem appropriate whenever and wherever we desire. We and our affiliates have the right to own or operate, or license others to own or operate Garbanzo Mediterranean Fresh or Garbanzo Mediterranean Grill restaurants immediately adjacent to your Assigned Territory or anywhere outside of your Assigned Territory. We and our Affiliates have the right to operate or license others to operate similar businesses or any other businesses and services under trademarks or service marks other than the Marks in any location, both inside or outside of your Assigned Territory. We and our Affiliates have the right to operate or license others to operate businesses that are not similar to a Garbanzo Mediterranean Fresh under the Marks in any location, both inside or outside of your Assigned Territory. In addition, we and our Affiliates have the sole right to offer any products or services (including the products and services you offer at your Grill) through other channels of distribution (including grocery stores, warehouse clubs, the Internet, catalogue and other non-restaurant outlets) both inside and outside of your Assigned Territory without compensation to you.

We are not required to pay you if we exercise any of the rights specified above inside your Assigned Territory. There are no restrictions regarding solicitation of customers outside of your Assigned Territory, however, you are not permitted to deliver any food or services outside of your Assigned Territory except with our prior written consent.

You do not receive the right to acquire additional franchises either within or outside your Assigned Territory, but we may consider granting you multiple franchises. If you are granted the right to purchase multiple franchises, you must sign a separate Franchise Agreement for each location

Except as otherwise noted below, although we and our affiliates have the right to do so, neither we nor our affiliates have owned, operated or franchised, and have no plans to own, operate or franchise, other businesses selling similar products or services under trademarks or service marks other than the Marks.

We and our affiliates have the right to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as "Garbanzo Mediterranean Fresh" restaurants operating under the Marks or any other marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which you acknowledge may be within your Assigned Territory, near your Assigned Territory, or near any of your locations).

You will 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 we control. Continuation of your franchise or your territorial protection is not dependent upon sales quotas, market penetration or opening additional locations; however, your territorial protection is dependent upon your compliance with the Franchise Agreement and we have no right to alter your Assigned Territory.

Area Development Agreement

Under the ADA, you are granted the right to develop and operate Garbanzo Mediterranean Fresh restaurants solely in a specified Development Area, which may be one or more cities, counties, states or some other defined area. During the term of the ADA, the Development Area shall be an exclusive territory; specifically, we may not own, operate, franchise or license any other Garbanzo Mediterranean Fresh or Garbanzo Mediterranean Grill restaurants in your Development Area, other than in any Non-Traditional Location (in the event of which, you may face competition from outlets that we own, or from other channels of distribution or competitive brands that we control). Until the termination, expiration or transfer of the ADA, you retain your right of exclusivity as long as you comply with the Development Schedule (Attachment A of the ADA). If you fail to meet any of your obligations under the ADA, including compliance with the Development Schedule, or breach any Franchise Agreement executed by you according to the ADA, we may terminate your right to develop, open and operate new Units within the Development Area. However, the termination of the right to develop your Development Area will not terminate any rights granted under the Franchise Agreements then in effect between you and us in which you are in compliance. After the expiration or termination of your ADA, we may own, operate, franchise or license others to operate additional Units anywhere, without restriction, including in your Development Area, except for any Assigned Territories under your Franchise Agreement(s) that then remain in effect.

ITEM 13. TRADEMARKS

In the Franchise Agreement, we will grant you the right to operate your Grill under the Marks.

Mark	Application/ Registration Number	Application/ Registration Date	Status/Register
GARBANZO MEDITERRANEAN GRILL	3,469,141	July 15, 2008	**Registered, Principal Register**
FALARMA	3,504,619	September 23, 2008	**Registered, Principal Register**
Garbanzo MEDITERRANEAN GRILL	3,985,259	June 28, 2011	**Registered, Principal Register**

Mark	Application/ Registration Number	Application/ Registration Date	Status/Register
	5,058,872	October 11, 2016	**Registered, Principal Register**
GARBANZO	5,058,874	October 11, 2016	**Registered, Principal Register**
GARBANZO	5,058,876	October 11, 2016	**Registered, Principal Register**
GARBANZO MEDITERRANEAN FRESH	5,148,090	February 21, 2017	**Registered, Principal Register**
FEEL BRIGHTER ON THE INSIDE	87525620	January 30, 2018	**Registered, Principal Register**
LOVE IN EVERY PITA	87525610	January 30, 2018	**Registered, Principal Register**

These Marks are owned by our parent, Garbanzo Delaware and were acquired as part of the transaction with Mediterranean Holdings, LLC described in Item 1 above. The Marks listed above are registered on the Principal Register of the United States Patent and Trademark Office ("**USPTO**") no affidavits are due to the USPTO as of the date of this Franchise Disclosure Document.

Neither we our parent has registered or filed the above Marks or any other marks connected with the franchise for registration in any states.

Under a license agreement dated as of February 8, 2012, and as amended March 2, 2016 to add the three new service marks, Garbanzo Delaware has licensed us to use the Marks and to sublicense the Marks to our franchisees to use in operating Garbanzo Mediterranean Fresh restaurants. The license agreement has a term of 50 years, but either we or Garbanzo Delaware may terminate the license with 30 days' notice to the other if there is a default which is not cured. However, if there is a default that is not cured under the license agreement and the license is terminated, Garbanzo Delaware will still allow you to use the Marks until the end of the term and any renewal term of your Franchise Agreement.

There are no agreements that significantly limit our rights to use or license the use of the Marks in the United States. We will grant you a nontransferable, non-sub-licensable, non-exclusive license to use the Marks at your Grill. You must follow our rules when you use the Marks. You cannot use the Marks, or any derivation of the Marks, as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us.

There are currently no effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court, and no pending infringement, opposition or cancellation proceedings, and no pending material litigation involving the Marks. We do not know of any superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or any claim by any person of any rights in any Mark. We will have the sole discretion to take such action as we deem appropriate and the right to exclusively control any litigation or administrative proceedings arising out of such infringement, challenge or claim. You must execute any and all instruments and documents, provide assistance, and take any action that may be necessary or advisable to protect and maintain our interest in any litigation or other proceeding or otherwise to protect and maintain our interest in the Marks. The Franchise Agreement does not require us to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a Mark or if the proceeding is resolved unfavorably to you.

We have the right to modify or discontinue the use of any Marks and to use one or more additional or substitute Marks for any reason. If we do decide to modify or discontinue the use of the Marks and/or to use one or more additional or substitute names or marks, you must make the changes at your own expense and without claim against us. You will need to comply within a reasonable time of the request.

ADA

The ADA does not grant you the right to use any of the Marks. Your right to use the Marks is derived solely from the Franchise Agreements you enter into with us.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

We own no special patents which pertain to the System.

We or our affiliates have copyright rights in the Manual, recipes, sales material and brochures, and related items used in operating the franchise. We and our affiliates have not registered these copyrights with the United States Registrar of Copyrights, but need not do so at this time to protect them. You may use these items only as we specify while operating your Grill.

There currently are no effective adverse determinations of the USPTO, the Copyright Office (Library of Congress), or any court regarding the copyrighted materials. No agreement limits our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state.

We need not protect or defend copyrights, although we intend to do so if it is in the system's best interest. Although neither we nor any of our affiliates have filed an application for a copyright registration for these materials, we have copyright rights and the information is proprietary. Item 11 describes limitations on the use of the Manual by you and your employees. You must also promptly tell us when you learn about unauthorized use of this proprietary information. We are not obligated to take any action but will respond to this information in a manner we think is appropriate.

The Franchise Agreement provides that all ideas, concepts, recipes, techniques, or materials concerning your Grill 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 help us obtain intellectual property rights in the item.

The Franchise Agreement provides that you acknowledge that the System and the methods of operation licensed by us for the operation of a Garbanzo Mediterranean Fresh restaurant are proprietary, confidential trade secrets of ours, and you agree to maintain the confidentiality of all materials and information lent or otherwise furnished to you by us at all times, including after the termination or expiration of the Franchise for any reason.

Further, under the Franchise Agreement, you agree that you will not, during the term of the Franchise Agreement (other than to the extent necessary to operate your Grill) or after its expiration, transfer or termination, for any reason, communicate or divulge to any others, any information or knowledge concerning the System and any trade secrets except those in the public domain. You also agree to exercise the highest degree of diligence and will make every effort to maintain the absolute confidentiality of all trade secrets and proprietary rights during and after the term of the Franchise Agreement.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF YOUR BUSINESS

You or, if you are or at any time become a corporation, partnership or limited liability company, your designated Operation Partner must personally participate in the day-to-day management of your Grill. Your "Operation Partner" must be an individual approved by us who (a) owns and controls, or has the right to own and control (subject to conditions reasonably acceptable to us) not less than 10% of the ownership equity in you, and (b) has the authority to bind you regarding all operational decisions with respect to your Grill. You (or your Operation Partner) are required to complete our initial training program to our satisfaction, devote your best efforts to the operation of your Grill and not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise conflicts with your obligations under the Franchise Agreement. At all times during the operation of your Grill, there must be at least one person who has completed our initial training program or is otherwise certified by us to manage a Garbanzo Mediterranean Fresh restaurant. You are required to carefully monitor and be responsible for the performance of anyone designated to manage the operation of your Grill. Under the ADA, you or, if you are an entity, the person designated to manage your development obligations, is required to live in the Development Area.

At our request, your officers, directors, shareholders, partners, members, owners, their respective spouses and all managerial employees must sign the Non-Competition and Confidentiality Agreement in a form acceptable to us. All owners of any entity franchisee and developer and their spouses must also sign a Guaranty which is part of the assignment of the Franchise Agreement and the Area Development Agreement to a wholly controlled corporation or limited liability company assuming and agreeing to discharge all of your obligations under your Franchise Agreement and Area Development Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to offer and sell only those goods and services that we have approved. We have the right to change the types of required and/or authorized products and services and you will be notified by a bulletin or supplement to the Manual. You are prohibited from offering or selling any products or services not authorized or approved by us and from using the premises for any other purpose than the operation of a Garbanzo Mediterranean Fresh restaurant in compliance with the Franchise Agreement. We have the right to approve or deny your request to eliminate some or add other menu items. You will be required to add such equipment and make such alterations, at your expense, as may be necessary to equip your Grill for sale of such products as we may require. You may need to make an additional investment to do so.

We may require you, if permitted by applicable law, to participate in a gift card or other customer loyalty program in accordance with the provisions either set forth in the Manual or otherwise disclosed to you. In order to participate, you may be required to purchase additional equipment and pay any fees applicable to the use of that equipment. If we establish a gift card or loyalty program, we have the right to determine how the amount of the gift cards or loyalty cards will be divided or otherwise accounted for, and we reserve the right to retain the amount of any unredeemed gift cards. The current cost of the loyalty program is described in Item 11.

You are not permitted to deliver goods or services outside of your Assigned Territory without our prior written consent. Other than as described in this Item, we do not impose any restrictions or conditions that limit your access to customers.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION OF THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN AGREEMENT(S) & ADDENDUM	SUMMARY
a. Length of the Franchise term	FA Section III ADA Section III	For the Grill, 10 years from signing the Franchise Agreement. Your development rights begin on the date you sign the ADA and pay the Development Fee and Unless terminated earlier, the term of the ADA and all area development rights will expire at the earlier of the opening of the last Unit listed in the Development Schedule, the expiration date listed on Attachment A or your failure to meet the requirements of the Development Schedule by 30 calendar days.
b. Renewal or extension	FA Section III.C	If you are in full compliance with the terms of your current FA, you will have the right to renew your franchise on the terms and conditions of our then-current franchise agreement, which will have materially different terms and conditions from your current FA and which you must sign along with all ancillary agreements required in that FA (including a personal guarantee). In any event, we may in our discretion, refuse to renew this FA if you have been notified of defaults (even if subsequently cured) under this Agreement more than 2 times during the Initial Term or more than 2 times during any Renewal Term, even if you are not in default at the time of the renewal. You agree to give us not less than 6 nor more than twelve 12-months written notice of an election to renew this Agreement, prior to the end of the term. Your failure to give us this notice will be deemed an election not to renew this Agreement. You will also be required to pay us a renewal fee equal to 50% of our then current standard initial franchise fee for a Garbanzo Mediterranean Fresh restaurant. Additionally, you must remodel the Grill to meet our then current standards of decor in accordance with the provisions of our Operations Manual and must execute a general release, to the extent permitted by applicable law, of any and all claims against us and our Affiliates, and our and our Affiliates' respective owners, officers, directors, employees, agents, successors and assigns arising under or from this Agreement and/or any related agreements between you and us or our Affiliates, or under any applicable law, rule or regulation. There are no renewal rights in the ADA

PROVISION	SECTION IN AGREEMENT(S) & ADDENDUM	SUMMARY
c. Requirement for franchisee to renew or extend	FA Section III.C	Give notice, sign new agreement that may contain terms and conditions materially different from those in your previous franchise agreement such as different fee requirements, sign release, remodel and pay fee of 25% of our then-current standard Initial Franchise Fee. There are no renewal rights in the ADA.
d. Termination by franchisee	FA Section XI.B	If we breach agreement and do not cure or attempt to cure after notice. No right for you to terminate the ADA.
e. Termination by franchisor without cause	Not Applicable	Franchisor has no right to terminate the Franchise Agreement or ADA without cause.
f. Termination by franchisor with cause	FA Section XI.A.; ADA Sections VII.A & B	Under the Franchise Agreement, if you don't satisfactorily complete training, don't open within one year, or generally if you breach agreement. Generally, for a material breach of the ADA including VII A (d) that describes that breach of the Franchise Agreement(s) can cause termination of the ADA. A default and termination under the ADA does not constitute a default and termination under any Franchise Agreement between you or your affiliates and us.
g. "Cause" defined-curable defaults	FA Section XI.A. ADA Section VII.A.	Under the Franchise Agreement, you have 10 days to cure monetary defaults and 30 days to cure all others except those listed in Section XI.A.3. of the Franchise Agreement If you fail to meet the obligations of the Development Schedule by 30 calendar days, the ADA automatically expires without any action by us. We may also terminate the ADA for failure to meet the Development Schedule. As explained in the ADA if we elect to terminate for that reason you have 30 days to cure a default of the Development Schedule. Breach of the Franchise Agreement(s) if not cured as described in the Franchise Agreement can cause termination of the ADA. A default and termination under the ADA does not constitute a default and termination under any Franchise Agreement between you or your affiliates and us.
h. "Cause" defined – non-curable defaults	FA, Section XI.A.3. ADA Sections VII.A. & B	Under the Franchise Agreement, non-curable defaults: conviction of felony, abandonment, giving insufficient funds checks and bankruptcy. If, you transfer or encumber your rights in violation of the ADA, you or your owners commit a felony or fraud, or you are bankrupt, or you default under a franchise agreement and do not cure within the applicable cure period. A default and termination under the ADA does not constitute a default and termination under any Franchise Agreement between you or your affiliates and us.

Provision	**Section in Agreement(s) & Addendum**	**Summary**
i. Franchisee's obligations on termination/non-renewal	FA Section XI.C. ADA Section VII.C.	Under the Franchise Agreement, complete de-identification and payment of amounts due, return materials and Manual, direct transfer of phone and lease if requested. Under the ADA, no rights to open additional Units; you must continue to operate the Units according to any existing Franchise Agreements that are not terminated.
j. Assignment of contract by franchisor	FA Section XIV.A. ADA Section VI.B.	No restrictions on right to assign.
k. "Transfer" by franchisee-definition	FA Sections XIV.B. & E & XXI ADA Section VI.A & D.	Under the Franchise Agreement, transfer of contract or assets or ownership change. Transfer of rights under the ADA
l. Franchisor's approval of transfer by franchisee	FA, Section XIV.B & E. ADA Section VI.A. & D.	We have the right to approve all transfers. You have no right to transfer except to a wholly controlled entity that meets approval.
m. Conditions for franchisor approval of transfer	FA Section XIV.B. & E. ADA Section VI.A. & D	Under the Franchise Agreement transferee qualifies, transfer fee paid, new franchise agreement signed, remodeling of Grill, training of transferee, release signed. If Transfer to wholly owned entity, formative entity documents approved, assignment signed, and fee paid. Under the ADA, if Transfer to wholly owned entity, formative entity documents approved, assignment signed, and fee paid
n. Franchisor's right of first refusal to acquire franchisee's business	FA Section XIV.D.	We can match any offer.
o. Franchisor's option to purchase franchisee's business	FA Section XI.D.	After termination we can purchase your personal property at fair market value used in the business.
p. Death or disability of franchisee	FA Section XIV.C	Under the Franchise Agreement, heir must be approved but no right of first refusal.
q. Non-competition covenants during the term of the franchise	FA Section X	Under the Franchise Agreement, no involvement in a Competitive Business except as duly licensed by us..
r. Non-competition covenant after the franchise is terminated or expires	FA Section X	Under the Franchise Agreement, no involvement in a Competitive Business except as duly licensed by us for 2 years within 5 miles of any Garbanzo Mediterranean Grill restaurant and your Grill. .
s. Modification of the agreement	FA Sections XIII & XVII.C. ADA Section IX.M	Under the Franchise Agreement, no modification generally but Manual and system subject to change. Under the ADA, amendments must be in writing and signed by you and us.
t. Integration/merger clause	FA Sections XVII.C. ADA Section IX.M	Only the terms of the franchise agreement and the ADA (if any) are binding (subject to state law). Any representations or promises outside of the disclosure document, franchise agreement, and ADA (if any) may not be enforceable. Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.

PROVISION	SECTION IN AGREEMENT(S) & ADDENDUM	SUMMARY
u. Dispute resolution by arbitration or mediation	FA Section XVI ADA Section VIII	Except for certain claims, all disputes must be arbitrated in Arapahoe County, Colorado (subject to state law).
v. Choice of forum	FA Section XVII.F. ADA Section IX.G.	Litigation must be in the Eighteenth Judicial District of Colorado (subject to state law).
w. Choice of law	FA Section XVII.F. ADA Section IX.G.	Colorado law applies (subject to state law).

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote our franchise.

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.

Restaurants Open for One Year or Greater

The information in this Item 19 includes certain historical financial information provided by franchisees that have operated at least one Grill for more than one year. We determined the franchisees' revenue based upon information taken from our proprietary software system which they all use to generate all transactions.

Item 19 includes affiliate owned locations and franchisee owned locations that operated (1) for more than one calendar year as of December 31, 2019; and (2) were continuing to operate during the first quarter of 2020 ("Conditions"). Of the 26 Grills in operation as of December 31, 2019, a total of 20 met the Conditions and are included in this Item 19. Of the 17 affiliate/parent locations open and operating at the beginning of 2019, 11 met the Conditions described above and of the nine franchisee owned Grills open at the beginning of 2019, nine met the Conditions described above. Of the nine franchisee Grills, eight are operated from universities, airports and/or shopping malls ("Non-Traditional Locations").

Company owned outlets do not pay royalties or marketing fees to the Franchisor. Besides the aforementioned differences, there are no material differences between the company owned outlets and the franchise-owned outlets

Tables

The following tables represent the 2019 financial performance for all Grills open greater than one year. Sales figures for University locations only contain full weeks open. The following definitions are used for the financial information on the tables:

1. "Gross sales" are calculated from total revenue, less taxes, and less comps and discounts.

2. "COGS" is calculated from the cost of usage of all food and paper products as a percentage of gross sales.

3. “Labor” is calculated from the cost of all direct hourly and salaried labor costs. The average and medium labor costs are a percentage of sales.

4. The affiliate/parent locations include the eight Units that were transferred to a Franchisee effective December 31, 2019. The affiliate/parent locations do not include three locations that were closed in 2020.

Gross Sales						
Restaurants (Open for Minimum of One Year)	**No. of Locations**	**2019 Average Annual Gross Sales**	**No. of Grills Above Average**	**2019 Highest Annual Gross Sales**	**2019 Lowest Annual Gross Sales**	**2019 Median Annual Gross Sales**
Company Owned	11	$896,708	6 of 11 (55%)	$1,154,887	$560,191	$988,262
Franchise Owned	9	$1,374,169	1 of 9 11%	$1,995,707	$79,685	$453,370

COGS						
Restaurants (Open for min. one year)	**No. of Locations**	**2019 Avg. COGS**	**% Above Average**	**2019 Highest COGS**	**2019 Lowest COGS**	**2019 Median COGS**
Company Owned	11	31%	5 of 11 (45%)	43%	26%	30.4%

Labor						
Restaurants (Open for min. one year)	**No. of Locations**	**2019 Avg. Labor**	**% Above Average**	**2019 Highest Labor**	**2019 Lowest Labor**	**2019 Median Labor**
Company Owned	11	31%	5 of 11 45%	36%	28.0%	30.4%

Summary

Our auditors have not performed any procedures on the financial information in the table above and therefore assume no responsibility for that information.

Written substantiation for the financial performance representation will be made available to you upon request.

Our franchisees do not report uniformly report COGS or labor costs and are therefore excluded from COGS and labor charts above.

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

Other than the preceding financial performance representation, we do not make any financial performance representations. We do not authorize our employees or representatives to make such representations either orally or in writing. If you are purchasing an existing outlet, however, we or the selling franchisee may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Larry Sidioti Garbanzo Mediterranean Grill Franchising, LLC, at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112, 303- 221-2559, the Federal Trade Commission, and the appropriate state regulatory agency.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary

For Years 2017 to 2019

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2017	6	5	-1
	2018	5	9	+4
	2019	9	19*	+10
Company-Owned*	2017	16	16	0
	2018	16	17	+1
	2019	17	7*	-10
Total Outlets	2017	22	21	-1
	2018	21	26	+5
	2019	26	26	+0

*We do not have any company-owned outlets at this time. However, our parent, Garbanzo Delaware, and our affiliate Garbanzo Mediterranean Missouri own and operate Garbanzo Mediterranean Grills. These outlets are listed in the chart as Company-Owned and in Exhibit E. Eight of the Garbanzo Mediterranean Grill restaurants operated by our parent were transferred to a franchisee in 2019.

Table No. 2

Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor)

For Years 2017 to 2019

State	Year	Number of Transfers
Franchised Outlets	2017	0
	2018	0
	2019	0
Total	2017	0
	2018	0
	2019	0

Table No. 3

Status of Franchised Outlets

For years 2017 to 2019

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Arizona	2017	1	0	1	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
California	2017	1	0	1	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Colorado	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	8*	0	0	0	0	9
Georgia	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Illinois	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Indiana	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
Missouri	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	1	0	0	0	0	1
Minnesota	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Pennsylvania	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
	2019	1	0	0	0	0	0	1
Texas	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Virginia	2017	0	1	0	0	0	0	1
	2018	1	1	0	0	0	0	2
	2019	2	0	0	0	0	0	2
Total	2017	6	1	2	0	0	0	5
	2018	5	4	0	0	0	0	9
	2019	9	2	0	0	0	0	19*

*Eight of the Garbanzo Mediterranean Grill restaurants operated by our parent were transferred to a franchisee in 2019.

Table No. 4

Status of Company-Owned Outlets

For years 2017 to 2019

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Colorado*	2017	16	0	0	1	0	15
	2018	15	1	0	0	0	16
	2019	16	0	0	2	8	6
Missouri	2017	0	1	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	1	0	1	0	1
Total	2017	16	1	0	1	0	16
	2018	16	1	0	0	0	17
	2019	17	1	0	3	8	7

Table No. 5

Projected Openings as of December 31, 2019

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Current Fiscal Year
California	0	1	0
Colorado	1	2	0
Indiana	1	2	0
Massachusetts	1	3	0
Missouri	0	1	0
Oregon	0	1	0
Utah	1	1	0
Total	4	11	0

Exhibit E lists the names, addresses and telephone numbers of all of our operating franchisees. Exhibit E also lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, transferred, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Garbanzo Mediterranean Grill franchising system. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you. During the last three fiscal years one franchisee signed an agreement that includes a confidentiality clause. This was signed as part of a dispute settlement.

There are no trademark-specific franchise organizations associated with our System.

ITEM 21. FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit F are our May 26, 2020 unaudited financials, our audited financial statements for the fiscal years ending December 2017, December 2018 and December 2019.

ITEM 22. CONTRACTS

The following are attached to this disclosure document:

Exhibit A – Franchise Agreement

Exhibit B – Area Development Agreement

Exhibit H – Release

Exhibit I – Assignment of the Franchise Agreement to a Wholly Controlled Entity

Exhibit J - Assignment of the Area Development Agreement to a Wholly Controlled Entity

ITEM 23. RECEIPT

You will find copies of a detachable receipt in Exhibit K at the very end of this Franchise Disclosure Document.

EXHIBIT A

FRANCHISE AGREEMENT

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC
FRANCHISE AGREEMENT

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC
FRANCHISE AGREEMENT

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EXHIBITS

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

FRANCHISE AGREEMENT

This Franchise Agreement (hereinafter referred to as "Franchise Agreement" and "Agreement") is entered into this ____day of_____________________, 20___, by and between GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC, a Colorado limited liability company ("us," "our," or "we"), and_______________________, a_______________________________("you" or "your").

RECITALS

1. We and our Affiliates (as defined below) have the rights to and have developed and refined the System (as defined below);

2. Our Affiliate, Garbanzo Mediterranean Grill, LLC, licensed us the right to license the Marks (as defined below) and the System in connection with the operation of a Garbanzo Mediterranean Fresh restaurants and Garbanzo Mediterranean Grill restaurants; and

3. You recognize the benefits from being identified with and licensed by us and desire a franchise to establish and operate a Garbanzo Mediterranean Fresh restaurant ("Grill") using the Marks and System and we are willing to grant such a franchise on the terms and conditions in this Agreement.

NOW, the parties agree as follows:

I. GRANT OF FRANCHISE

A. **Grant of License**. We grant to you and you accept from us, a non-exclusive right to use the System and Marks to open and operate one Garbanzo Mediterranean Fresh restaurant to be located at the site listed in Exhibit I, attached to this Agreement (the "Site"). If no Site is specified at the time you and we sign this Agreement, an appropriate location will be specified when it is determined and you and we agree to initial a completed Exhibit I describing that Site. In order for you to operate a Garbanzo Mediterranean Fresh restaurant at an additional location, a separate Franchise Agreement must be signed and you will be required to pay us an additional initial franchise fee.

B. **Assigned Territory**. You are granted an assigned territory, which is described on Exhibit I attached to this Agreement (the "Assigned Territory"). The Assigned Territory will be determined at the time the Site is agreed to by both parties, and will be specified in Exhibit I, which you and we will initial. So long as this Agreement is in effect and you are not in default, we and our Affiliates will not locate, operate, or grant a license or franchise for another Garbanzo Mediterranean Fresh restaurant within your Assigned Territory other than in a Non-Traditional Location. A Non-Traditional Location is not considered part of the Assigned Territory, even if it located within the geographic boundaries of the Assigned Territory. You acknowledge that you have no territorial protection outside of your Assigned Territory and may face competition from other Garbanzo Mediterranean Fresh restaurants in such areas. You are only permitted to deliver goods and services within your Assigned Territorial unless you obtain our prior written consent.

C. **Retention of Rights**. We, on behalf of ourselves and our Affiliates, reserve all rights not specifically granted to you pursuant to this Agreement, all without compensation to you, including but not limited to the following:

1. We and our Affiliates may own or operate, or license or franchise others to own or operate, Garbanzo Mediterranean Fresh restaurants and Garbanzo Mediterranean Grill restaurants anywhere outside of the Assigned Territory and within the Non-Traditional Locations within and outside of the Assigned Territory.

2. We and our Affiliates are allowed to own, open, franchise, operate, and/or manage any businesses or restaurants within the Assigned Territory or outside of the Assigned Territory under trademarks or service marks different than the Marks.

3. We and our Affiliates are allowed to own, open, franchise, operate, and/or manage any business or restaurant within the Assigned Territory or outside of the Assigned Territory under systems that are different than the System.

4. We and our Affiliates may develop, merchandise, sell and license others to sell products bearing the Marks through other channels of distribution such as grocery stores, the Internet, print, catalogues, direct marketing media and any other non-restaurant outlets (including grocery stores and warehouse clubs) within the Assigned Territory or outside of the Assigned Territory, and we may promote products bearing the Marks at special events, athletic contests, etc., through temporary locations and mobile units.

5. We and our Affiliates have the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as "Garbanzo Mediterranean Fresh" restaurants operating under the proprietary marks or any other Marks following our purchase, merger, acquisition or affiliation, regardless of the location of these facilities (which you acknowledge may be within your Assigned Territory or close to your Assigned Territory or your Site).

6. We and our Affiliates may sell ourselves, our assets, our proprietary marks, the Marks, our systems and/or the System to a third party; may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations or entities, or be acquired by another corporation or entity; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. If we assign our rights in this Agreement, nothing will be deemed to require us to remain in the restaurant business or to offer or sell any products or services to you.

II. LOCATION AND LEASE

A. **Site Selection**. You will select the proposed site for the location of the Grill and submit a completed site analysis package, including demographics and other material requested by us containing all information reasonably required by us to assess a proposed site. Within 30 days after receipt, we will advise you whether the proposed site is acceptable. We are not responsible for and do not make any warranty regarding the suitability of the Site. Our consent to a Site means only that the Site meets our minimum standards for an acceptable location of a Garbanzo Mediterranean Fresh restaurant. You are primarily responsible for investigating the Site and having any leases or sale contract for the Site reviewed and approved by your attorney.

B. **Site Acquisition**.

1. **Our Consent to Lease**. If you intend to lease the Site, you must submit a copy of the proposed lease to us for our consent. Within 10 days of signing the lease, you must provide us with a copy of the executed lease. The term of the lease plus all renewal option periods together will equal or exceed the term of this Agreement. Our consent to the lease means only that the lease meets our minimum standards and is not a warranty as to the appropriateness of the lease or any of its terms. Your lease for the Site must contain substantially the same terms as found on Exhibit II attached to this Agreement. In addition, you must execute a Collateral Assignment of Lease in the form found in Exhibit III, attached to this Agreement, whereby you

agree to assign your rights in the lease to us in the event of a termination or expiration of the term of this Agreement or a default under the lease. We strongly recommend that you hire a professional leasing agent to assist you in site location and lease negotiations. We may recommend or approve leasing agents; however, we are not liable for any acts or omissions of these agents, and any agent will be an independent contractor.

2. **Proof of Ownership**. If you intend to own the Site, within 90 days of us consenting to the Site, you must furnish to us proof of ownership or an executed sale contract for the Site. Your submission of proof of ownership or an executed sale contract will be deemed a warranty by you that the Site can be utilized for restaurant purposes according to the terms of this Agreement. You must create a separate entity to own the Site and then lease the Site to you at its full rental value and on commercially reasonable terms.

C. **Relocation**. So long as you are not in default under the Franchise Agreement, you may relocate the Grill within the Assigned Territory with our prior written consent. However, the Assigned Territory for the relocated Site may be subject to renegotiation. Regardless of the reason for relocating, you agree to pay all costs and expenses of relocating the Grill including the cost of a demographic study and our cost and expenses in reviewing the proposed site.

III. TERM

A. **Term**. The term of this Agreement will begin on the date of this Agreement and, unless it is terminated earlier according to the terms of this Agreement, will expire 10 (ten) years later ("Initial Term").

B. **Continuation**. If you continue to operate the Grill with our express or implied consent following the expiration of this Agreement, the continuation will be a month-to-month extension of this Agreement ("Continuation Term"), unless otherwise set forth in writing. All provisions of this Agreement will apply while you continue to operate the Grill. This Agreement will then be terminable by either party on 30 days written notice to the other party.

C. **Renewal**. If you are in full compliance with the terms of this Agreement, you will have the right to renew your franchise ("Renewal Term") on the terms and conditions of our most current franchise agreement being utilized by us at the time you renew, which you must sign along with all ancillary agreements required in that franchise agreement (including a personal guarantee). The most current franchise agreement may contain significantly different terms than this Agreement. In any event, we may in our discretion, refuse to renew this Agreement if you have been notified of defaults (even if subsequently cured) under this Agreement more than 2 times during the Initial Term or more than 2 times during any Renewal Term, even if you are not in default at the time of the renewal. You agree to give us not less than 6 nor more than twelve 12-months written notice of an election to renew this Agreement, prior to the end of the term. Your failure to give us this notice will be deemed an election not to renew this Agreement. You will also be required to pay us a renewal fee equal to 50% of our then current standard initial franchise fee for a Garbanzo Mediterranean Fresh restaurant. Additionally, you must remodel the Grill to meet our then current standards of decor in accordance with the provisions of our Operations Manual and must execute a general release, to the extent permitted by applicable law, of any and all claims against us and our Affiliates, and our and our Affiliates' respective owners, officers, directors, employees, agents, successors and assigns arising under or from this Agreement and/or any related agreements between you and us or our Affiliates, or under any applicable law, rule or regulation.

IV. FEES

A. **Initial Franchise Fee**. You must pay us an initial franchise fee ("Initial Franchise Fee") when you sign this Agreement. The amount of the Initial Franchise Fee is $30,000 in unencumbered cash; it cannot be borrowed. If you have signed an area development agreement with us and paid us a development fee, then the portion of that development fee attributable to signing this Agreement and opening the Grill will be applied to the Initial Franchise Fee. In that event, you will not pay us the Initial Franchise Fee when you sign this Agreement. The Initial Franchise Fee is not refundable in whole or in part under any circumstances.

B. **Royalty Fee**. You will pay us a continuing weekly royalty fee of 5% of Net Sales from the preceding week ("Royalty Fee").

C. **Advertising Fees.** If and when we establish an Advertising Fund, you must pay a continuing weekly advertising fee of up to 2% of Net Sales from the preceding week ("Advertising Fee").

D. **Brand Development Fee.** You will pay us a continuing weekly brand development fee of 0.5% of Net Sales from the preceding week ("Brand Development Fee").

E. **Training Fee.** If Initial and opening training is required, you will pay us an initial training fee of $8,000. This will enable mandatory initial and opening training for up to two people. This fee will be paid by you to us at the time this Agreement is signed. This fee is fully earned when paid and is not refundable.

F. **Technology Fee**. You will pay us or our designated supplier the then current monthly technology fee for the computer system (“Technology Fee”).

G. **Time and Manner of Payments**. Royalty Fees, Advertising Fees, Brand Development Fees and all other periodic fees due under this Agreement will be paid on every Monday (unless a legal holiday falls on a Monday, in which case the payment will be made on the next day which is not a legal holiday) based on Net Sales of the previous week of Wednesday through Tuesday. All of these payments will be made via electronic funds transfer ("EFT") or such other manner which we may designate from time to time. None of these fees are refundable. Any payment or report not received by us on or before the date they are due will be deemed overdue. You will comply with the procedures specified in the Operations Manual or as otherwise communicated for such EFT program and will perform the acts and sign the documents, including authorization forms that we, our bank, and your bank may require to accomplish payment by EFT, including authorizations for us to initiate debit entries and/or credit correction entries to a designated checking or savings account. In addition, you will pay all costs associated with utilizing an EFT payment program. Failure to maintain adequate funds in the designated account or your failure to pay all amounts when due will be considered a breach of this Agreement and grounds for termination. If you fail to timely report to us, in addition to any applicable late charges, we have the right, but not the obligation, to debit from such account an estimated amount equal to the fees due and payable to us during the most recent week for which we received reports. We have the right to review your sales receipts on a daily basis.

H. **Interest on Late Payments**. If any amount due to us or our Affiliate is overdue, we have the right to charge interest on the overdue amount equal to the lesser of 1½% per month or the maximum legal rate in the jurisdiction where the Grill is located. Our right to interest is in addition to any other remedies that we may have.

I. **No Right of Offset**. You agree to make prompt payment, without deduction or set-off, of all fees or charges which are properly due. You cannot withhold any payment to us or our Affiliates on the grounds of non-performance by us of any of our obligations hereunder. We have the right to apply any payments by you to any amounts past due regardless of any designation from you.

J. **Under-Reporting**. If it is found that you under-reported Net Sales, you will reimburse us for the amount of the fees that would have been due had Net Sales been reported accurately, plus interest on those amounts at the rate of the lesser of 1½ % per month or the maximum legal rate in the jurisdiction where the Grill is located. In addition, if the amount of Net Sales reported for any calendar year is less than 98% of the actual Net Sales for that period, you agree to reimburse us for all costs of the investigation or audit that uncovered the under-reported sales, including salaries, professional fees, travel, meals and lodging.

K. **Late Reporting**. If you fail to send us any report that is due on a weekly basis, we can charge you, to the extent permitted by applicable law, a late report fee of $100 plus $100 for each week the reports are late. If you fail to send us a report that is due on a monthly basis, annual basis or quarterly basis, we can charge you, to the extent permitted by law, a late report fee of $100 plus $100 for each month your report is late.

L. **Taxes**. You agree to indemnify and/or reimburse us and our Affiliates for all capital, gross receipts, sales, and other taxes and assessments imposed by any applicable state or local governmental authority as a result of the conduct of the Grill's business or the license of any of our or our Affiliates' intangible property to you (whether required to be paid by us or our Affiliates, withheld by you or otherwise). Your obligation to indemnify or reimburse us or our Affiliates for these taxes does not extend to income-type taxes which a state or local government imposes on us or our Affiliates' income.

V. ADVERTISING

A. **Advertising Fund**. We have the right to establish the Garbanzo Advertising Fund ("Advertising Fund"). The Advertising Fund will be used to provide advertising and promotional activities we deem beneficial to the System. We agree to use the Advertising Fees received from you for the payment of costs associated with the creation, production, distribution, media placement and administration of local, state, regional or national advertising programs we may develop or have developed, and for any taxes incurred on these funds. The Advertising Fund will not be used for the sale, promotion, travel and other expenses pursuant to the sale and attempted sale of new franchises. The Advertising Fund is intended to maximize recognition of the Marks and the patronage of the Garbanzo Mediterranean Fresh restaurants and Garbanzo Mediterranean Grill restaurants generally. Although we will try to use the Advertising Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Garbanzo Mediterranean Fresh restaurants, we do not ensure that the Advertising Fund expenditures in or affecting any geographic area will be proportionate or equivalent to the Advertising Fund contributions by Garbanzo Mediterranean Fresh restaurants and Garbanzo Mediterranean Grill restaurants operating in that geographic area or that any particular Garbanzo Mediterranean Fresh restaurant will benefit directly or in proportion to its Advertising Fund contributions. We have the right to determine the type of advertising and the media in which it will appear, as we feel is appropriate. We have the sole right to formulate and make policy decisions concerning every aspect of the advertising, consistent with applicable law. We do not have to spend the advertising funds during any specific time period. Advertising may be handled by the outside advertising agency which we select.

Unaudited financial statements of the Advertising Fund will be made available to you on your reasonable request. If we do not use all of the funds deposited in the Advertising Fund in a particular fiscal year, the remaining funds will be carried over to the next fiscal year and be included in that year's advertising budget. We are entitled to reimbursement from the Advertising Fund to cover our administrative and overhead expenses associated with operating the Advertising Fund. The Advertising Fund is not our asset. The Advertising Fund is not a trust. We have a contractual obligation to hold all Advertising Fund contributions for the benefit of the contributors and to use the contributions only for the purposes described above. We have no fiduciary obligation to you for administering the Advertising Fund.

B. **Your Own Advertising**. In addition to your other advertising requirements described in this Article V, you must spend at least 2% of your Net Sales on an annual basis for your own advertising. You must provide proof of your advertising and sales promotion expenditures in such form, with such detail and including copies of such advertising and materials and receipts as we request. We must consent to your use of any advertising and sale promotion materials before you use them. You must submit all of your advertising and sale promotion materials to us or our designee at least 20 days prior to use. If we do not reject these materials within 20 days, we will be deemed to have consented to your use of them.

You will not advertise, or use in advertising or other form of promotion, the Marks without the appropriate copyright, trademark, and service mark symbols ("©", "®", "TM" or "SM") as we direct. You will not advertise your products or services or use the Marks on the Internet except with our prior consent.

C. **Brand Development Fee.** The Brand Development Fee is our exclusive property and will be used by us to cover costs of, among other items, supporting and conducting market research activities, concept development, design development and maintenance, and administration and direction of the foregoing. We are not required to separately account to you for the contributions or expenditures of the Brand Development Fee.

D. **Telephone Directories**. We reserve the right to require you to participate with other Garbanzo Mediterranean Fresh restaurants and Garbanzo Mediterranean Grill restaurants in placing advertisements in the applicable online and/or other directories including Internet telephone directories. You will be responsible for your proportionate cost for such directory advertising. These advertising costs must be paid in addition to the amounts payable to the Advertising Fund but can be applied against the amount of local advertising you are required to spend.

E. **Grand Opening Advertising**. In addition to your other advertising requirements described in this Article V, you must spend a minimum of $15,000 for grand opening advertising and sales promotions within 60 days of the Grill opening. Additionally, you will provide us, within 90 days after the opening of the Grill, proof of your advertising and sales promotion expenditures in such form, with such detail and including copies of such advertising and materials and receipts as we request.

F. **Regional Advertising Cooperatives**. We may from time to time, in our sole discretion, designate areas or territories within which we have determined, on the basis of television coverage, newspaper coverage, or other criteria we establish, in our sole discretion, the establishment of a regional advertising cooperative may be appropriate for the Garbanzo Mediterranean Fresh restaurants and Garbanzo Mediterranean Grill restaurants located within that area or territory (each a "Regional Cooperative"). If we designate an area or territory for the establishment of a Regional Cooperative, the Garbanzo Mediterranean Fresh restaurants located within that area or territory will form the Regional Cooperative for the purpose of administering advertising programs and developing, subject to our approval, promotional materials for use by the members of the Regional Cooperative and will operate it pursuant to by-laws approved by us and by the majority of its members, on the basis of one (1) vote for each Garbanzo Mediterranean Fresh restaurant and/or each Garbanzo Mediterranean Grill restaurant location within such area or territory. In the event of a tie vote, we will cast the deciding vote. We must consent to any proposed change to the by-laws or other organizational structure of the Regional

Cooperative. All advertising and promotion materials used by the Regional Cooperative or provided to its members must conform with our standards, including the standards described in Section V.B. above. If your Grill is within the territory we establish for a Regional Cooperative, you agree to become a member of that Regional Cooperative and to contribute to the Regional Cooperative the amounts designated by the governing body of that Regional Cooperative. Any Regional Cooperative fees will be applied against the amounts you are required to spend for local advertising, but will be in addition to the Advertising Fees and Brand Development Fees. At our request, you must furnish us with copies of such documentation evidencing your Regional Cooperative contributions as we may request. We may provide the Regional Cooperative with 90 days' notice of special promotions in which the Regional Cooperative and its members are required to participate. The cost of any such special promotion will count towards the amounts you are required to contribute to the Regional Cooperative.

VI. OUR GENERAL DUTIES

A. **Initial Training**. We will provide an initial training program for the operation of a Garbanzo Mediterranean Fresh restaurant using the System and Marks for the Operation Partner and your manager. The initial training program is furnished after this Agreement is signed and prior to the opening of the Grill. The training program will be furnished at such time and place as we may designate. You will pay all transportation, lodging, meals and other expenses incurred by you and your employees in attending this program. Your Operation Partner and manager must attend and satisfactorily complete the training program before opening the Grill. If the Operation Partner fails to complete the initial training program to our satisfaction, we have the right to terminate this Agreement. Satisfactory completion of the training program is, however, no assurance of the success of the Grill. If you currently operate two Garbanzo Mediterranean Fresh, or Garbanzo Mediterranean Grill restaurants, the initial training program will not be mandatory or provided unless we deem it necessary.

B. **Additional Training; Subsequent Training**. We may offer training for your new employees who are not initially trained pursuant to this Agreement, including shift managers that you request us to train. If your Operation Partner no longer operates the Grill, we may require your replacement manager(s) or another Operation Partner to attend training. We may also provide refresher programs to experienced employees or managers and additional training you may request. You will pay the training fee we charge for such additional training and/or subsequent training. We reserve the right to designate certain training programs or meetings as mandatory and to treat your failure to have a representative attend as a material breach of this Agreement. You must pay the compensation of the trainees as well as such trainees' travel, lodging and personal expenses during any subsequent training.

C. **Opening Assistance**. We will provide an on-site, opening training team, consisting of at least two people for a period of no less than 10 days. We will provide this on-site opening assistance for your first two restaurants, whether Garbanzo Mediterranean Grill or Garbanzo Mediterranean Fresh, or any combination totaling two or more. For any additional Garbanzo Mediterranean Fresh restaurants you open, we can charge you a reasonable fee, to cover all of our expenses to provide this on-site opening assistance.

D. **Continuing Advisory Assistance**. We will make available continuing advisory assistance in the operation of the Grill, rendered in such manner and available from time to time, as we may deem appropriate. If we send our representatives to your Grill to provide assistance, we reserve the right to charge a reasonable fee for this type of assistance.

E. **Certified Training Program**. We may, in our sole discretion, permit you to implement your own training program for the training of your employees. You must obtain "certification" of your training program by us to ensure that our standards are being met. You will also need to obtain re- certification of your training program from time to time.

F. **Layout and Design**. We will provide you with suggestions for layout and design of a typical Garbanzo Mediterranean Fresh restaurant. These suggestions will not include the requirements of any federal, state, or local law, code, or regulation, including those concerning the Americans with Disabilities Act or similar rules governing public accommodations for persons with disabilities, nor will such suggestions include the requirements of, or be used for, construction drawings or other documentation necessary to obtain permits or authorization to build in a specific location.

VII. YOUR GENERAL DUTIES

A. **Opening and Construction**. You agree to begin operation of the Grill within 1 year after this Agreement is accepted by us. You will construct and equip the Grill according to the specifications prepared by you and subject to our right to consent. You must pay for the cost of construction drawings and other documentation necessary to build, obtain permits or receive other necessary authorizations for constructing the Grill. You are required to use an architect approved by us if this Grill is your first Garbanzo Mediterranean Fresh restaurant. You must submit these plans and other documents, along with any revisions of them made during the construction process, to us for our consent prior to your use of them. Our review will be limited to reviewing these plans and documents to assess compliance with our design specifications and standards for Garbanzo Mediterranean Fresh restaurants, including items such as trade dress, presentation of trademarks, and the provision to the potential customer of certain products and services that are central to the functioning of the Grill under the System. Our review is not designed to assess, nor does it assess, compliance with federal, state or local laws and regulations, including the Americans with Disabilities Act, as compliance with such laws is the sole responsibility of you. The opening of the Grill may be delayed only if the delay is caused by contingencies not within your control, like acts of God, governmental restrictions, strikes or labor disputes, provided that you could not have avoided such occurrence by the exercise of due diligence and provided further that we are given notice of such occurrence within a reasonable period of time following such occurrence. You will use your best efforts to cure any delay. Any permitted delay in completion will only be for a period of days equal to the number of days during which such event actually prevents completion.

You are only permitted to borrow up to 75% of the cost of the initial investment in the building site, tenant improvements, additional development, equipment, fixtures and sign in order to establish your Grill ("Permitted Financing"). You must certify prior to opening that you and all of your owners individually or collectively, have not borrowed more than the amount of the Permitted Financing to begin operations of the Grill.

B. **Use of Name and System**. You agree that during the term of this Agreement, you will operate, advertise and promote the Grill under the name "Garbanzo Mediterranean Fresh" without prefix or suffix and to adopt and use the Marks and System licensed hereunder solely in the manner prescribed by us. You agree to identify the Grill with a sign in compliance with applicable local ordinances and approved by us.

C. **Compliance with Laws**. You agree to operate the Grill in compliance with applicable laws and governmental regulations and in accordance with the operational standards we may establish from time to time. At all times, you will comply with all federal, state, municipal, and local laws, rules, regulations, ordinances, and codes applicable and related to this Agreement, the Grill, and all aspects of the conduct of the Grill, including, but not limited to food safety. You must obtain all licenses and permits required by any applicable federal, state, municipal, and local law, rule, regulation, ordinance and code to operate the Grill as required by this Agreement. You must make timely filings of all tax returns and pay when due all taxes levied or assessed on, and related to this Agreement and the Grill. At no time are we required to inform you of any federal, state, municipal, or local law, rule, regulation, ordinance code, or tax. Within 5 days of your receipt of each health and/or food safety inspection report you receive from the governing municipality, you must forward a copy of this/these reports to us.

D. **Standards of Operation**. The Grill must conform with the mandatory standards relating to signage, color scheme, appearance, hours of operation, cleanliness, sanitation, size of food item portions, menus, methods of preparation, employee uniforms, type of equipment and decor as designated by us. Unless we give you our prior consent, you must offer all menu items and other products and services required by us in our Operations Manual or in any other written instruction we give to you. You will not conduct any business or sell any products other than those approved by us, and agree to at all times dispense and sell such food items which are prepared in accordance with our secret recipes and which meet our uniform standards of quality, quantity, appearance, and taste. Uniformity of products and services offered by all Garbanzo Mediterranean Fresh restaurants is of utmost importance to us and the entire System. If you offer to sell or do sell products or services which are not authorized or are not prepared in accordance with the Operations Manual, you agree that we will be damaged. These damages will be calculated at the rate of $200 per day for each day you offer or sell unauthorized products or services and will be in addition to any other rights and remedies we may have against you. We have the right to collect these amounts in addition to exercising any and all other rights we may have for non- compliance under this Agreement. You agree that a precise calculation of the full extent of the damages that we will incur from the offer or sale of unauthorized products and services are difficult to determine and all parties desire certainty in this matter and agree that the damages provided here are reasonable and constitute liquidated damages and not a penalty.

You will not sell any product which is adulterated, contaminated, spoiled, unsafe or otherwise unfit for human consumption. You must keep the premises clean and provide prompt and courteous service to its customers. Each manager you employ must satisfactorily complete our initial training program. You agree to, and will take all steps as are necessary to, ensure that all of your employees treat each customer fairly and provide services in an honest, ethical, and non-discriminatory manner. You must not advertise in a deceptive, misleading, or unethical manner and agree to meet such minimum standards as we may establish from time to time in the Operations Manual.

You must maintain, at all times, the ability to receive and transmit communications from and to us over the Internet. We reserve the right to require you to install and maintain certain hardware and software, including software that will interface with our computer system. You are required to provide us with independent and direct access to the information and data in your computer systems via Internet connection.

We may require you, if permitted by applicable law, to participate in a gift card or other customer loyalty program in accordance with the provisions either set forth in the Operations Manual or otherwise disclosed to you. In order to participate, you may be required to purchase additional equipment and pay any fees applicable to the use of that equipment. If we establish a gift card or loyalty program, we have the right to determine how the amount of the gift cards or loyalty cards will be divided or otherwise accounted for, and we reserve the right to retain the amount of any unredeemed gift cards. Currently we are requiring you to participate in the loyalty program which is handled through the required POS system. You are responsible for any and all fees associated with participation in this loyalty program or any other loyalty program we required in the future. Details are described in the Operations Manual.

If we request, you will present to your customers such evaluation or survey forms as we may periodically prescribe and will participate and/or request your customers to participate in any marketing surveys performed by or on our behalf. Currently we require you to participate in a customer survey program. You must pay any and all fees associated with your participation in this program or any other customer survey program ("Customer Survey Fee"). Details will be described in the Operations Manual. You agree and acknowledge that we may, without first contacting you, survey or contact your customers. Further, if you receive a complaint from a customer which cannot be resolved within 5 business days, you will promptly notify us. You agree that we will have the right to intervene in and resolve any unresolved customer complaints, including those uncovered during our surveys or customer contacts described above, and you agree to be bound by any decision made by us, regarding a resolution of any such complaints, at your sole expense.

E. **Staffing**. You will maintain a competent, conscientious, and trained staff. You will be solely responsible for all employment decisions and functions of the Grill including those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees.

F. **Security and Safety Procedures**. You are solely responsible for taking necessary or appropriate security and safety measures to protect employees, customers, those engaging in business with you, those coming on the premises of the Grill and the general public at large, including, but not limited to, taking measures regarding food safety. We do not in any way share any of that responsibility.

G. **Actual Participation**. You recognize the importance of the Operation Partner's participation in the management of the Grill and that the Operation Partner's agreement to participate in the management of the Grill is a material inducement for us to enter into this Agreement. Therefore, you agree that the Operation Partner who has satisfactorily completed our initial training program is required to use his or her best efforts and is personally responsible for the management of the Grill on a day-to-day basis. The Operation Partner is required to carefully monitor and be responsible for the performance of anyone designated to manage any operation of the Grill. Supervisory personnel, including any shift managers you designate, are required to sign an agreement regarding confidentiality and covenants not to compete which is set forth in the Operations Manual.

H. **Insurance**. You will at all times maintain at your sole expense comprehensive public and product liability insurance and motor vehicle liability insurance for your delivery drivers against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Grill. You will obtain and maintain the minimum insurance as set forth below or in the amounts set forth in the Operations Manual:

COMMERCIAL GENERAL LIABILITY: General Aggregate Limit: $2,000,000
Per Occurrence Limit: $1,000,000

AUTOMOBILE LIABILITY: Bodily Injury and Property Damage Combined
Single Limit: $1,000,000 Hired and Non-Owned Liability Limit: $1,000,000

WORKERS' COMPENSATION: Workers' Compensation: Statutory amount
UMBRELLA LIABILITY: $2,000,000

Regardless of the amounts set forth above, it is your responsibility to maintain adequate insurance coverage at all times during the term of and after the expiration of this Agreement, so that coverage, including but not limited to any policies that are on a "claims made" basis, which through the purchase of an extended reporting endorsement (i.e., "tail insurance") will be in effect for acts or omissions that occurred prior to the termination of the policy and are reported within a 24 month period following the end of the policy period. We may, from time to time, in our sole discretion, make such changes in minimum policy limits, coverage, and endorsements as we may determine. You agree to comply with any of these changes, at your sole cost and expense. All general liability insurance policies will provide that we must receive 30-days prior written notice of any termination, expiration or cancellation of the insurance policy. Each insurance policy maintained by you for your Grill must: (a) name you as the first named insured; (b) must name us, and our parent, subsidiaries, affiliates, successors, and assigns as additional insureds; (c) include a waiver of the insurer's right of subrogation against any additional insureds; and (d) provide coverage for your indemnification obligations under this Agreement**.** Each year you must provide us with a certificate or other evidence of your compliance with our insurance requirements. If you fail to maintain such insurance, we may procure such insurance on your behalf and will be entitled to reimbursement from you of our costs to do so, in addition to any other rights and remedies we may have under this Agreement. However, we are not obligated to obtain such insurance on behalf of you. Regardless of the amounts set forth above, it will be your responsibility to maintain adequate insurance coverage at all times during the term of and after the expiration of this Agreement. You recognize that the levels of insurance described above is merely a minimum requirement. You should determine if additional insurance is necessary through consultation with your advisors. Your failure to maintain coverage will not relieve you of any contractual responsibility or obligation or liability under this Agreement.

I. **Inspections**. You must permit our representatives or agents or the representatives or agents of our Affiliates to enter the business premises with or without notice during regular business hours to inspect the Grill and audit the business operations, including all books and records. You also grant us permission to examine all records of any supplier from whom you have made purchases. You will keep on file and make available for our review the following documents and reports: weekly inventory sheets, deposit slips, bank statements and canceled checks, sales and purchase records, business tax returns and such other accounting records for such periods of time as is necessary to provide appropriate documentation in the event of an audit of your business by any governmental taxing authority having jurisdiction over you. Our right to approve certain matters, to inspect the Grill and its operation and to enforce our rights, exists only to the extent necessary to protect our interest in the System and Marks for the benefit of us, our Affiliates and all Garbanzo Mediterranean Fresh restaurants and to monitor compliance with this Agreement. Neither the retention nor the exercise of these rights is for the purpose of establishing any control, or the duty to take control, over those matters which are clearly reserved to you, nor will they be construed to do so. The obligations of this provision survive termination or expiration of the term of this Agreement. Further, you must participate in any food safety audits which we require, the details of which will be set forth in the Operations Manual. You are required to pay any costs related to maintaining these services ("Food Safety Audit Fee"). Currently we use Eco-Sure and they conduct audits twice a year.

J. **Cooperation for Financial Performance Representations**. You will maintain your books and records in accordance with generally acceptable accounting principles, consistently applied. If we at any time desire to utilize a financial performance representation or similar document in connection with the sale of franchises, you agree to provide us, at no cost, with such reasonable information as we may require in order to properly prepare such representation, and will permit us to utilize such information as we deem necessary.

K. **Innovations**. All ideas, concepts, techniques, innovations, developments, improvements, suggestions or materials concerning a Garbanzo Mediterranean Fresh restaurant, whether or not protectable intellectual property and whether created by or for you or your owners, affiliates, employees or representatives, 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 such item does not qualify as a "work made-for-hire" for us, you must assign, or must require your owners, affiliates, employees or representatives to assign, your or their ownership interest of such item to us. You agree to take, or direct your owners, affiliates, employees or representatives to take, whatever action required by us to document such assignment or to assist us in obtaining any and all intellectual property rights in such item.

L. **Remodeling**. We may require you to make capital expenditures to remodel the Grill to reflect our then current standards for Garbanzo Mediterranean Fresh restaurants, but no more than once every 5 years. However, this does not restrict us from requiring you to purchase or lease new equipment or products for the operations of your Grill. Compliance with these standards may be an ongoing obligation of yours, and may be a condition of our consenting to a renewal of this Agreement, or our consenting to a Transfer of this Agreement.

M. **Financial Reports**. You will maintain and preserve for at least 5 years from the dates of their preparation, full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by us from time to time. You will send us annual income and expense statements within 60 days of the end of your fiscal year. You will also send us weekly summary reports each Monday based on the preceding week, monthly profit and loss statements by the 15th day of the following month and any other information or reports including copies of balance sheets, copies of sales tax returns, and such other financial reports and information as we may reasonably request. However, you will not be obligated to disclose confidential tax returns if such disclosure would violate applicable state law. All reporting data will be prepared in accordance with generally accepted accounting principles, consistently applied. At all times, we will have access to and may use the information contained in your books, records and accounts for any purpose we deem appropriate, including, but not limited to, disseminating such information to our creditors and potential franchisees (except that we will not disclose social security number, birth date or home address information without your consent, unless required or permitted by law).

N. **Assignment by You**. You grant us an irrevocable, world-wide, royalty-free license to use your likeness or images of the Grill, in any manner we deem appropriate in our sole discretion, including, without limitation, our or our Affiliates' use on any Internet domain or website we create or through any other Internet representation we deem appropriate for the System. This provision will survive the termination or expiration of the term of this Agreement.

VIII. MARKS

A. **Ownership of the Marks**. You acknowledge that the Marks are owned by our Affiliate, Garbanzo Mediterranean Grill, LLC and are licensed to us. You recognize that valuable goodwill is attached to the Marks. Your right to use the Marks is derived solely from this Agreement and is limited to operating the Grill pursuant to and in compliance with this Agreement. Any unauthorized use of the Marks by you is a breach of this Agreement and an infringement of our rights and our Affiliate's rights. Any goodwill arising out of your use of the Marks inures to the benefit of us and our Affiliates. You agree to execute any and all documents reasonably requested by us or our Affiliate to confirm the proper ownership of the Marks and to obtain the initial registration and/or renewal of any registration of any of the Marks.

B. **Contest of Marks**. You will not directly or indirectly contest or aid in contesting the validity, ownership or registration of the Marks, or contest our or our Affiliates' rights to register, use or license others to use the Marks. You will not at any time (whether during the term of this Agreement or after expiration or termination thereof) directly or indirectly commit an act of infringement of the Marks. You agree to promptly notify us of any claim, demand, or suit based upon or arising from any attempt by anyone else to use the Marks, challenge your use of the Marks, or any person's rights in any Marks. We and our Affiliates have the sole discretion to determine if we will defend the use of the Marks. Neither we nor our Affiliates are obligated to defend the Marks. We and our Affiliates have the right to control any administrative proceeding or litigation involving the Marks. You will execute any and all instruments and documents, render assistance, and do such acts as may, in the opinion of our counsel, be necessary or advisable to protect the interests of us or our Affiliates in any such litigation, or proceedings, or to otherwise protect and maintain our interest or our Affiliates' interest in the Marks.

C. **Use of the Marks**. You will use the Marks as the sole identification of the Grill. You will not use any of the Marks (or any portions thereof) or the name "Garbanzo" or "Garbanzo Mediterranean Fresh" as part of its corporate name with any prefix, suffix, or other modifying words, terms, designs or symbols. You will, however, identify yourself as an independently owned and operated Garbanzo Mediterranean Fresh franchisee, in a manner we prescribe. You will use the Marks only in full compliance with this Agreement, the Operations Manual, and any instruction from us. You will ensure that all copyrighted works used bear an appropriate copyright notice under the Universal Copyright

Convention or other copyright laws. It will be considered a breach of this Agreement if you use, in any unauthorized manner, adapt, publish, reproduce, prepare any derivative works, distribute copies of or attempt to recreate all or a portion of such copyrighted works. Any use by you of the Marks will include the appropriate trademark or service mark symbols ("®", "TM", or "SM") as we direct. It will be considered a breach of this Agreement if you use, in any unauthorized manner, any of the Marks or any other trademark that is confusingly similar to any of the Marks. You shall not claim any rights in or to any of the Marks other than those granted to you under the limited license set forth in this Agreement, and you shall not make any representation or assertion to any party that any of the Marks have been abandoned.

D. **Change of the Marks**. We have the right to modify or discontinue any of the Marks or add or substitute other Marks to be used by you at any time and for any reason we deem appropriate. You will pay the costs associated with such change and will make such necessary changes promptly. Neither we nor our Affiliates will have any liability or obligation with respect to any required modification, substitution, addition or discontinuance of use of any Marks.

E. **Use of Marks on the Internet**. You acknowledge that our Affiliate, Garbanzo Mediterranean Grill, LLC is the lawful, rightful and sole owner of the *eatgarbanzo.com* domain name and all individual sites and webpages hosted on such domain, and unconditionally disclaim any ownership interest in that or any similar Internet address. You will not maintain a world-wide website, or any other presence, or advertise on the Internet, or any other public computer network, in connection with the Grill without our prior written consent. You agree not to use or register any Internet domain name or social media (e.g., LinkedIn, Facebook or Twitter) account or user name of any level, class or category that contains the word "Garbanzo" or any abbreviation, acronym or variation of that word or any of the Marks, or any portion thereof. We and our Affiliates retain the sole right to advertise on the Internet, create websites, and obtain domain name registrations using any of the Marks or any variation of the Marks. We and our Affiliates retain the sole right to determine the content on any website we create. We retain the right to pre-approve your use of linking and framing between your web pages and all other websites. You will, within 5 days after our request, dismantle any frames and links between your web pages and any other websites. You will not use any of the Marks, or any portion thereof, in any metatags or metadata on any webpage, without our prior written consent.

IX. CONFIDENTIAL INFORMATION AND TRADE SECRETS

A. **Confidential Information and Trade Secrets.** You acknowledge that the trade secrets, information, ideas, research, methods, manuals, sales and marketing procedures, systems, improvements and copyrighted materials, etc., including the Operations Manual, owned or developed by or licensed to us, whether or not published, confidential or suitable for registration or copyright, and the goodwill associated with them, are and will remain our sole and exclusive property. We are providing or revealing these items to you in trust and confidence. Any and all information, knowledge and know-how not generally known to the public about the System ingredients, recipes, methods of preparation of food and beverage products, specifications, standards, methods, procedures, sales and marketing materials, knowledge of the System and experience in operating a Garbanzo Mediterranean Fresh restaurant and other information or material which we may designate as confidential ("Confidential Information and Trade Secrets") are deemed confidential for purposes of this Agreement. You acknowledge that if the System and the Operations Manual would be used by other persons, firms or corporations, it would give them a substantial competitive advantage which is presently enjoyed by us and our franchisees. You will not, during the term of this Agreement, or after Transfer or expiration or termination of the term of this Agreement for any reason, communicate or divulge to anyone or use any Confidential Information and Trade Secrets, nor will you disclose, use or divulge in whole or in part any Confidential Information and Trade Secrets, unless such information is generally known and in the public domain, and except to the extent necessary to operate the Grill. All of your employees will exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all Confidential Information and Trade Secrets and proprietary rights during and after the term of this Agreement. You and we acknowledge and agree that neither the terms of this Agreement nor the disclosure of any Confidential Information and Trade Secrets by us to you shall be deemed to limit or nullify any protections granted to us and/or our Affiliates with regard to such Confidential Information and Trade Secrets under any applicable law regarding the protection of trade secrets.

B. **Customer Data**.

(1) Definition. In the operation of the Grill, Franchisee will receive "Customer Data." "Customer Data" is information, records, lists or data that contains "Personal Information." "Personal Information" includes information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, potential consumer, individual or household, as such term may be further defined or amended by applicable federal, state and local statutes, regulations, ordinances and requirements, including but not limited to, the California Consumer Privacy Act. Personal Information is collected, maintained or generated in the operation of the Grill, including through the use of a point of sale system.

(2) **Franchisee Obligations**. Franchisee agrees, at its sole cost and expense, to at all times

(a) comply with the data protection, collection, maintenance and use requirements for Customer Data set out in the Operations Manual and this Franchise Agreement, including all policies, procedures and controls that Franchisor implements now or in the future;

(b) comply with all applicable federal, state and local statutes, regulations, ordinances and requirements, including but not limited to, the California Consumer Privacy Act, relating to the data protection, collection, maintenance and use of Customer Data (collectively, "Privacy Laws");

(c) assist and otherwise cooperate with Franchisor to ensure Franchisor's and Franchisee's compliance with applicable Privacy Laws;

(d) promptly notify Franchisor in writing of any Security Incident (defined below) that Franchisee becomes aware of or discovers. Franchisee will assist and otherwise cooperate with Franchisor to investigate any such Security Incident and will take all required steps, as determined by Franchisor, to remedy Franchisee's noncompliance with applicable Privacy Laws, this Agreement or the Operations Manual. For purposes of this Section IX(B), "Security Incident" means any actual or suspected accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Customer Data in violation of applicable Privacy Laws, this Agreement or the Operations Manual.

(e) promptly provide Franchisor with the ability to delete, access or copy Customer Data in Franchisee's possession or control;

(f) promptly notify Franchisor of any request regarding Customer Data received by the Franchisee from a "consumer" as defined by applicable Privacy Laws;

(g) adopt policies, procedures, and controls, including those set out in the Operations Manual, if any, that enable Franchisee to respond, and to cause its agents and employees to respond, promptly to any rights request made pursuant to applicable Privacy Laws, including any disclosure request, deletion request, or opt-out request;

(h) adopt policies, procedures, and controls, including those set out in the Operations Manual, if any, that limit access to Customer Data to only those employees that have a need-to-know basis based on specific job function or role. Franchisee will provide data privacy and security training to employees who have access to Customer Data or who operate or have access to system controls and will require employees to adhere to data confidentiality terms providing for the protection of Customer Data in accordance with this Agreement and the Operations Manual; and

(i) maintain Customer Data in confidence in accordance with Section IX(A) of this Franchise Agreement.

3. **Prohibited Use**. Franchisee agrees to never sell, disclose, release, transfer, make available, divulge or use the Customer Data, or derivatives thereof for Franchisee's benefit or for the benefit of a third party, nor for any commercial purpose, other than to operate the Grill. Notwithstanding anything to the contrary Franchisee will not disclose, release, divulge, or otherwise make Customer Data available to third parties except to the extent such access is strictly necessary to achieve a business purpose for the benefit of the Grill and only if such third party recipient is contractually bound to comply with data protection provisions no less restrictive than those set out in this Agreement and the Operations Manual, including an agreement to comply with applicable Privacy Laws.

4. **Destruction of Customer Data**. At Franchisor's instruction, Franchisee will de-identify, delete or destroy Customer Data and will provide Franchisor written confirmation that such actions are completed within 10 days of Franchisor's instruction.

5. **Indemnification**. Franchisee hereby indemnifies and holds Franchisor harmless from any violations of applicable Privacy Laws or this Section IX(B) of the Franchise Agreement by Franchisee, any contractor or subcontractor, employee, affiliate or other third party to whom Franchisee has sold, disclosed, released, transferred, made available, divulged or otherwise permitted to access Customer Data. This indemnification obligation will survive termination or expiration of the Franchise Agreement.

(3) NON-COMPETITION

a. **Competing Business During the Term of this Agreement**. You acknowledge the uniqueness of the System and that we are making our knowledge, know-how, and expertise available to you for the purpose of operating the Grill strictly and solely within the Assigned Territory. You agree that it would be an unfair method of competition to use or duplicate or to allow others to use or duplicate any of the knowledge, know-how or expertise you receive from us or our Affiliates for any reason other than for the operation of the Grill under this Agreement, and that the provisions set forth in this Section X are also intended to protect our legitimate business interests and business relationships, including, but not limited to, our relationship with suppliers, customers and franchisees. You further recognize the importance of devoting substantial time and energy to the Grill. Therefore, you warrant that during the term of this Agreement, unless you have our prior written consent, neither you nor any of your owners will directly or indirectly perform any services for, consult for, engage in or acquire, be an employee of, have any financial, beneficial or equity interest in, or have any interest based on profits or revenues of any Competitive Business except as a duly licensed franchisee of ours (except for a 5% or less beneficial interest in a reporting company registered under the Securities Act of 1933, as amended).

b. **Non-Competition After Term.** For 2 years after any Transfer or any expiration or termination of the term of this Agreement for any reason or the entry of final order of a court of competent jurisdiction enforcing this covenant, whichever is later, neither you nor any of your owners will directly or indirectly perform any services for, consult for, engage in or acquire, be an employee of, have any financial interest in, loan money to, or have any interest based on profits or revenues of any Competitive Business (except for other outlets franchised from us to you or your owners, and except for a 5% or less beneficial interest in a reporting company registered under the Securities Act of 1933, as amended). The geographical scope of this restriction will cover the area within a 5-mile radius of the Grill and the_area within a 5-mile radius of any Garbanzo Mediterranean Fresh restaurant or any Garbanzo Mediterranean Grill restaurant that is established, being constructed or subject to an executed Franchise Agreement at the time this restriction begins to be enforced.

In addition, during the term of this Agreement and for 2 years after any Transfer or any expiration or termination of the term of this Agreement for any reason or the entry of final order of a court of competent jurisdiction enforcing this covenant, whichever it later, you will not employ or seek to employ any person who is at the time employed by us, our Affiliates, franchisees of us or our Affiliates or at any Garbanzo Mediterranean Fresh restaurant, or otherwise directly or indirectly induce or seek to induce one of these persons to leave his or her employment.

c. **Reasonableness of Restrictions**. You and any guarantor of this Agreement acknowledge and confirm that the length of the term and geographical restrictions contained in Sections IX and X are fair and reasonable and not the result of overreaching, duress or coercion of any kind. You acknowledge and confirm that your and their full, uninhibited and faithful observance of each of the covenants contained in Sections IX and X will not cause any undue hardship, financial or otherwise, and that enforcement of each of the covenants contained in Sections IX and X will not impair your or their ability to obtain employment commensurate with their respective abilities and on terms fully acceptable to you or them or otherwise to obtain income required for your or their comfortable support and, if such person is an individual, his or her family, and the satisfaction of the needs of his or her creditors.

d. **Acknowledgments**. You further acknowledge that these covenants and agreements relating to non-disclosure and non-competition are material inducements for us to enter into this Agreement, and that it is essential that you comply with the terms hereof, even in the absence of another franchisee in the Assigned Territory. You acknowledge and understand that, among other things, we enter into this Agreement so that either we or an Affiliate or another franchisee or licensee of ours or our Affiliates, as appropriate, has the opportunity to establish a presence in such geographic area subsequent to the termination or expiration of the relationship created by this Agreement, and that your failure to comply with the terms hereof will materially hinder the ability of us, our Affiliates and/or a franchisee or licensee of ours or our Affiliates to do so. Therefore, you acknowledge and agree that the absence of a presence by us, an Affiliate, or another franchisee or licensee of us or our Affiliates in a particular geographic area in which your activities would be restricted pursuant to the terms of this Agreement is not a defense to enforcement of any provision of this Agreement.

e. **Enforcement**. You acknowledge that to disregard the provisions of Sections IX and X would effectively foreclose us from selling other franchises and you could be unjustly enriched and unfairly derive benefit from the goodwill of and training you receive from us. Moreover, our franchisees and the Garbanzo Mediterranean Fresh restaurants could be severely disadvantaged if you compete against them using the Marks or other Confidential Information and Trade Secrets. We intend to restrict your activities under Sections IX and X of this Agreement only to the extent necessary for the protection of our, our Affiliates' and our franchisees' legitimate business interests, as more fully described in Section X.A. above. Each of the foregoing covenants will be construed as severable and independent and will be interpreted and applied consistent with the requirements of reasonableness and equity. In the event a court of competent jurisdiction will determine the business, time, or geographic limitations contained in this Agreement are illegal, invalid or unenforceable, then, the court so holding will reduce the limitation necessary to render such restriction enforceable by the court. We will have the right to reduce the scope of any covenant contained in Sections IX and X, without your consent, effective immediately upon receipt by you of our written notice; and you will comply with any reduced covenant. In addition to any other remedies available at law or equity, we will have the right to injunctive relief for your violation or threatened violation of any covenant described in Sections IX and X. The terms of this non-compete are assignable by us and will inure to our benefit, as well as our successors and assigns. In the event of any assignment, sale, merger or change in our ownership or structure, the resulting entity will step into our place, without any additional consent of or notice to you, as if the term "us" was defined in this Agreement to include such entity.

(4) **DEFAULT AND TERMINATION**

a. Termination By Us.

i. **With 30 Days Opportunity to Cure**. We may at our option, and without prejudice to any other rights or remedies provided for in this Agreement or at law or in equity, terminate this Agreement for "good cause". Without limitation as to other situations, "good cause" for termination also exists if you or any guarantor of this Agreement:

1. Do not substantially perform all of the lawful terms, conditions, and obligations of this Agreement, or the mandatory obligations under the Operations Manual; or

2. Lose possession of the premises at which the Grill is located and fail to secure a suitable site for relocation which we consent to within 3 months of so losing possession; or

3. Default under the terms of the lease for the premises; or

4. Misrepresent Net Sales in any report submitted to us; or

5. Lose any permit or license which is a prerequisite to the operation of the Grill for a period of at least 5 days; or

6. Misuse the Marks or Confidential Information and Trade Secrets, or engage in conduct which, in our opinion, reflects unfavorably upon the operation, maintenance, goodwill and/or reputation of the System; or

7. Are adjudged bankrupt, become insolvent, or make a general assignment for the benefit of creditors (subject to Section XI.A.3.(d) below); or

8. Commit any other act which constitutes good cause under applicable state law or court decision; or

9. Fail to keep the Grill open for a period of 7 consecutive days without justifiable cause; or

10. Fail to pay any lawful debt or tax when due; or

11. Surrender or transfer control of the operation of the Grill (including entering into a management arrangement with any person not a party to this Agreement), make an unauthorized direct or indirect Transfer of this Agreement, the franchise, the Grill, or any ownership interest in you.

Subject to applicable law and except as otherwise provided in this Agreement, we will give you prior written notice of default (except that, if state law permits, we will have the right to terminate earlier

if the "good cause" constitutes a default that is not curable). The notice will state the reason(s) for default and will provide that you have 30 days from the date of the notice to correct any claimed deficiency. If the default is corrected within this period, the notice will be void. If the default is not corrected within this period, we have the right to terminate this Agreement immediately upon written notice to you.

ii. **10 Days Opportunity to Cure**. We may also terminate this Agreement for non-payment of sums due to us or our Affiliates or suppliers; your failure to open the Grill for business 1 year after our acceptance of this Agreement; or your failure to immediately correct and cure a threat or danger to the public health or safety resulting from the construction, operation or maintenance of the Grill. Subject to applicable law and except as otherwise provided in this Agreement, if termination is based on the foregoing, we will give you prior written notice of default (except that, if state law permits, we will have the right to terminate earlier if the claimed deficiency constitutes a default that is not curable). The notice will state the reason(s) for default and will provide you with at least 10 days from the date of the notice to correct any claimed deficiency. If the deficiency is corrected within this period of time, the notice will be void. If the deficiency is not corrected within this period of time, then we have the right to terminate this Agreement immediately upon written notice to you.

iii. **Without Opportunity to Cure**. Notwithstanding anything contained herein to the contrary, if state law permits, we will be permitted to terminate the franchise immediately upon written notice when the basis or grounds for termination is that you or your owners:

1. commit a felony or are convicted of a felony or any other criminal misconduct that materially and adversely affects the operation, maintenance, reputation or goodwill of the Grill or the System;

2. commit fraudulent activity;

3. abandon the operation of the Grill;

4. are bankrupt or insolvent or request the appointment of a receiver or make a general assignment for the benefit of creditors;

5. give more than 2 no account or insufficient funds checks to us or our Affiliates within a 12-month period, or our or our Affiliates' receipt of any similar notice when utilizing any EFT payment;

6. repeatedly fail to or refuse to comply with the lawful provisions of this Agreement (i.e. 2 or more times in any 12-month period), whether or not the repeated failures or refusals are corrected after notice;

7. make any material misrepresentation or omission in the application for this franchise; or

8. commit any other act or omission that permits termination without notice and/or an opportunity to cure under applicable state law.

b. **Termination by You.** You must notify us in writing of any failure of us to perform any of our obligations pursuant to this Agreement. You may terminate this Agreement only if we materially default in our performance of any terms and conditions in this Agreement, you give us written notice within 30 days of this material default, and we fail to cure this material default within 60 days of our receipt of your written notice of default.

c. **Consequences of Termination**. Upon any Transfer or the termination or expiration of the term of this Agreement for any reason whatsoever, all of your rights hereunder will terminate, and you will do each of the following:

i. You will cease to be a franchisee of ours and cease to operate the Grill under the System and Marks. You will not thereafter directly or indirectly represent to the public that the business at the

Site is or was operated or in any way connected with the System or hold yourself out as a present or former franchisee of ours at or with respect to the Site.

ii. You will immediately discontinue use of all Marks, signs, colors, structures, printed goods and forms of advertising indicative of our business, any Garbanzo Mediterranean Fresh restaurant or the System, and return any Confidential Information and Trade Secrets or other copyrighted materials, including the Operations Manual, to us.

iii. If we request, you will assign your telephone numbers, white and yellow page telephone references and advertising to us or any of our designees, including any other Garbanzo Mediterranean Fresh restaurant.

iv. You will pay all amounts due to us, our Affiliates and suppliers.

v. You will cancel any assumed name registration or equivalent registration which contains the Marks or any name that is confusingly similar to any of the Marks and you will furnish us with evidence satisfactory to us of your compliance with this obligation within 5 days of any Transfer or any termination or expiration of the term of this Agreement.

vi. Pursuant to the Collateral Assignment of Lease, upon our request, you will assign to us any interest that you may have in any lease or sublease for the Site. We may exercise the option at or within 30 days after either (i) the termination or expiration of the term of this Agreement, or (ii) our receipt of notice by your landlord of its intent to terminate the lease or sublease for the Site. If we exercise this option, we will have the right and are hereby empowered to take possession of the Site demised by the lease or sublease and expel you from the Site, after which you will have no further right, title or interest in the lease or sublease. In the event that we do not exercise our option to acquire the lease or sublease for the Site, you will make such modifications or alterations to the Site immediately upon the termination or expiration of the term of this Agreement, as we may deem necessary, to distinguish the appearance of the Site from that of other Garbanzo Mediterranean Fresh restaurants. In the event you will fail or refuse to comply with the requirements of this Section XI.C.6., we or our designees will have the right to enter upon the premises without being guilty of trespass or any other tort for the purposes of making or causing to be made the changes that may be required by this Section XI.C.6. at your expense. You agree to pay us this expense upon demand.

vii. You irrevocably appoint us or our nominee to be your attorney-in-fact coupled with an interest, and with power of substitution, to execute and to file for you any relevant document to transfer your telephone number or telephone listing. We have the right to file an original counterpart or a copy of this Agreement with the telephone company, landlord or any court, agency or person as written evidence of your appointment of us or our nominee to be your attorney-in-fact. A power of attorney is attached hereto as Exhibit IV.

viii. You will comply with all post-term covenant obligations including the Confidential Information and Trade Secrets, non-competition and indemnification.

Neither a Transfer nor the termination or expiration of the term of this Agreement will relieve you of any of your obligations to us or our Affiliates existing at the time of such Transfer, termination or expiration, or terminate your obligations that, by their nature, survive such Transfer, termination or expiration. Furthermore, a Transfer or a termination or expiration of the term of this Agreement will be without prejudice to our rights against you; and in the event of a termination which is the result of your material breach or default under this Agreement, we will, in addition to our rights set forth above, also be entitled to all rights and remedies available at law or in equity.

d. **Our Right to Purchase Personal Property.** After the termination or expiration of the term of this Agreement, but not upon an approved Transfer pursuant to Section XIV.B., we will have the right, but not the obligation, to purchase any or all of your equipment, inventory, supplies and other personal property used in connection with the operation of the Grill. The purchase price will be at fair market value, less any liens, which will be established (if the parties are unable to agree) by an appraisal of an independent restaurant appraiser. Within 10 days after an appraisal is required or appropriate under any provision of this Agreement, we and you will by written notice to the other select our respective appraisers. All appraisers will be required to be reasonably qualified and have at least 3 years of experience in appraising restaurants. If either party fails to name an appraiser within the specified time, such party waives its right to select an appraiser and the appraiser selected by the other party will be solely responsible for conducting the appraisal process. Each appraiser will proceed to promptly determine the fair market value of the assets, taking into consideration any outstanding indebtedness, liabilities, liens and obligations relating to the Grill. No value will be ascribed to goodwill, going concern value or other intangibles. Each appraiser will deliver his appraisal to us and you within 60 days after the appraiser is appointed. If the difference between the 2 appraisals is not greater than 20%, then the 2 appraisals will be averaged and the average price will be used to determine the purchase price under this Agreement. If, however, the difference between the 2 appraisals is greater than or equal to 20%, then the 2 appraisers will appoint a third appraiser. If the 2 appraisers cannot agree upon a third appraiser, then either party may request an arbitrator (in accordance with the arbitration provisions of this Agreement) to appoint a third appraiser. The third appraiser will promptly proceed to appraise the assets on the same basis as set forth above. The appraisal by the first 2 appraisers that is closer in value to the appraisal by the third appraiser will be the fair market value of the assets and be binding on all the parties. Each party will pay the fees and expenses of the appraiser it selects. The fees and expenses of the third appraiser, if necessary, will be paid equally by the parties appointing the 2 appraisers. We will have 30 days after the determination of fair market value, to exercise our rights granted by this Section XI.D., and we will have an additional 30 days to pay for the property we desire to purchase. If we fail to exercise our rights within the time periods set forth above, you will be free to otherwise sell or dispose of the personal property used in connection with the operation of the Grill.

e. **Our Operation of the Grill**. In order to prevent any interruption of the franchise business, which you agree would cause harm to the Grill and the System, if you are unable to operate the business for any reason whatsoever, you authorize us and our agents and Affiliates to operate the Grill for so long as we deem necessary and practical. All income from the operation of the business will be kept in a separate account, and the expenses of the business, including reasonable compensation and expenses of us and our agents, will be charged to this separate account. Nothing in this Section XI.E. is intended to require us to operate the business in the event of your inability, and the rights described in this Section XI.E. may be exercised or not exercised in our sole and absolute discretion.

(5) SOURCES OF PRODUCTS

You will purchase all products, services, supplies, and equipment and materials required for the operation of the Grill from manufacturers, suppliers, or distributors designated by us, or from other suppliers we approve who meet our specifications. Specification of a supplier may be conditioned on requirements relating to frequency of delivery, standards of services, including prompt attention to complaints, as well as payments, contributions, or other consideration to us, our Affiliates or the Advertising Fund, and may be temporary, in each case in our reasonable discretion. We may, from time to time withhold, condition and/or revoke our approval of particular items or suppliers in our reasonable discretion. We or our Affiliates may receive rebates, commissions, promotional allowances, and other benefits from suppliers in relation to items purchased by you and other franchisees. We have the right to condition or revoke your right to participate in any supplier programs if you are in default under this Agreement. We have the right to affiliate ourselves with suppliers or become an approved supplier or the sole supplier of one or more products, services, supplies, and equipment and materials you are required to use in the operation of the Grill.

You may propose alternative manufacturers, suppliers or distributors of products used in the operation of the Grill in accordance with the procedures set forth in the Operations Manual. However, we may require that samples of or from these proposed alternatives be delivered to us for testing prior to approval and use, and we may require you to pay a reasonable fee based on the cost of the testing. Further, all proposed manufacturers, suppliers or distributors must agree to permit our agents or representatives to inspect their facilities regularly, both initially and from time to time as may reasonably be required by us to assure us of the proper production, processing, packaging, storing and transportation of the products, services, supplies or equipment and materials to be purchased by you. We will advise you within 90 days of our approval or disapproval of any proposed alternate sources of products, services, supplies, suppliers, materials and equipment. The foregoing will not be construed as an attempt to unreasonably limit the sources from which you may procure its products, services, supplies and materials. Rather, it is our intention that such items conform to our strict standards and strict specifications as to consistent quality, uniformity and reliability. Further, we will not be required to approve an inordinate number of alternative suppliers of a given item which in our reasonable judgment would prevent our effective supervision of suppliers. We may require your supplier to sign a confidentiality agreement.

All of the Garbanzo Mediterranean Fresh restaurants currently use Pepsi Co products and you will be required to do so. You may purchase Pepsi Co products from any authorized Pepsi Co distributor. We reserve the right to modify this policy and substitute other products or suppliers. If we do so, we will inform you of any changes by updates or supplements to the Operations Manual.

(6) OPERATIONS MANUAL AND CHANGES

We will loan you for the duration of this Agreement and any renewal 1 copy of the Operations Manual ("Manual"). The Manual will be in a format determined by us (i.e., in writing, on CD-Rom, via electronic media through a secure website, etc.) and all other supplemental bulletins, notices, revisions, modifications, or supplemental information, either in document or electronic form, concerning the System are considered part of the Manual. Also included are any passwords or other digital identifications necessary to access the Manual on a website or extranet. We will deliver the Manual to you upon its completion. You agree to comply with the requirements in the Manual and acknowledge your compliance is an essential part of your obligations under this Agreement. You will at all times be responsible for ensuring that your employees and all other persons under your control comply with the mandatory provisions of the Manual in all respects. The Manual constitutes a confidential trade secret of ours and will remain our property. The Manual cannot be photocopied, reproduced, or disseminated without our written consent. We may modify the Manual from time to time in our sole discretion, and you agree that from time to time we may change the System and our business in any manner that is not expressly and specifically prohibited in this Agreement. You expressly agree to comply with each modification, addition or deletion of the System or Manual at your sole cost and expense. You acknowledge that due to the changing nature of the restaurant business, as well as changing attitudes of customers and other factors, changes to the System or the Manual may be necessary and may involve our expenditure of substantial sums of money. We and you intend that the exercise of our right or discretion will not be subject to limitation or review.

We agree to impose any of these changes in a reasonable, non-discriminatory manner among other franchisees. However, because complete and detailed uniformity under many varying conditions may not be possible or practical, we specifically reserve the right and privilege, in our sole discretion and as we may deem to be in the best interests of the System in any specific instance, to vary standards for any particular franchisee based upon the peculiarities of a particular territory, density of population, business potential, business practice or other condition important to the successful operation of a particular Garbanzo Mediterranean Fresh restaurant. We may grant variations from standard specifications and practices as we determine in our discretion, and we will have no obligation to grant you or any other franchisee like or similar variations, and our failure to require a change from any particular franchisee will not affect your obligations under this Section XIII.

You will at all time ensure that your copy of the Manual is kept current and up-to-date. In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by us will be controlling.

(7) **TRANSFERABILITY OF INTEREST**

a. **By Us**. We are free to assign all of our rights and obligations under this Agreement, and upon such assignment we will be relieved of all liability under this Agreement, and all rights and obligations will accrue to our successor or assignee.

b. **By You**. The rights and duties created by this Agreement are personal to you. We have granted this franchise in reliance upon our perception of the individual and collective character, skill, attitude, and business and marketing abilities of you and your owners. Therefore, there can be no Transfer without our prior written consent. Any consent by us will not operate as a consent to any future such Transfer, and no future such Transfer will be valid without our prior written consent to that specific Transfer. Any attempted Transfer in violation of this Section XIV.B. is voidable at our option. If we elect not to exercise our right of first refusal pursuant to Section XIV.D. below, we will not unreasonably withhold our consent to such a Transfer, provided that the following conditions are satisfied:

i. **Governmental Compliance**. The Transfer is conducted in compliance with applicable laws and regulations;

ii. **Prior Compliance**. You have performed your obligations and duties under this Agreement and you are not in default under this Agreement, or any other agreement with us or our Affiliates;

iii. **Payments**. The transferee has satisfied all of its obligations under this Agreement and all other agreements it has with us or our Affiliates or suppliers.

iv. **Release**. To the extent permitted by law, you, including all officers, directors and owners (as well as all guarantors under this Agreement) must execute a general release, in the form we approve, of any and all claims against us, our Affiliates, and our and their respective officers, directors, employees and agents.

v. **Requirements of Transferee**. The transferee meets the established standards for new franchisees, is of good moral character, has a good credit rating, sufficient financial resources to operate the business and competent qualifications. The transferee must execute the most current franchise agreement for the state in which the Grill is located which may include different terms and conditions. In addition, the transferee's guarantors must sign the Guaranty and Assumption of Obligations attached to that franchise agreement.

vi. **Transfer Fee**. We are paid a transfer fee of 50% of the then current Initial Franchise Fee in lieu of the Initial Franchise Fee required in the then current form of franchise agreement for the state in which the Grill is located.

vii. **Assumption of Liabilities**. The transferee agrees to assume all liabilities and obligations from you and your operation of the Grill, including the lease, and must comply with other reasonable requirements we may impose.

viii. **Completion of Training**. The transferee and/or transferee's management team, including an Operation Partner, must successfully complete the initial training program.

ix. **Update and Remodel Grill**. The transferee updates and remodels the Grill to comply with our then current standards for new Garbanzo Mediterranean Fresh restaurants.

x. **Continuing Liability**. If we approve an assignment of this Agreement, we will have the discretion to require you and the guarantors to remain liable for the full and faithful performance of the obligations of the assignee.

xi. **Economically Reasonable Terms**. Although we will not be required to determine the value of business upon a Transfer, if in our reasonable judgment, the purchase price or other terms of sale are not economically feasible to the proposed transferee, we can withhold our consent to such Transfer. Our consent is not, however, to be construed as an implication or warranty that the terms of the sale are in fact economically feasible. We may, in good faith, notify you and the proposed transferee, stating the reasons that we have elected to withhold our approval of the proposed Transfer.

c. **Your Death or Incapacity.** You, by will or other written instrument, may appoint a designated heir to continue operation of the Grill, upon your death. The designated heir must meet the qualifications of Section XIV.B., including the requirement to meet our standards for new franchisees, execute the then-current form of franchise agreement used in the state in which the Grill is located and the new Operation Partner has, or within 30 days will have, satisfactorily completed the initial training program; provided that no transfer fee will be charged on a Transfer pursuant to this Section XIV.C. The Transfer to a designated heir, personal representative or conservator, as applicable, in the event of your death or legal incapacity, will not give rise to our right of first refusal as described in Section XIV.D. below.

d. **Right of First Refusal**. Notwithstanding the foregoing in this Article XIV (other than Section XIV.C.), if you receive a bona fide, executed, written offer to acquire an interest in this Agreement, you or the Grill from a responsible, fully disclosed third party purchaser, you must submit a copy of the offer to us. You must also provide us with any other information we request to evaluate the offer. We have the right, exercisable by delivering written notice to you within 30 days from the date of last delivery by you of the offer and any other documents we request, to acquire such interest for the price and on the terms and conditions contained in the offer, except that regardless of the terms of the offer we may substitute cash for any form of payment proposed in the offer; require you to include customary warranties and representations in the purchase agreement; and structure the transaction as an "asset purchase," rather than a "stock purchase." We will not be obligated to pay any "finder's" or broker's fees that are a part of the proposed sale and will not be obligated to comply with any part of the offer which directly or indirectly requires payment of any consideration other than a bona fide purchase price for the interest proposed to be transferred (for example, we will not be obligated to pay any earn out or other share of the profits from our operation of the Grill after the Transfer is completed). If we decline to exercise our right of first refusal, you will have 90 days after the earlier of our act of declining to exercise the right or the expiration of the right, to sell such interest to the bona fide third party purchaser upon the terms and conditions described in the offer notice submitted to us, subject to compliance with Section XIV.B. In the event you fail to complete the sale of such interest to this third party on these terms within this 90 day period, you must again comply with this Section XIV.D. and give us the first right to acquire such interest prior to any sale. Our election to not exercise our right of first refusal as to any particular offer will not affect our right of first refusal as to any subsequent offer.

e. **Assignment To Your Own Corporation Or LLC.** Within sixty (60) days from the date of this Agreement, this Agreement and the assets and liabilities of the Garbanzo Mediterranean Fresh restaurant may be assigned, by assignment forms prepared by the us, to a newly organized corporation or limited liability company that conducts no business other than the Garbanzo Mediterranean Fresh restaurant business, which is actively managed by you and in which you own and control all of the equity and voting power of all issued and outstanding capital stock or membership interests and whose Articles of Incorporation or Articles of Organization state, "The only business purpose for the [entity] is solely to own and operate Garbanzo Mediterranean Fresh restaurant franchise(s) as required under franchise-related agreement(s)." (It is hereby acknowledged and agreed that the foregoing statement will be expressly set forth in the Articles of Incorporation or Articles of Organization even if the standard form for those documents to be filed with the state does not contain a business purpose section and even if the applicable state laws do not require the statement of a business purpose on such filings.) Such an assignment shall not relieve you of your obligations under this Agreement. Any such assignment will include a personal guarantee from you. Prior to approval of this assignment, you will provide us with copies of the Articles of Incorporation, By-Laws, sample stock certificates or Articles of Organization, Operating Agreement and sample membership certificates and other organizational documents of this corporation or limited liability company and they all shall state that the issuance and assignment of any interest in the corporation or limited liability company shall be subject to the terms and restrictions of this Agreement. All issued and outstanding stock certificates or membership certificates shall bear a legend notifying the holder of the restrictions on transfer provided by this Agreement. The corporation or limited liability company may not contain the phrase **Garbanzo Mediterranean Fresh** or any other mark of the Company as part of its name. This transfer will not be subject to the) transfer fee or to the right of first refusal set forth above. However, you will pay the us a $750 fee for this type of transfer to assist with the legal and other costs associated with this type of transfer.

(8) INDEPENDENT CONTRACTOR/INDEMNIFICATION

a. **Independent Contractor**. We and you are independent contractors, and no partnership, fiduciary, joint venture, or employment relationship exists between you and us. You will conspicuously identify yourself at the premises of the Grill and in all dealings with the public as an independently owned business. Neither we nor you will make any agreements or representations in the name of or on behalf of the other or assert that our relationship is other than franchisor and franchisee.

b. **Indemnification**. Under no circumstances will we be liable for any act, omission, debt, or other obligation of yours. To the fullest extent permitted by law, you (for yourself and your employees, agents, subcontractors, successors and assigns) agree, at your sole cost and expense, to indemnify, defend and hold harmless, and to reimburse on demand us, and all entities related to us and our and their respective directors, officers, members, employees agents, managers, partners, attorneys, licensees, affiliates successors and assigns ("Indemnified Parties") from and against any and all damages, losses, liabilities, bodily injury, property damage, obligations, penalties, fines, claims, litigation, demands, defenses, judgments, suit proceedings, administrative orders, consent agreements, costs, disbursements or expenses of any kind or any nature whatsoever, including without limitation, reasonable attorneys' and expert fees and disbursements arising out of or related to or in any way arising out of the acts or omissions of you or your employees, agents, officers, directors, parents, subsidiaries, affiliates, successors and assigns ("Indemnitors") arising out of or related to (i) any act or omission, negligent or otherwise, of the Indemnitors or anyone directly or indirectly employed by them or anyone whose acts they may be liable relative to the Grill; (ii) any breach by the Indemnitors or any term or provision of this Agreement; and (iii) the cost, including, but not limited to reasonable attorneys' fees, of enforcing this indemnification provision. The obligations of Indemnitors are joint and several.

This indemnification must not be construed to indemnify an Indemnified Party to the extent such indemnification is prohibited by law, including, an indemnification of any Indemnified Party from its own negligence, if prohibited by law. To the extent indemnification of any party hereunder would be prohibited by law, this provision will not apply to such party, but will continue to be effective as to all other parties with respect to whom indemnification is not prohibited by applicable law.

(9) ARBITRATION

a. Except as provided elsewhere in this Agreement, all controversies, disputes or claims between us and you arising from or rating to this Agreement, including the scope and validity of any provision of this Agreement (such as this Section XVI) will be submitted to binding arbitration conducted in Arapahoe County, Colorado (unless the parties mutually agree otherwise). The arbitration will be governed exclusively by the United States Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. In connection with any arbitration proceeding, we and you will submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any of these compulsory claims which are not submitted or filed in the same proceeding in which they relate will be barred. This provision will continue in full force and effect subsequent to and notwithstanding a Transfer or the termination or expiration of the term of this Agreement. For purposes of this Section XVI.A., if any dispute that names, involves or includes us, you, the guarantors of this Agreement or any of their respective affiliates, officers, directors, agents, brokers or employees, such persons or entities will also be included in and made party to the arbitration proceeding. The arbitration proceeding will be conducted in accordance with the then-current commercial arbitration rules of the American Arbitration Association ("AAA Rules"), except to the extent the AAA Rules differ from the terms of this Agreement, in which event the terms of this Agreement will apply, and that you and we will be entitled to limited discovery at the discretion of the arbitrator(s) who may, but is not required to, allow depositions. The parties acknowledge that the arbitrators' subpoena power is not subject to geographic limitations. The arbitrator will apply the provisions of any applicable statute of limitations. The arbitration will be conducted on an individual, not a multi-plaintiff, consolidated, collective or class-wide basis. The foregoing sentence is an integral provision of this arbitration procedures set forth in this Section XVI and may not be severed from this Section XVI, notwithstanding Section XVII.B. of this Agreement. If such sentence is determined to be invalid or unenforceable in connection with a particular controversy, dispute or claim, then this Section XVI will be stricken from this Agreement, with respect to that controversy, dispute or claim, and neither party will be deemed to have consented to arbitration of such controversy, dispute or claim.

b. The arbitrator will have the right to award or include in his award any relief which he deems proper in the circumstances, including money damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, and attorneys' fees and costs; however, the arbitrator will not be allowed to award or include in his award any punitive, exemplary, or consequential damages, to which the parties waive any right. The award and decision of the arbitrator will be conclusive and binding upon all parties, and judgment upon the award may be entered in any court of competent jurisdiction. Each party waives any right to contest the validity or enforceability of the award of an arbitrator under this Section XVI. An arbitration award or decision entered in any other case (whether or not we were a party) will not be binding on us in any other dispute, will have no precedential value and cannot be used as evidence in any other proceeding.

c. Notwithstanding the foregoing, the obligation of this Section XVI to arbitrate will not be binding with respect to claims relating to our trademarks, service marks, patents, or copyrights, including the Marks; claims relating to any lease or sublease of any real property between the parties or their affiliated entities; or requests by either party for temporary restraining orders, preliminary injunctions, permanent injunctions or other proceedings in a court of competent jurisdiction to obtain interim or permanent relief when deemed necessary by such court to preserve the *status quo* or prevent irreparable injury pending resolution by arbitration of the actual dispute between the parties.

(10) **MISCELLANEOUS PROVISIONS**

a. **Waiver**. Neither our waiver of a breach or default by you, nor our delay or failure to exercise any right upon your breach or default, or our acceptance of any payment from you, will be deemed a waiver, nor will any act or inaction impair our rights for other breaches or defaults of the same or a different kind. The description of any breach or default in any notice will not prevent our assertion of other defaults or breaches. We may waive any one or more of the requirements imposed under this Agreement for the benefit of any particular franchisee or any particular Garbanzo Mediterranean Fresh restaurant, but the waiver in favor of any other franchisee or Garbanzo Mediterranean Fresh restaurant will not prevent us from enforcing the requirements against you, all other franchisees and all other Garbanzo Mediterranean Fresh restaurants.

b. **Severability**. If any provision of this Agreement is considered to be invalid or inoperative for any reason, that part will be deemed modified to the extent necessary to make it valid and operative, or if it cannot be modified, then severed, and the remainder of this Agreement will continue in effect as if the Agreement had been signed with the invalid portion modified or eliminated.

c. **Entire Agreement**. This Agreement, including all Exhibits attached, constitutes the entire, full and complete agreement between the parties concerning the subject matter of this Agreement, and supersedes any and all prior agreements; provided that nothing in this or any related agreement is intended to disclaim the representations we made in the franchise disclosure document that was furnished to you in connection with our offer to grant you a franchise to operate the Grill. No amendment to this Agreement is binding unless executed in writing by both parties.

d. **Notice**. All notices required under this Agreement will be in writing and will be given:

(i) if hand delivered on the day of deliver; (ii) 3 business days after placement in the United States Mail by registered or certified mail, postage prepaid, return receipt requested; or (iii) the day after placement with a courier guaranteeing overnight delivery, in each case addressed to the address listed on the signature page of this Agreement or at such other address as either party will specify in a notice to the other party.

e. **Construction of Language**. The language of this Agreement will be construed according to its fair meaning and not strictly for or against either party. All words used in this Agreement refer to whatever number or gender the context requires.

f. **Governing Law and Jurisdiction**. You acknowledge that this Agreement was accepted in the State of Colorado. Except to the extent that this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 (Lanham Act, 115 U.S.C.1051) or the U.S. Copyright Act of 1976 (17 U.S.C.101), this Agreement will be governed, to the extent permissible, by the laws of the State of Colorado without regard to principles of conflicts of law. If, however, any provision of this Agreement would not be enforceable under the laws of Colorado, and if the Grill is located outside of Colorado and the provision would be enforceable under the laws of the state in which the Grill is located, then the provision in question (and only that provision) will be interpreted and construed under the laws of the state where the Grill is located**.** Matters controlled by arbitration will be governed by the United States Arbitration Act (9 U.S.C. § 1, et. seq.). Except for any matters subject to arbitration, we may institute any action arising out of or relating to this Agreement in any state or federal court of general jurisdiction in the State of Colorado, and you and each guarantor of this Agreement irrevocably submit to the jurisdiction of these courts and waive any objection to the application of Colorado law or to the jurisdiction or venue in these Colorado courts. If you institute any action arising out of or relating to this Agreement, which is not subject to arbitration, that action must be brought in the Eighteenth Judicial District of Colorado, unless that court will not accept jurisdiction over the case. If a state regulator requires an amendment to this Agreement, the amendment is attached to this Agreement as Exhibit V. We will not, however, be precluded from contesting the validity, enforceability, or applicability or such regulator's required amendment in any action relating to this Agreement or to its rescission or termination.

g. **Effect.** This Agreement will be binding upon and inure to the benefit of the parties, their legal representatives, heirs, administrators, executors, and their permitted successors and assigns.

h. **Remedies.** In addition to any other remedies in law or in equity to which it may be entitled, we will be entitled without bond to entry of injunctive relief and orders of specific performance enforcing the provisions of this Agreement, in the event you actually or anticipatorily breach this Agreement. No right or remedy conferred upon us is intended to be exclusive, and every right or remedy granted in this Agreement will be cumulative and in addition to any other rights or remedies available under this Agreement, or otherwise. For purposes of this Agreement, a termination will include a termination for any reason, expiration, cancellation, failure to renew, assignment or Transfer.

i. **No Warranty**. You acknowledge that no approvals, consents, waivers, conditions, or the like warrant your success of operating the Grill or the appropriateness of the particular items or matters so approved.

j. **Attorneys' Fees.** In the event of any court or arbitration proceeding, the non-prevailing party will reimburse the prevailing party for all of the prevailing party's costs and expenses, including reasonable accounting, paralegal, expert witness and attorneys' fees which are incurred before, at trial and at all appellate levels.

k. **Receipt of the FDD**. You acknowledge receipt of our franchise disclosure document along with this Agreement, at least 14 days before your execution of this Agreement or any payment by you to us. If any unilateral modifications have been made to this Agreement you acknowledge that you have had at least 7 days to review them.

l. **Joint and Several Liability**. If you are comprised of 2 or more persons, the obligations and liabilities to us of each of these persons will be joint and several.

m. **Time is of the Essence**. Time is of the essence of this Agreement.

n. **Survival**. Your obligations regarding Confidential Information and Trade Secrets, non-competition, indemnification, your accrued obligations to us (monetary or otherwise) and any other terms or conditions which by their nature survive such events, will survive the Transfer and the termination or expiration of the term of this Agreement.

o. **Payments from You**. We have the sole discretion to apply any payments by you to any of your past due indebtedness for Royalty Fees, Advertising Fees, Brand Development Fee, expenses, purchases from us or our Affiliates, interest or any other indebtedness you may owe us or our Affiliates. Neither we nor any of our Affiliates are required to accept payments after they have become due or to extend credit or otherwise to finance your operation of the Grill. We and our Affiliates may require you to pay for all purchases on a C.O.D. basis by cashier's check, or may refuse to make further sales to you, if you are in default under this Agreement or if you have failed to pay all amounts due us or our Affiliates when due.

p. Limitation of Legal Actions.

i. EXCEPT WITH RESPECT TO YOUR OBLIGATIONS REGARDING THE MARKS AND CONFIDENTIAL INFORMATION AND TRADE SECRETS, WE AND YOU (AND YOUR OWNERS) EACH WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO OR CLAIM FOR PROSPECTIVE PROFITS OR SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES FOR ANY CONDUCT ARISING OUT OF THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU.

ii. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THEM RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP OF THE PARTIES.

iii. ANY DISAGREEMENT BETWEEN YOU (AND YOUR GUARANTORS AND OWNERS) AND US (AND OUR AFFILIATES AND OWNERS) WILL BE CONSIDERED UNIQUE AS TO ITS FACTS AND MUST NOT BE BROUGHT AS A CLASS ACTION AND YOU (AND YOUR GUARANTORS AND OWNERS) WAIVE ANY RIGHT TO PROCEED AGAINST US (AND OUR AFFILIATES, OWNERS, MEMBERS, MANAGERS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS) BY WAY OF CLASS ACTION, OR BY WAY OF A MULTI-PLAINTIFF, CONSOLIDATED OR COLLECTIVE ACTION.

iv. YOU WILL BE BARRED FROM BRINGING ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU, UNLESS A JUDICIAL PROCEEDING IS COMMENCED WITHIN ONE (1) YEAR FROM THE DATE ON WHICH YOU KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THAT CLAIM.

q. **Limitation on Liens**. You will not grant a security interest, pledge, or place a lien upon your interest in this Agreement or in the Grill or in the furniture, fixtures, or equipment used in the business, except that you will be permitted to grant a security interest in such furniture, fixtures, and equipment to secure your obligation to the seller of, or lender of funds used for the purchase of, such furniture, fixtures, and equipment.

r. **Day-to-Day Control**. You have the sole right and responsibility for the manner and means by which the day-to-day operation of the Grill is determined and conducted and for achieving your business objectives. Subject to any approval, inspection and enforcement rights reserved to us in this Agreement, this right and responsibility possessed by you includes the employment, supervision, setting the conditions of employment and discharge for your employees, daily maintenance, safety concerns and the achievement of conformity with the System.

s. **Third Party Beneficiary**. Garbanzo Mediterranean Grill, LLC is a third-party beneficiary to this Agreement and has the right to assume any of the responsibilities, duties or functions of us in the event that the agreement between Garbanzo Mediterranean Grill, LLC and us expires or is terminated for any reason. Furthermore, Garbanzo Mediterranean Grill, LLC will have the right, but not the obligation, to enforce your compliance with any provision of this Agreement.

t. **Right to Subcontract**. We will have the right to subcontract the performance of any of our obligations pursuant to this Agreement to any of our Affiliates or any other third party designee.

u. **Financial Statements**. Franchisee understands that the audited financial statements

("Financial Statements") of Franchisor attached to the Franchise Disclosure Document as Exhibit F have been prepared by a licensed certified public accountant in accordance with Generally Accepted Accounting Principles ("GAAP") in the United States governing the preparation of Financial Statements as of the effective date of the Franchise Disclosure Document. Franchisee further acknowledges that GAAP accounting rules and standards may change over time, and that Financial Statements prepared under different new GAAP accounting rules or standards could result in Financial Statements that report results that appear different in the future or change the Financial Statements previously used in a Franchise Disclosure Document. Franchisee represents and warrants to Franchisor that Franchisee reviewed the Financial Statements of Franchisor attached the Franchise Disclosure Document and that to the extent that Franchisee is relying on the Financial Statements as they are currently prepared as the basis for making Franchisee's decision to purchase the Franchised Business, future changes in those Financial Statements due to changes in GAAP will not affect the Franchisee's decision.

(11) **YOUR WARRANTIES AND REPRESENTATIONS**

a. YOU HAVE BEEN ADVISED TO MAKE AN INDEPENDENT INVESTIGATION OF OUR OPERATIONS. WE HAVE NOT AND DO NOT REPRESENT THAT YOU CAN EXPECT TO ATTAIN A SPECIFIC LEVEL OF SALES, PROFITS, OR EARNINGS. YOU HAVE BEEN ADVISED TO OBTAIN INDEPENDENT PROFESSIONAL ADVICE REGARDING THIS FRANCHISE. YOU UNDERSTAND THAT YOU MAY SUSTAIN LOSSES AS A RESULT OF THE OPERATION OR THE CLOSING OF THE BUSINESS. YOU UNDERSTAND THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES A HIGH DEGREE OF FINANCIAL RISK AND DEPENDS TO A LARGE DEGREE ON YOUR SKILLS, ABILITIES, INITIATIVE, AND HARD WORK.

b. YOU REPRESENT TO US THAT YOUR SIGNATURE ON AND PERFORMANCE OF THIS AGREEMENT DOES NOT VIOLATE OR CONSTITUTE A BREACH OF THE TERMS OF ANY OTHER AGREEMENT OR COMMITMENT TO WHICH YOU, YOUR GUARANTORS OR ANY OF YOUR AFFILIATES ARE A PARTY.

c. UNDER APPLICABLE U.S. LAW, INCLUDING WITHOUT LIMITATION EXECUTIVE ORDER 1224, SIGNED ON SEPTEMBER 23, 2001 (THE "ORDER"), WE ARE PROHIBITED FROM ENGAGING IN ANY TRANSACTION WITH ANY PERSON ENGAGED IN, OR WITH A PERSON AIDING ANY PERSON ENGAGED IN ACTS OF TERRORISM AS DEFINED IN THE ORDER. ACCORDINGLY, YOU DO NOT, AND HEREAFTER WILL NOT ENGAGE IN ANY TERRORIST ACTIVITY. IN ADDITION, YOU ARE NOT AFFILIATED WITH AND DO NOT SUPPORT ANY INDIVIDUAL OR ENTITY ENGAGED IN, CONTEMPLATING, OR SUPPORTING TERRORIST ACTIVITY. FINALLY, YOU ARE NOT ACQUIRING THE RIGHTS GRANTED UNDER THIS AGREEMENT WITH THE INTENT TO GENERATE FUNDS TO CHANNEL TO ANY INDIVIDUAL OR ENTITY ENGAGED IN, CONTEMPLATING, OR SUPPORTING TERRORIST ACTIVITY, OR TO OTHERWISE SUPPORT OR FURTHER ANY TERRORIST ACTIVITY.

d. YOU AFFIRM THAT ALL INFORMATION SET FORTH IN ANY AND ALL APPLICATIONS, FINANCIAL STATEMENTS AND SUBMISSIONS TO US IS TRUE, COMPLETE AND ACCURATE IN ALL RESPECTS, AND YOU ACKNOWLEDGE THAT WE ARE RELYING UPON THE TRUTHFULNESS, COMPLETENESS AND ACCURACY OF THE INFORMATION.

(12) **CAVEAT**

THE SUCCESS OF THE GRILL IS SPECULATIVE AND DEPENDS, TO A LARGE EXTENT, UPON YOUR ABILITY AS AN INDEPENDENT BUSINESS PERSON, AS WELL AS

OTHER FACTORS. WE DO NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE POTENTIAL SUCCESS OF THE GRILL AND NO ONE IS AUTHORIZED TO MAKE ANY SUCH REPRESENTATION OR WARRANTY ON OUR BEHALF. YOU FURTHER ACKNOWLEDGE THAT YOU HAVE READ AND COMPLETED THE QUESTIONNAIRE, A COPY OF WHICH IS ATTACHED TO THIS AGREEMENT AS <u>EXHIBIT VI</u>.

YOU UNDERSTAND AND AGREE THAT WE HAVE NO OBLIGATION TO ACCEPT YOUR APPLICATION AND MAY REFUSE TO GRANT YOU A FRANCHISE FOR ANY REASON, OR NO REASON, WITHOUT DISCLOSING THE BASIS FOR OUR DECISION. YOU ACKNOWLEDGE THAT UNLESS AND UNTIL WE SIGN THIS AGREEMENT, THE FRANCHISE HAS NOT BEEN GRANTED, YOU ARE NOT A FRANCHISEE OF OURS AND YOU MAY NOT RELY UPON BECOMING A FRANCHISEE OF OURS.

(13) NON-LIABILITY OF OUR AFFILIATES

We are the only party obligated to you under this Agreement. You may not look to Garbanzo Mediterranean Grill, LLC or any other Affiliate of us, or related companies, other business entities or individuals for performance of this Agreement.

(14) DEFINITIONS

For purposes of this Agreement, the following terms will have the meaning as defined below:

a. "Affiliates" means individually or collectively, any and all entities controlling, controlled by, or under common ownership with us, including Garbanzo Mediterranean Grill, LLC. In this definition, "control" and similar terms means owning more than 50% of the voting interest in an entity.

b. "Competitive Business" means any retail food establishment, including, but not limited to, quick service, cafeteria, or fast food restaurant:

i. where the following items, individually or collectively, constitute more than 30% of such restaurant's annual gross dollar of food sales (excluding gross beverage sales): falafel; shwarma; hummus; laffa; tahini; falarma; gyro; pita; grilled meats with Middle Eastern or eastern Mediterranean style seasonings; Middle Eastern or eastern Mediterranean style salads or dishes; Middle Eastern or eastern Mediterranean rice dishes; other Middle Eastern or eastern Mediterranean style foods; or such other food items that the Grill is serving at the time in question; or

ii. which markets, advertises or presents itself as a quick service, fast casual, cafeteria, or fast food restaurant specializing in Middle Eastern or eastern Mediterranean style foods.

c. "Garbanzo Mediterranean Fresh restaurant" means the Grill and any other restaurant operating under the System and Marks, whether owned by us or any Affiliate, or licensed or franchised by us or any Affiliate.

d. "Grill" means the Garbanzo Mediterranean Fresh restaurant, which is the subject of this Agreement.

e. "Net Sales" means the total amount of all sales of products, services and merchandise sold from, through, or in connection with the Grill including catering services, whether for cash, on credit, barter or otherwise, exclusive of applicable sales, use or service taxes and complimentary sales.

f. "Marks" means such service marks, trademarks, trade dress, trade names, logos, commercial symbols and copyrights, as may presently exist, or which may be modified, changed, or acquired by us or our Affiliates, in connection with the operation of the business contemplated by this Agreement including, without limitation, the marks "Garbanzo Mediterranean Fresh" and "Falarma".

g. "Non-Traditional Location" means a location that is in a transportation facility, sporting arena, medical facility, entertainment facility, educational facility or military facility.

h. "Operation Partner" means you if you are a sole proprietor, or, if you are a corporation, partnership or limited liability company, the person designated by you, who must (a) own and control, or have the right to own and control (subject to conditions reasonably acceptable to us), not less than 10% of the ownership interest in you, and (b) have the authority to bind you regarding all operational decisions with respect to your Grill.

i. "System" means a specially developed method of operating a quick serve restaurant and catering business under the Marks using certain procedures and methods, recipes, site evaluation criteria, layouts, accounting methods, advertising, sales and promotional techniques, personnel training, trade secrets and any other matters relating to the operation and promotion of a Garbanzo Mediterranean Fresh restaurant as they may be changed, improved, modified and further developed by us or our Affiliates from time to time.

j. "Term" (whether or not capitalized) means the Initial Term, the Continuation Term and the Renewal Term, individually and collectively.

k. "Transfer" means and includes any voluntary or involuntary, direct or indirect, assignment, sale, gift, conveyance, lease or other disposition of an interest in this Agreement, you or the Grill, including: (a) transfer of any capital stock, partnership interest, limited liability company interest or other ownership interest; (b) merger, consolidation, reorganization, business combination or other issuance of additional stock or ownership interests; (c) transfer in bankruptcy or dissolution of marriage or otherwise by operation of law or by order of court; (d) transfer to a personal representative upon disability or transfer upon the death of an Operation Partner; (e) the grant or creation of any lien or encumbrance on any ownership interest or asset; (f) the grant of any option, call, warrant, conversion rights or rights to acquire any equity or voting interest; (g) assignment of contract rights; (h) sale of assets (including the inventory, furniture, fixtures, equipment and other operating assets of the Grill, other than in ordinary course of business); or (i) any change of control or management of the Grill.

l. "You" or "Your" (whether or not capitalized) also includes: (a) those persons and their spouses owning any interest in you if you are a corporation or a limited liability company; (b) all partners and their spouses owning any partnership interest in you if you are a partnership; (c) the individual and his or her spouse who owns you if you are a sole proprietorship; and (d) the guarantors of this Agreement. For purposes of determining ownership in you, the interests owned by a husband and wife will be considered one interest, and both husband and wife will be obligated hereunder, regardless of whether the interest is owned by just one spouse or both spouses.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth below their names.

Garbanzo Mediterranean Grill Franchising, LLC
(Execution of this Agreement on behalf of Garbanzo Mediterranean Grill Franchising, LLC may be accomplished by hand signature or by facsimile stamp.)

By:______________________________________

Address:

7700 E. Arapahoe Road Suite 270
Centennial, Colorado 80112 Attn: CEO

YOU:__________________________________

By: ____________________________________

Address:

____
____

EXHIBIT I

ASSIGNED TERRITORY

Your Grill will be located at the following site:

Your Assigned Territory will be:___________________________________

EXHIBIT II

LEASE PROVISIONS

Any lease executed by you for the operation of the Grill will contain the following provisions or an addendum to the lease as follows.

ADDENDUM TO LEASE

This Lease Addendum entered into this__________day of___________, 20__, by and between ____________________ ("FRANCHISEE") and_________________________("LANDLORD") for the premises located at________________________________in the City of____________________, State of__________________;

WHEREAS, FRANCHISEE has executed a Franchise Agreement ("Franchise Agreement") with Garbanzo Mediterranean Grill Franchising, LLC, ("GMGF"), and as part of said Franchise Agreement, the lease ("Lease") for the franchised Garbanzo Mediterranean Fresh restaurant ("Grill") must contain certain provisions; and

WHEREAS, LANDLORD and FRANCHISEE agree that the terms contained herein will be applicable to the Lease, notwithstanding anything contained in the Lease to the contrary;

NOW, therefore, in consideration of the mutual promises contained herein and the execution of the Lease, which execution is made simultaneously with this Lease Addendum, LANDLORD and FRANCHISEE hereby agree as follows:

1. LANDLORD agrees that FRANCHISEE will not otherwise assign the Lease or renew, amend or extend the term of the Lease without the prior written consent of GMGF.

2. LANDLORD agrees to furnish GMGF with copies of any and all letters and notices sent to FRANCHISEE pertaining to the Lease at the same time that such letters and notices are sent to FRANCHISEE. LANDLORD further agrees that, if it intends to terminate the Lease, the LANDLORD will give GMGF thirty (30) days advance written notice of such intent, specifying in such notice all defaults that are the case of the proposed termination. GMGF will have after the expiration of the period during which FRANCHISEE may cure such default, an additional fifteen (15) days (or if there is no cure period, at least fifteen (15) days) to cure, at its sole option, any such defaults. GMGF, or an affiliate of GMGF, will have the right, but not obligation, upon giving written notice of its election to FRANCHISEE and LANDLORD, to cure the breach and succeed to FRANCHISEE's rights under the Lease, and any renewals or extensions thereof.

3. Upon default, expiration or termination of the Franchise Agreement, or the Lease, and upon notice to LANDLORD, GMGF or its designee will have the option, without however any obligation, to assume the FRANCHISEE's obligations under the Lease, on the same terms and conditions available to the FRANCHISEE. Further, if FRANCHISEE or any other party with an interest in FRANCHISEE transfers to GMGF or another party all of its or their interest in the Franchise Agreement, the FRANCHISEE or the Grill, the transferee will have the right to assume the Lease on the same terms and conditions as contained in the Lease.

4. GMGF will have the right to enter the premises to make any reasonable modification or reasonable alteration necessary to protect GMGF's interest in its proprietary marks. LANDLORD agrees that in such event GMGF will not be liable for trespass or any other crime or tort. Further, GMGF or its designated agents will be permitted to enter the leased premises for purposes of making inspections in accordance with the terms of the Franchise Agreement.

5. FRANCHISEE may assign to GMGF all of its rights of further assignment at any time if the LANDLORD is given reasonable notice thereof. Such an assignment will be effective only if accepted in writing by GMGF.

6. Upon request of GMGF, the LANDLORD will provide GMGF with copies of all reports, information, or data in LANDLORD's possession with respect to sales made from the leased premises.

Copies of any and all notices pertaining to the Lease will also be sent to GMGF at the following address, or at such other address as may be designated by GMGF in writing: 6950 S. Tucson Way, Suite G, Centennial, Colorado 80112.

7. GMGF will be a third-party beneficiary of this Addendum to Lease and has the right independently of FRANCHISEE to enforce all of its rights hereunder.

8. To the extent of any conflict between the terms and conditions of this Addendum to Lease and the Lease, this Lease Addendum will govern.

FRANCHISEE	LANDLORD
______________________________	______________________________
By:___________________________	By:___________________________

EXHIBIT III

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned, ____________________________, a ____________________ ("Assignor"), hereby assigns, transfers and sets over unto Garbanzo Mediterranean Grill Franchising, LLC, a Colorado limited liability company ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto as Exhibit A (the "Lease"), respecting the premises commonly known as____________________ __________________________. This Assignment is for collateral purposes only and except as specified herein, Assignee has no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or a default or expiration under the Franchise Agreement by and between Assignor and Assignee for the Garbanzo Mediterranean Fresh restaurant operated at the premises which is the subject of the Lease (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing said Franchise Agreement or under any other agreement between Assignor and Assignee or its affiliates, Assignee will have the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor will have no further right, title or interest in the Lease.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewal thereto, Assignor agrees that it must elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that said option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as stated herein, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting such extension of renewal.

Assignee: Garbanzo Mediterranean	Assignor:_________________________________
Grill Franchising, LLC (Execution of this Agreement on behalf of Garbanzo Mediterranean Grill Franchising, LLC may be accomplished by hand signature or by facsimile stamp.)	YOU:____________________________________
By:______________________________	By: _____________________________________
Office Held:_______________________	Office Held: ______________________________
Date:_____________________________	Date: ____________________________________

EXHIBIT IV

IRREVOCABLE POWER OF ATTORNEY

That____________________("FRANCHISEE") does hereby irrevocably constitute and appoint GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC ("GMGF"), FRANCHISEE's true and lawful attorney-in-fact and agent for FRANCHISEE and in FRANCHISEE's name, place and stead, to do or cause to be done all things and to sign, execute, acknowledge, certify, deliver, accept, record and file all such agreements, certificates, instruments and documents as, in the sole discretion of GMGF, are necessary or advisable for the sole purpose of assigning to GMGF all of FRANCHISEE's right, title and interest in and to any and all telephone numbers used in connection with the Grill and all related Yellow Pages, White Pages and other business listings and on-line listings including, the execution and delivery of any Transfer of Service Agreement and any other transfer documentation required by the applicable telephone service company providing telephone services to FRANCHISEE, and to do or cause to be done all things and to sign, execute, acknowledge, certify, deliver, accept, record, and file all such agreements, certificates, instruments and documents as, in the sole discretion of GMGF, are necessary or advisable for the sole purpose of assigning to GMGF all of FRANCHISEE's right, title and interest in and to any Internet and website name pages, domain name listings, and registrations that contain the Marks, or any of them, in whole or in part, hereby granting unto GMGF full power and authority to do and perform any and all acts and things which, in the sole discretion of GMGF, are necessary or advisable to be done as fully to all intents and purposes as FRANCHISEE might or could itself do, and hereby ratifying and confirming all that GMGF may lawfully do or cause to be done by virtue of this Power of Attorney and the powers herein granted.

During the term of this Power of Attorney and regardless of whether FRANCHISEE has designated any other person to act as its attorney-in-fact and agent, no person, firm or corporation dealing with GMGF is required to ascertain the authority of GMGF, nor be responsible in any way for the proper application of funds or property paid or delivered to GMGF. Any person, firm or corporation dealing with GMGF will be fully protected in acting and relying upon a certificate of GMGF that this Power of Attorney on the date of such certificate has not been revoked and is in full force and effect, and FRANCHISEE will not take any action against any person, firm or corporation acting in reliance on such a certificate or a copy of this Power of Attorney. Any instrument or document executed on behalf of FRANCHISEE by GMGF is deemed to include such a certificate on the part of GMGF, whether or not expressed. This paragraph will survive any termination of this Power of Attorney.

This Power of Attorney will terminate two (2) years following the expiration or termination of the term of that certain Franchise Agreement dated of even date herewith by and between GMGF and FRANCHISEE. But such termination will not affect the validity of any act or deed that GMGF may have effected prior to such date pursuant to the powers herein granted.

This instrument is to be construed and interpreted as an irrevocable Power of Attorney coupled with an interest and such Power of Attorney will not be affected by the subsequent disability or incapacity of the principal.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the undersigned has executed this Irrevocable Power of Attorney as of the_______ day of____________________, 20___.

FRANCHISEE:

By:___________________________________

Name:_________________________________

Title:__________________________________

THE STATE OF______________________)
)
COUNTY OF________________________)

BEFORE ME, the undersigned authority, on this day personally appeared____________ __________ of_______________________________, known to me as the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the_____day of______________, 20___.

____

Notary Public

My Commission Expires:________________________

EXHIBIT V

STATE LAW ADDENDA TO FRANCHISE AGREEMENT
IF REQUIRED

STATE LAW ADDENDA TO FRANCHISE AGREEMENT

STATE LAW ADDENDUM – CALIFORNIA

"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 FRANCHISE DISCLOSURE DOCUMENT."

Notwithstanding anything contained in the foregoing Franchise Agreement, Area Development Agreement and Franchise Disclosure Document "FDD") to the contrary, the following provisions of the California Investment Law shall apply to any franchise or franchisee located in the State of California, which shall control to the extent of any inconsistency:

Item 3 of the FDD

Neither we, nor any person or franchise broker in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

Item 5 Shall be supplemented by the following:

The Initial Fee for each Franchise Agreement will not be paid by you until after the franchisor has completed its initial obligations under the Franchise Agreement and the franchise is open for business. In the case of a Franchise Agreement for the second and subsequent franchises under an Area Development Agreement, the initial fee due after the franchisor has completed its initial obligations under each Franchise Agreement, will be the balance of the initial fee still owing minus the portion of that initial fee paid as a development fee under the Area Development Agreement.

Item 17 of the FDD

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

The Franchise Agreement and Area Development 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.).

The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. These provisions may not be enforceable under California law.

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement and the Area Development Agreement require binding arbitration. The arbitration will occur in Arapahoe County, CO with the costs being borne by both parties.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

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

Section 200010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The Franchise Agreement and Area Development Agreement requires application of the law of Colorado. This provision may not be enforceable under California law. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

Dated on the _____ day of______________, 20__.

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

By:___________________________

FRANCHISEE

By:______________________________

STATE LAW ADDENDUM - ILLINOIS

Notwithstanding anything contained in the foregoing Franchise Agreement, Area Development Agreement and Franchise Disclosure Document to the contrary, the following provisions of the Illinois Franchise Disclosure Act ("Act") shall apply to any franchise located in the State of Illinois, which shall control to the extent of any inconsistency:

Item 5 of the FDD, Section IV.A of the Franchise Agreement, Section III.A and Section IV of the Area Development Agreement: Franchisor will defer payment of initial franchise fees until Franchisor has met its initial obligations to Franchisee, and the Franchisee has commenced business operations. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial status.

Item 17v. and 17 w of the FDD, Section IX.G. of the Area Development Agreement and Section XVII.F of the Franchise Agreement: Choice of Law and Choice of Forum shall be Illinois. Any provision in the Franchise Agreement, including but not limited to Section XVIII.G, which designate choice of law, jurisdiction or venue in a forum outside the State of Illinois is void.

Termination or Nonrenewal Franchise: Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Waiver of Jury Trial. Section XVII.P of the Franchise Agreement and IX.I of the Area Development Agreement may not be enforceable under Illinois law.

Other Provisions Unaffected: All other terms and provisions contained in the Franchise Agreement shall remain in full force and effect, except to the extent specifically modified herein.

Garbanzo Mediterranean Grill Franchising, LLC	Franchisee__________________________
By:____________________________________	By:________________________________
Date:__________________________________	Date:______________________________

STATE LAW ADDENDUM – MARYLAND

This Addendum pertains to franchises sold in the State of Maryland, residents of the State of Maryland, and franchises to be operated in the State of Maryland, regardless of the franchisee's residency, and is for the purpose of complying with Maryland statutes and regulations. The Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows:

1. The Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by multi-unit developers shall be deferred until the first franchise under the development agreement opens.

2. Item 17 of the Franchise Disclosure Document, Section III.C of the Franchise Agreement and the Area Development Agreement are amended as follows: The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Item 17 of the Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows: This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is in an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise aw. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

4. Item 17 of the Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows: Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. Item 17 of the Franchise Disclosure Document is amended as follows: The provision in the Franchise Agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)

The Franchise Agreement, the Area Development Agreement and the Franchise Disclosure Questionnaire are amended as follows: All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Dated on the__________day of_______________, 20____.

Garbanzo Mediterranean Grill Franchising, LLC

By:________________________________
Name, Title:_________________________

FRANCHISEE:

By:____________________________________
Name, Title:_____________________________

STATE LAW ADDENDUM - MINNESOTA

We will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and Area Development Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document, Franchise Agreement and Area Development Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

In accordance with Minnesota Rule 2860.4400J, to the extent required by law, the Disclosure Document, Franchise Agreement and Area Development Agreement are modified so that we cannot require you to waive your rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Disclosure Document, Franchise Agreement, and Area Development Agreement are modified accordingly, to the extent required by Minnesota law.

Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), to the extent required by law, the Franchise Agreement and Item 13 of the Disclosure Document are amended to state that we will protect your right to use the primary trademark, service mark, trade name, logotype or other commercial symbol or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of our primary trade name.

Pursuant to Minn. Stat. Sec. 80C.17, Subd. 5, to the extent required by law, the Franchise Agreement and the Area Development Agreement and Item 17 of the Disclosure Document are amended to state that no action may be commenced pursuant to this section more than three years after the cause of action accrues.

ITEM 5 of the Disclosure Document and Section IV of the Franchise Agreement are revised to disclose that Franchisee's payment of initial Franchise Fees will be deferred until Franchisor has met all of its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Minnesota Department of Commerce due to Franchisor's financial status.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Franchisee:____________________________

By: ____________________________	By: ____________________________
Title:____________________________	Title: ____________________________

STATE LAW ADDENDUM – NEW YORK

Notwithstanding anything contained in the foregoing Franchise Agreement, Area Development Agreement and Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the New York State Franchise Act shall apply to any franchise or franchisee located in the State of New York, which shall control to the extent of any inconsistency:

Item 3 shall be supplemented by the following:

A. Neither we nor any person identified in Item 2 has an administrative, criminal or civil action pending against it, him or her alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations. Nor do we or a person identified in Item 2 have any 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. Neither we nor any person identified in Item 2 has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Neither we nor any person identified in Item 2 is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or is subject to any currently effective order of any 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 shall be supplemented by the following:

Neither we nor any of our affiliates, officers or members, during the 10-year period immediately before the date of this disclosure document, has: (a) filed as a debtor (or had filed against it, him or her) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its, his or her 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 member of us held this position in the company or partnership.

Dated on the day of____________, 20__.

Garbanzo Mediterranean Grill Franchising, LLC

By:_____________________________________
Name, Title ______________________________

FRANCHISEE

By:____________________________________
Name, Title:____________________________

STATE LAW ADDENDUM – VIRGINIA

The following provisions of the Virginia Retail Franchising Act shall apply to any franchises sold or offered for sale within the State of Virginia, located in this State or to a Virginia resident, which shall control to the extent of any inconsistency in the Franchise Disclosure Document ("FDD"), the Franchise Agreement or the Area Development Agreement:

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 grounds for default or termination stated in the Franchise Agreement or Area Development Agreement does not constitute "reasonable cause," as the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement or Area Development Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

Section of IV., A. of the Franchise Agreement shall be replaced by the following: Initial Franchise Fee. You must pay us an initial franchise fee ("Initial Franchise Fee") when we have completed our pre-opening obligations under this Franchise Agreement. The amount of the Initial Franchise Fee is $30,000 in unencumbered cash; it cannot be borrowed. If you have signed an area development agreement with us and paid us a development fee, then the portion of that development fee attributable to signing this Agreement and opening the Grill will be applied to the Initial Franchise Fee. In that event, you will pay us the balance of the Initial Franchise Fee when we have completed our pre-opening obligations under this Franchise Agreement. The Initial Franchise Fee is not refundable in whole or in part under any circumstances.

Section of IV of the Area Development Agreement shall be supplemented by the following at the end of that section:

Nothing in this section to the contrary withstanding, you will not be required to pay any development fees to us under this Area Development Agreement ("ADA") until we have completed our pre-opening obligations under the ADA and under the franchise agreement for the first unit. At that time, after we have completed those pre-opening obligations for the first unit, you will pay us all the development fees relative to all of the remaining units to be opened after the first unit, as more particularly described in the ADA development exhibit.

Dated on the__________day of_______________, 20__.

Garbanzo Mediterranean Grill Franchising, LLC

By:______________________________, Title: ___________________________

FRANCHISEE:

By:______________________________, Title: ___________________________

STATE LAW ADDENDUM – WASHINGTON

Notwithstanding anything contained in the foregoing Franchise Agreement, Area Development Agreement and Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the Washington Franchise Investment Protection Act shall apply to any franchise or franchisee located in the State of Washington, which shall control to the extent of any inconsistency:

The state of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with FRANCHISOR, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with FRANCHISOR, including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in 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.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the Franchise 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 Washington Franchise Investment Protection Act, right or remedies under such Act, such as a right to jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect FRANCHISOR'S reasonable estimated or actual costs in effecting a transfer.

<u>Franchise Disclosure Document – Items 5 and 7 and Section IV.A of the Franchise Agreement and Section IV of the Area Development Agreement.</u>

The State of Washington has imposed a financial condition under which the initial franchise fees due will be deferred until the franchisor has fulfilled its initial pre-opening obligations under the **Franchise Agreement** and the franchise is open for business. Because the Franchisor has material pre-opening obligations with respect to each franchised business the Franchisee opens under the **Area Development Agreement**, the State of Washington will require that the franchise fees be released proportionally with respect to each franchised business.

Dated on the__________day of_______________, 20____.

Garbanzo Mediterranean Grill Franchising, LLC

By:_______________________________
Name, Title ________________________

FRANCHISEE

By: _______________________________
Name, Title ________________________

STATE LAW ADDENDA-WISCONSIN

The Securities Commissioner of the State of Wisconsin requires that certain provisions contained in franchise documents be amended to be consistent with Wisconsin Fair Dealership Law, Wisconsin Statutes, Chapter following, such provisions are hereby amended:

a. The Wisconsin Fair Dealership Law, among other things, grants Franchisee the right, in most circumstances, to 90 days' prior written notice of termination or non-renewal and 60 days within which to remedy any claimed deficiencies. If the Agreement contains a provision that is inconsistent with these provisions of the Wisconsin Fair Dealership Law, the provisions of the Agreement shall be superseded by the Law's requirements and shall have no force or effect.

b. If the Agreement requires that it be governed by a state's law, other than the State of Wisconsin, to the extent that any provision of the Agreement conflicts with the Wisconsin Fair Dealership Law such provision shall be superseded by the law's requirements.

Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Wisconsin law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

As to any state law described in the Amendment that declares void or unenforceable any provision contained in the Franchise Agreement or Development Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

Dated on the__________day of_______________, 20____.

Garbanzo Mediterranean Grill Franchising, LLC

By:___________________________________
Name, Title:____________________________

FRANCHISEE:

By:___________________________________
Name, Title:____________________________

EXHIBIT VI

FRANCHISEE DISCLOSURE QUESTIONNAIRE

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, Garbanzo Mediterranean Grill Franchising, LLC ("we" or "us") and you are preparing to enter into a Franchise Agreement for the operation of a Garbanzo Mediterranean Fresh restaurant franchise. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions and provide honest and complete responses to each question.

1. Have you received and personally reviewed the Franchise Agreement and each exhibit and schedule attached to it?

   Yes__No ____

2. Have you received and personally reviewed the Franchise Disclosure Document for Garbanzo Mediterranean Fresh restaurant franchises ("FDD") that we provided to you?

   Yes____No _____

3. Did you sign a receipt for the FDD indicating the date you received it? Yes_No _____

4. Date on which you received the FDD and related Exhibits explaining the Garbanzo Mediterranean Fresh restaurant franchise.

   ________________, 20______________
   (month, day)

5. Date on which you received a completed copy, other than signatures, of the Franchise Agreement.

   ________________, 20______________
   (month, day)

6. Date on which you signed the Franchise Agreement.

   ________________, 20______________
   (month, day)

7. Were you given the opportunity to discuss the benefits and risks of operating a Garbanzo Mediterranean Fresh restaurant franchise with an attorney, accountant, or other professional advisor, and do you understand those risks?

   Yes________No ______

8. Do you understand that the success or failure of your franchise will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes______No _______

9. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn or that any of our franchisees earn in operating Garbanzo Mediterranean Fresh restaurant franchises other than what is discussed in Item 19 of the FDD?

Yes_______No ______

10. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Garbanzo Mediterranean Fresh restaurant franchise?

Yes_____ No ______

11. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the FDD?

Yes______ No ______

* * *

Please understand that your responses to these questions are important to us and that we will rely on them.

By signing this Questionnaire, you are representing that you have responded truthfully to the above questions. You are also representing that you have reviewed all of these questions and the answers with the other owners of the business and any of your representatives who had discussions with us or any of our officers, agents, or employees. The responses from those people are also included by you above.

Dated on__________________, 20__.

FRANCHISE APPLICANT

Name: ___________________________

Signature: ________________________

EXHIBIT B

AREA DEVELOPMENT AGREEMENT

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

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GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of the ______ day of____________________, 20____, by and between GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC, a Colorado limited liability company ("we", "us" or "our"), and ________ _____________, a_______________________________("you" and "your").

PREAMBLE

We are engaged in the business of franchising "Garbanzo Mediterranean Fresh" restaurants under the Marks and Systems as more fully described in the Garbanzo Mediterranean Grill Franchising, LLC's Franchise Agreement, which may be amended from time to time ("Franchise Agreement"); and

You are aware of the benefit derived from being identified with and franchised by us in order to use the Marks and System as more fully described in the Franchise Agreement; and

You have simultaneously executed a Franchise Agreement pertaining to the first Garbanzo Mediterranean Fresh restaurant ("First Unit"), which you agree to open or have opened within the time specified in the Franchise Agreement; and

You desire to obtain area development rights to establish and operate additional Garbanzo Mediterranean Fresh restaurant franchises ("Subsequent Units") from us within a specific geographical area and according to a specific time schedule; and

NOW, the parties agree as follows:

I. TERRITORIAL EXCLUSIVITY

A. **Development Area.** According to the terms and conditions in this Agreement, we grant to you and you accept the exclusive right, during the term of this Agreement, to establish and operate franchise units of Garbanzo Mediterranean Fresh restaurants (each referred to as a "Unit" and collectively referred to as the "Units") in the area, which we refer to as the "Development Area" described in Attachment A. So long as you are not in default under this Agreement or any other agreement with us or our affiliates, neither we nor our affiliates will operate or grant a franchise to any other person or entity to operate a Garbanzo Mediterranean Fresh restaurant within the Development Area excluding in a transportation facility, a sporting facility, an educational facility or a military facility. Notwithstanding any other term or condition of this Agreement to the contrary, you may not develop a Garbanzo Mediterranean Fresh restaurant that is within the Assigned Territory of another Garbanzo Mediterranean Fresh, or Garbanzo Mediterranean Grill, restaurant which is either open or has been approved for development. The boundaries of your Development Area shall not change regardless of political reorganization or changes. You, or if you are an entity, the person designated to manage your development obligations, is required to live in the Development Area. The obligation set forth in the preceding sentence shall survive the termination or expiration of this Agreement until the expiration or termination of all the Franchise Agreements for the Units.

Until the termination, expiration or transfer of this Agreement, you retain your right of exclusivity as long as you comply with the Development Schedule (as defined below). If you fail to meet any of your obligations under this Agreement, including compliance with the Development Schedule, or if you breach any Franchise Agreement executed by you pursuant to this Agreement, we may terminate this Agreement along with your right to develop, open and operate new Units within the Development Area, but the termination of this Agreement and the right to develop your Development Area will not terminate any rights granted under the Franchise Agreements then in effect between you and us in which you are in compliance. After the expiration or termination of this Agreement, we may own, operate, franchise or license others to operate additional Units anywhere, without restriction, including in your Development Area, except for within any Assigned Territories under your Franchise Agreement(s) which remain in effect.

B. **The Rights We Retain in the Development Area.** Except as limited by Section I.A. above, we and our affiliates retain all rights with respect to Garbanzo Mediterranean Fresh restaurants, the Marks, the sale of similar or dissimilar products and services and any other activities we deem appropriate whenever and wherever we desire, including (1) the right to own or operate, or license others to own or operate Garbanzo Mediterranean Fresh and/or Garbanzo Mediterranean Grill restaurants immediately adjacent to your Development Area or anywhere outside of your Development Area; (2) the right to operate or license others the right to operate Garbanzo Mediterranean Fresh and/or Garbanzo Mediterranean Grill restaurants in any transportation facility, sporting facility, educational facility or military facility within your Development Area; (3) the right to operate or license others to operate similar businesses or any other businesses and services under trademarks or service marks other than the Marks in any location, both inside or outside of your Development Area; (4) the right to operate or license others to operate businesses that are not similar to a Garbanzo Mediterranean Fresh restaurant under the Marks in any location, both inside or outside of your Development Area; and (5) the right to offer any products or services (including the products and services you offer at your Garbanzo Mediterranean Fresh restaurant(s)) through other channels of distribution (including but not limited to grocery stores, warehouse clubs, the Internet and other non-restaurant outlets) both inside and outside of your Development Area. We are not required to pay you if we exercise any of the rights specified above inside your Development Area.

II. DEVELOPMENT OBLIGATIONS

A. **Development Schedule.** You will construct, equip, open and operate within the Development Area the number of Units as are described in Attachment A attached to this Agreement ("Development Schedule"). Further, you must open each Unit within the time period described in the Franchise Agreement applicable to that Unit and in the Development Schedule. You must execute our then current Franchise Agreement together with all standard ancillary documents (including exhibits, guarantees and other related documents) within the time periods described in the Development Schedule. You will at all times faithfully and diligently comply with the obligations imposed by this Agreement and under the Franchise Agreement for each Unit.

B. **Force Majeure/Time of Essence.** It is of material importance to us that you timely perform all obligations under this Agreement and the Franchise Agreement for each Unit. Should you be unable to meet the Development Schedule solely as the result of force majeure, which includes strikes, material shortages, fires, floods, earthquakes, and other acts of God, or by force of law (including our inability to deliver a franchise disclosure document), and which you could not have avoided by the exercise of due diligence, the Development Schedule will be extended by the amount of time during which such force majeure existed.

III. TERM.

The term of this Agreement will start on the date this Agreement is signed by both parties and you have paid us the Development Fee. Unless terminated earlier according to the terms of this Agreement, the term of this Agreement and all area development rights granted in this Agreement will expire at the earlier of the opening of the last Unit listed in the Development Schedule, the expiration date listed on Attachment A or your failure to meet the requirements of the Development Schedule set forth in Attachment A by 30 calendar days. There is no right to renew this Agreement.

IV. DEVELOPMENT FEE.

A. **Development Fee**. In exchange for the rights granted under this Agreement, you will pay us a Development Fee of $30,000 for each of the proposed Subsequent Units. The total Development Fee is described on Attachment B attached to this Agreement. You will pay us the Development Fee as follows:

(a) The Development Fee for the first two Subsequent Units is payable on execution of this Agreement. We will credit you $30,000 towards the Initial Franchise Fee due for the first two Subsequent Units at the time you sign the Franchise Agreement for the particular Subsequent Unit.

(b) At the time you sign this Agreement, you will also pay 50% of the Development Fee ("Deposit") for the third Subsequent Unit and each additional Subsequent Unit you agree to open under this Agreement. The Deposit will be credited towards the Initial Franchise Fee at the time you sign the Franchise Agreement for the particular Subsequent Unit. The balance of the Development Fee for the third Subsequent Unit and each additional Unit you agree to open will be payable at the time you sign the lease for the particular Subsequent Unit.

(c) No part of the Development Fee is refundable, even if you fail to proceed with the development of Units under this Agreement.

V. FRANCHISE AGREEMENT

B. **Signing the Franchise Agreement.** Within the times specified in the Development Schedule, you must execute the then current Franchise Agreement for each Subsequent Unit. The Initial Franchise Fee will be $30,000 minus any portion of the Development Fee, attributable to the Subsequent Unit. The Royalty Fees in the Franchise Agreement will be the same as in our standard form franchise agreement being offered as of the date of this Agreement. In no event will you be required to sign a Franchise Agreement until such time as we have complied with any applicable waiting periods required by law.

C. **Complying with the Franchise Agreement.** After you sign a Franchise Agreement, you must fully comply with all of the terms contained in the Franchise Agreement including paying all of the fees required by that Franchise Agreement in a timely manner. YOU DO NOT OBTAIN ANY RIGHTS AS A FRANCHISEE FOR A PARTICULAR LOCATION UNTIL A FRANCHISE AGREEMENT IS SIGNED BY YOU AND US. You must submit all proposals for sites to us for our consent. We have the right, in our absolute discretion, to withhold our consent to any site you propose. Our consent to the site is no assurance of success.

D. **Our Discretion.** You acknowledge that all Units must be developed and operated according to our standards. You agree and recognize that we may refuse to grant a Franchise Agreement for a Subsequent Unit if we believe, in our reasonable judgment, that you do not have sufficient financial resources and other ability (including, but not limited to, experience, character, skill, aptitude, attitude, and business acumen sufficient to operate multiple locations) to properly develop and operate the proposed Subsequent Unit. We may take into account, among other things, your past performance and financial success of your existing Units. In order to assist us in making such a determination, you must provide us, upon our request, the financial and other information regarding your existing Unit(s) and the proposed Subsequent Unit. Our approval, however, is not deemed to be a warranty of your financial or other ability to develop and operate the proposed Subsequent Unit(s).

E. **Borrowing.** You acknowledge that you are only permitted to borrow up to 75% of the cost of the initial investment in the building site, tenant improvements, additional development, equipment, fixtures and sign in order to establish each Garbanzo Mediterranean Fresh restaurant ("Permitted Financing"). You must certify prior to opening that you and all of your owners individually or collectively, have not borrowed more than the amount of the Permitted Financing to begin operations of the Garbanzo Mediterranean Fresh restaurant.

F. **Marks**. You acknowledge that we are not granting you any right to use the Marks under this Agreement. Any rights you receive regarding the use of the Marks arises from the Franchise Agreement you signed or will sign and you may only use the Marks pursuant to the terms of that Franchise Agreement.

VI. ASSIGNABILITY

A. **By You.** You are not permitted to transfer, directly or indirectly, any or all of your interest in this Agreement or any ownership interest in you without our prior written consent, in our sole and absolute discretion.

B. **By Us.** This Agreement is fully assignable, in whole or in part, by us, without your consent. Upon our assignment, we are relieved of all liability under this Agreement and all rights and obligations will accrue to our successor or assignee.

C. **No Subfranchising.** You must not offer, sell, or negotiate the sale of Garbanzo Mediterranean Fresh restaurant franchises to any third party, either in your name or on our behalf or otherwise subfranchise, share, divide or partition this Agreement, and nothing in this Agreement will be construed as granting you the right to do so.

D. **Assignment To Your Own Corporation Or LLC.** Within sixty (60) days from the date of this Agreement, this Agreement and the assets and liabilities of the Garbanzo Mediterranean Fresh restaurant may be assigned, by assignment forms prepared by the us, to a newly organized corporation or limited liability company that conducts no business other than the Garbanzo Mediterranean Fresh restaurant business, which is actively managed by you and in which you own and control all of the equity and voting power of all issued and outstanding capital stock or membership interests and whose Articles of Incorporation or Articles of Organization state, "The only business purpose for the [entity] is solely to own and operate Garbanzo Mediterranean Fresh restaurant franchise(s) as required under franchise-related agreement(s)." (It is hereby acknowledged and agreed that the foregoing statement will be expressly set forth in the Articles of Incorporation or Articles of Organization even if the standard form for those documents to be filed with the state does not contain a business purpose section and even if the applicable state laws do not require the statement of a business purpose on such filings.) Such an assignment shall not relieve you of your obligations under this Agreement. Any such assignment will include a personal guarantee from you. Prior to approval of this assignment, you will provide us with copies of the Articles of Incorporation, By-Laws, sample stock certificates or Articles of Organization, Operating Agreement and sample membership certificates and other organizational documents of this corporation or limited liability company and they all shall state that the issuance and assignment of any interest in the corporation or limited liability company shall be subject to the terms and restrictions of this Agreement. All issued and outstanding stock certificates or membership certificates shall bear a legend notifying the holder of the restrictions on transfer provided by this Agreement. The corporation or limited liability company may not contain the phrase **Garbanzo Mediterranean Fresh** or any other mark of the Company as part of its name. You will pay the us a $750 fee for this type of transfer to assist with our legal and other costs associated with this type of transfer.

VII. DEFAULT AND TERMINATION

A. **Default by You.** Upon written notice to you, we may terminate this Agreement for cause, but without providing you an opportunity to cure, in the event of any material breach of this Agreement by you. Material breach, as used in this Section VII, will include, among other things, the following:

(d) Any attempt by you to sell, assign, transfer or encumber, in whole or in part, any or all rights and obligations under this Agreement without the written consent required by this Agreement;

(e) Although this Agreement automatically expires without any action by us if you fail to meet the requirements of the Development Schedule set forth in Attachment A by 30 calendar days, we also reserve the right to terminate this Agreement upon Your failure to develop each of the Units within the Development Schedule set forth in this Agreement if not cured within 30 days after written notice;

(f) Your bankruptcy, insolvency or general assignment for the benefit of creditors;

(g) Any material breach by you or your affiliate of any Franchise Agreement between you or your affiliates and us which is not cured within the applicable cure period in that Franchise Agreement; or

(h) You or your owners commit or are convicted of a felony or crime of moral turpitude or fraud which we believe may adversely affect the System or goodwill associated with the Marks.

B. **Rights on Termination, Expiration or Assignment.** Upon expiration, assignment or termination, for any reason, of this Agreement, all of your rights regarding the Development Area will cease and any remaining rights you may have to open any Subsequent Unit will cease. We will be entitled to establish, or to license others to establish, restaurants using the Marks and System in the Development Area, subject to the provisions in any existing Franchise Agreements you or your affiliates have with us relating to the Assigned Territory defined in those Franchise Agreements. You or your affiliates will continue to operate Garbanzo Mediterranean Fresh restaurants according to the signed Franchise Agreements between you or your affiliates and us, if such Franchise Agreements have not been terminated. A default and termination under this Agreement does not constitute a default and termination under any Franchise Agreement between you or your affiliates and us.

VIII. ARBITRATION

A. Except as provided elsewhere in this Agreement, all controversies, disputes or claims between us and you arising from or relating to this Agreement, including the scope and validity of any provision of this Agreement (such as this Section VIII) will be submitted to binding arbitration conducted in Arapahoe County, Colorado (unless the parties mutually agree otherwise). The arbitration will be governed exclusively by the United States Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. In connection with any arbitration proceeding, we and you will submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any of these compulsory claims which are not submitted or filed in the same proceeding in which they relate will be barred. This provision will continue in full force and effect subsequent to and notwithstanding the Transfer, termination or expiration of this Agreement. For purposes of this Section VIII.A., if any dispute that names, involves or includes us, you, the guarantors of this Agreement or any of their respective affiliates, officers, directors, agents, brokers or employees, such persons or entities will also be included in and made party to the arbitration proceeding. The arbitration proceeding will be conducted in accordance with the then-current commercial arbitration rules of the American Arbitration Association ("AAA Rules"), except to the extent the AAA Rules differ from the terms of this Agreement, in which event the terms of this Agreement will apply, and that you and we will be entitled to limited discovery at the discretion of the arbitrator(s) who may, but is not required to, allow depositions. The parties acknowledge that the arbitrators' subpoena power is not subject to geographic limitations. The arbitrator will apply the provisions of any applicable statute of limitations. The arbitration will be conducted on an individual, not a multi-plaintiff, consolidated, collective or class-wide basis. The foregoing sentence is an integral provision of the arbitration procedures set forth in this Section VIII and may not be severed from this Section VIII, notwithstanding Section VIII.B. of this Agreement. If such sentence is determined to be invalid or unenforceable in connection with a particular controversy, dispute or claim, then this Section VIII will be stricken from this Agreement, with respect to that controversy, dispute or claim, and neither party will be deemed to have consented to arbitration of such controversy, dispute or claim.

B. The arbitrator will have the right to award or include in his award any relief which he deems proper in the circumstances, including money damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, and attorneys' fees and costs; however, the arbitrator will not be allowed to award or include in his award any punitive, exemplary, or consequential damages, to which the parties waive any right. The award and decision of the arbitrator will be conclusive and binding upon all parties, and judgment upon the award may be entered in any court of competent jurisdiction. Each party waives any right to contest the validity or enforceability of the award of an arbitrator under this Section VIII. An arbitration award or decision entered in any other case (whether or not we were a party) will not be binding on us in any other dispute, will have no precedential value and cannot be used as evidence in any other proceeding.

C. Notwithstanding the foregoing, the obligation of this Section VIII to arbitrate will not be binding with respect to claims relating to our trademarks, service marks, patents, or copyrights, including the Marks; claims relating to any lease or sublease of any real property between the parties or their affiliated entities; or requests by either party for temporary restraining orders, preliminary injunctions, permanent injunctions or other proceedings in a court of competent jurisdiction to obtain interim or permanent relief when deemed necessary by such court to preserve the *status quo* or prevent irreparable injury pending resolution by arbitration of the actual dispute between the parties.

IX. MISCELLANEOUS

A. **Notices.** All notices required under this Agreement will be in writing and will be given: (i) if hand delivered on the day of delivery; (ii) three (3) business days after placement in the United States Mail by registered or certified mail, postage prepaid return receipt requested, return receipt requested; or (iii) the day after placement with a courier guaranteeing overnight delivery, addressed to the address listed on the signature page of this Agreement or at such other address as either party will specify in a notice to the other party.

B. **Severability.** If any provision of this Agreement is considered to be invalid or inoperative for any reason, that part will be deemed modified to the extent necessary to make it valid and operative, or if it cannot be modified, then severed, and the remainder of the Agreement will continue in effect as if the Agreement had been signed with the invalid portion modified or eliminated.

C. **Non-Waiver.** Neither party's waiver of a breach or default by the other, nor delay or failure to exercise any right upon breach or default, nor acceptance of any payment, will be deemed a waiver, nor will it impair rights for other breaches or defaults of the same or a different kind. The description of any breach or default in any notice will not prevent the assertion of other defaults or breaches. We may waive any one or more of the requirements imposed under this Agreement for the benefit of any particular franchisee or any particular Unit, but the waiver in favor of any other franchisee or Unit will not prevent us from enforcing the requirements against you, all other franchisees and all other Units.

D. **Remedies**. The remedies available to us are non-exclusive and nothing stated in this Agreement will act to prevent our pursuit of any other rights or remedies arising due to termination of this Agreement which may otherwise become available to us in law or equity. In no event will either party be liable to the other party for prospective profits or special, indirect, punitive or consequential damages for any conduct arising out of this Agreement or our relationship with you.

E. **Attorney's Fees.** In the event of any court or arbitration proceeding, the non-prevailing party will reimburse the prevailing party for all of the prevailing party's costs and expenses, including reasonable accounting, paralegal, expert witness and attorneys' fees which are incurred before, at trial and at all appellate levels.

F. **Approval And Guarantees Of Shareholders, Partners Or Members.** If you are a corporation, partnership or limited liability company, all shareholders, partners or members (and their shareholders, partners or members if they are an entity) will guarantee this Agreement and each Franchise Agreement for a Unit. The execution and performance of this Agreement by you does not violate or constitute a breach of the terms of any other agreement or commitment to which you are a party.

G. **Choice Of Law.** You acknowledge that this Agreement was accepted in the State of Colorado. You acknowledge that you have and will continue to develop a substantial and continuing relationship with us at our principal offices in Colorado, where our decision-making authority is vested and franchise operations are conducted and supervised. Except to the extent that this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 (Lanham Act, 115 U.S.C. 1051) or the U.S. Copyright Act of 1976 (17 U.S.C. 101), this Agreement will be governed, to the extent permissible, by the laws of the State of Colorado without regard to the principals of conflict of laws. We may institute any action arising out of or relating to this Agreement in any state or federal court of general jurisdiction in the State of Colorado, and you and your guarantors irrevocably submit to this jurisdiction and waive any objection to the application of Colorado law or to the jurisdiction or venue in those Colorado courts. If you institute any action arising out of or relating to this Agreement, which is not subject to arbitration, such suit must be brought in the Eighteenth Judicial District of Colorado, unless said court will not accept jurisdiction over the case.

The provisions of this Agreement which conflict with any applicable law will (only to the extent not in accordance with applicable law) be ineffective, and instead, we will comply with the applicable law respecting each of these matters. If a state regulator requires an amendment to this Agreement, the amendment is attached to this Agreement in a State Law Addendum as Attachment B. We are not, however, precluded from contesting the validity, enforceability, or applicability of any state laws or regulations in any action relating to this Agreement or to its rescission or termination.

H. **Non-Liability Of Our Affiliates**. We are the only entity obligated to you under this Agreement. You may not look to any of our affiliates or related companies, other business entities or individuals for performance of this Agreement.

I. WAIVER OF JURY TRIAL. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THEM RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP OF THE PARTIES.

J. **Third Party Beneficiary**. Garbanzo Mediterranean Grill, LLC is a third-party beneficiary to this Agreement and has the right to assume any of the responsibilities, duties or functions of us in the event that the agreement between Garbanzo Mediterranean Grill, LLC and us expires or is terminated for any reason. Furthermore, Garbanzo Mediterranean Grill, LLC will have the right, but not the obligation, to enforce your compliance with any provision of this Agreement.

K. **Receipt of the FDD**. You acknowledge receipt of our franchise disclosure document along with this Agreement, at least 14 days before your execution of this Agreement or any payment by you to us. If any unilateral modifications have been made to this Agreement you acknowledge that you have had at least 7 days to review them.

L. **Construction Of Language.** The language of this Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires; if more than one party or person is referred to as you, their obligations and liabilities will be joint and several. Headings are for reference purposes and do not control interpretation.

M. **Entire Agreement.** This Agreement, including all Attachments attached, constitutes the entire, full, and complete agreement between the parties concerning the subject matter hereof, and supersedes any and all prior agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations we made in the franchise disclosure document that was furnished to you in connection with our offer to grant you a franchise to develop the Units. No amendment or modification to this Agreement will be binding on either party unless written and fully executed.

X. INDEPENDENT CONTRACTOR/INDEMNIFICATION

A. **Independent Contractor**. We and you are independent contractors, and no partnership, fiduciary, joint venture, or employment relationship exists between you and us. You will conspicuously identify yourself in all dealings with the public as an independently owned business. Neither we nor you will make any agreements or representations in the name of or on behalf of the other that our relationship is other than franchisor and franchisee.

B. **Indemnification**. Under no circumstances will we be liable for any act, omission, debt, or other obligation of yours. To the fullest extent permitted by law, you (for yourself and your employees, agents, subcontractors, successors and assigns) agree, at your sole cost and expense, to indemnify, defend and hold harmless, and to reimburse on demand us, and all entities related to us and our and their respective directors, officers, members, employees agents, managers, partners, attorneys, licensees, affiliates successors and assigns ("Indemnified Parties") from and against any and all damages, losses, liabilities, bodily injury, property damage, obligations, penalties, fines, claims, litigation, demands, defenses, judgments, suit proceedings, administrative orders, consent agreements, costs, disbursements or expenses of any kind or any nature whatsoever, including without limitation, reasonable attorneys' and expert fees and disbursements arising out of or related to or in any way arising out of the acts or omissions of you or your employees, agents, officers, directors, parents, subsidiaries, affiliates, successors and assigns ("Indemnitors") arising out of or related to (i) any act or omission, negligent or otherwise, of the Indemnitors or anyone directly or indirectly employed by them or anyone whose acts they may be liable for relative to the business contemplated by this Agreement; (ii) any breach by the Indemnitors or any term or provision of this Agreement; and (iii) the cost, including, but not limited to reasonable attorney's fees, of enforcing this indemnification provision. The obligations of Indemnitors are joint and several.

This indemnification must not be construed to indemnify an Indemnified Party to the extent such indemnification is prohibited by law, including, an indemnification of any Indemnified Party from its own negligence, if prohibited by law. To the extent indemnification of any party hereunder would be prohibited by law, this provision will not apply to such party, but will continue to be effective as to all other parties with respect to whom indemnification is not prohibited by applicable law.

XI. REPRESENTATIONS AND ACKNOWLEDGMENTS/CAVEAT

NO PERSON HAS THE AUTHORITY TO BIND OR OBLIGATE US EXCEPT AN AUTHORIZED OFFICER OF OURS BY A WRITTEN DOCUMENT. NO REPRESENTATIONS AS TO PROJECTIONS, FINANCIAL PERFORMANCE, POTENTIAL SUCCESS, FUTURE PROFITS, PROMISES, GUARANTEES OR WARRANTIES OF ANY KIND ARE AUTHORIZED TO BE MADE BY US OR OUR AFFILIATES OR REPRESENTATIVES.

YOU ACKNOWLEDGE THAT YOU HAVE RECEIVED, READ AND UNDERSTAND THIS AGREEMENT AND ITS ATTACHMENTS; THAT YOU HAVE HAD AN OPPORTUNITY TO ASK US ALL QUESTIONS RELATING TO THIS AGREEMENT AND THE SYSTEM; AND THAT WE HAVE ANSWERED ALL YOUR QUESTIONS TO YOUR SATISFACTION.

THE SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED TO BE UNDERTAKEN BY YOU IS SPECULATIVE AND DEPENDS, TO A LARGE EXTENT, UPON YOUR ABILITY AND EFFORTS. WE DO NOT MAKE ANY REPRESENTATION OR WARRANTY AS TO THE POTENTIAL SUCCESS OF THIS BUSINESS VENTURE. YOU REPRESENT AND ACKNOWLEDGE THAT YOU HAVE MADE AN INDEPENDENT INVESTIGATION OF US AND OUR OPERATIONS AND YOU ACKNOWLEDGE THAT YOU HAVE ENTERED INTO THIS AGREEMENT SOLELY IN RELIANCE UPON SUCH INDEPENDENT INVESTIGATION. THIS AGREEMENT IS EFFECTIVE ONLY ONCE YOU AND WE BOTH SIGN THE AGREEMENT.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION, WHICH MAY BE ENFORCED BY THE PARTIES.

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

(Execution of this Agreement on behalf of
Garbanzo Mediterranean Grill Franchising, LLC
may be accomplished by hand signature or

by facsimile stamp.)

By:_________________________________
James Park, CEO

Date: ______________________

Address:

7700 E. Arapahoe Road
Suite 270
Centennial, Colorado 80112

AREA DEVELOPER

____
Print Name:

Date: ____________________

Address:

____

____

ATTACHMENT A TO ADA

DEVELOPMENT AREA, DEVELOPMENT FEE, DEVELOPMENT SCHEDULE AND EXPIRATION DATE

Development Area

The Development Area is:

____
____
____

exclusive of any location in a transportation facility, a sporting facility, an educational facility or a military facility.

Development Fee

Number of Units: ________

Total Development Fee: _________

Development Schedule

Unit Number	Date Franchise Agreement must be executed	Date Unit Must be Operational
1		
2		
3		

If any of the Units described above have opened, but then closed, other than as a result of non-compliance with the terms of the applicable Franchise Agreement, you will have a 6-month period of time after the last day the Unit was open for business to open a substitute Unit. However, you must be diligently attempting to develop and open a substitute Unit during this period of time and by the end of this period of time, the substitute Unit must be open and operating in compliance with the Franchise Agreement.

Expiration Date

The expiration date is________________.

ATTACHMENT B TO ADA

STATE LAW ADDENDA TO THE ADA

STATE LAW ADDENDUM – CALIFORNIA

"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 FRANCHISE DISCLOSURE DOCUMENT."

Notwithstanding anything contained in the foregoing Franchise Agreement, Food Truck Addendum, Area Development Agreement and Franchise Disclosure Document "FDD") to the contrary, the following provisions of the California Investment Law shall apply to any franchise or franchisee located in the State of California, which shall control to the extent of any inconsistency:

Item 3 of the FDD

Neither we, nor any person or franchise broker in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

Item 5 Shall be supplemented by the following:

The Initial Fee for each Franchise Agreement will not be paid by you until after the franchisor has completed its initial obligations under the Franchise Agreement and the franchise is open for business. In the case of a Franchise Agreement for the second and subsequent franchises under an Area Development Agreement, the initial fee due after the franchisor has completed its initial obligations under each Franchise Agreement, will be the balance of the initial fee still owing minus the portion of that initial fee paid as a development fee under the Area Development Agreement. The Food Truck Fee will not be paid by you until after the franchisor has completed its initial obligations under the Food Truck Addendum and the Food Truck is open for business.

Item 17 of the FDD

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement, Food Truck Addendum or Area Development Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement, Food Truck Addendum and Area Development 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.).

If the Area Developer fails to maintain the Development Schedule, the Area Development Agreement may expire or be terminated.

The Franchise Agreement and Food Truck Addendum contains a covenant not to compete that extends beyond the termination of the franchise. These provisions may not be enforceable under California law.

The Franchise Agreement and the Food Truck Addendum contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement, Food Truck Addendum and the Area Development Agreement require binding arbitration. The arbitration will occur in Arapahoe County, CO with the costs being borne by both parties.

The Franchise Agreement, Food Truck Addendum contains provisions that limit Franchisee's rights and may not be enforceable in California including but not limited to a time limit to raise claims against the Franchisor, limitation of damages and waiver of jury trial.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Sections 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516.) Business and Professions Code Section 200010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The Franchise Agreement, Food Truck Addendum and Area Development Agreement requires application of the law of Colorado. This provision may not be enforceable under California law.

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

Dated on the ___________________ day of _________________,, 20_.

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

By:______________________________________
Name, Title:______________________________

FRANCHISEE

By:______________________________________
Name, Title:______________________________

STATE LAW ADDENDUM - ILLINOIS

Notwithstanding anything contained in the foregoing Franchise Agreement, Food Truck Addendum, Area Development Agreement and Franchise Disclosure Document to the contrary, the following provisions of the Illinois Franchise Disclosure Act ("Act") shall apply to any franchise located in the State of Illinois, which shall control to the extent of any inconsistency:

Item 5 of the FDD, Section IV.A of the Franchise Agreement, Section III.A and Section IV of the Area Development Agreement and Section III of the Food Truck Addendum: Franchisor will defer payment of initial franchise fees until Franchisor has met its initial obligations to Franchisee, and the Franchisee has commenced business operations. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial status.

Item 17v. and 17 w of the FDD, Section XIV of the Food Truck Addendum, Section IX.G. of the Area Development Agreement and Section XVII.F of the Franchise Agreement: Choice of Law and Choice of Forum shall be Illinois. Any provision in the Franchise Agreement, including but not limited to Section XVIII.G and Food Truck Addendum, including Section XIV, which designate choice of law, jurisdiction or venue in a forum outside the State of Illinois is void.

Termination or Nonrenewal Franchise: Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Waiver of Jury Trial. Section XVII.P of the Franchise Agreement, and IX.I of the Area Development Agreement may not be enforceable under Illinois law.

Other Provisions Unaffected: All other terms and provisions contained in the Franchise Agreement, Food Truck Addendum and ADA shall remain in full force and effect, except to the extent specifically modified herein.

Garbanzo Mediterranean Grill Franchising, LLC	Franchisee__________________________
By:____________________________________	By:________________________________
Date:_________________________	Date:_________________________

STATE LAW ADDENDUM – MARYLAND

This Addendum pertains to franchises sold in the State of Maryland, residents of the State of Maryland, and franchises to be operated in the State of Maryland, regardless of the franchisee's residency, and is for the purpose of complying with Maryland statutes and regulations. The Franchise Disclosure Document, the Franchise Agreement, the Area Development Agreement and the Food Truck Addendum are amended as follows:

1. The Franchise Disclosure Document, the Franchise Agreement, the Area Development Agreement and the Food Truck Addendum are amended as follows: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by multi-unit developers shall be deferred until the first franchise under the development agreement opens.

2. Item 17 of the Franchise Disclosure Document, Section III.C of the Franchise Agreement, the Area Development Agreement and Section III.C of the Food Truck Addendum are amended as follows: The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Item 17 of the Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows: This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is in an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise aw. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

4. Item 17 of the Franchise Disclosure Document, the Franchise Agreement, the Area Development Agreement and the Food Truck Addendum are amended as follows: Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. Item 17 of the Franchise Disclosure Document is amended as follows: The provision in the Franchise Agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)

6. The Franchise Agreement, the Area Development Agreement, the Food Truck Addendum and the Franchise Disclosure Questionnaire are amended as follows: All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Dated on the__________day of______________________, 20___.

Garbanzo Mediterranean Grill Franchising, LLC

By:___________________________________
Name, Title:____________________________

FRANCHISEE:

By:_______________________________
Name, Title:____________________________

STATE LAW ADDENDUM - MINNESOTA

We will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document, Franchise Agreement or MUDA can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

In accordance with Minnesota Rule 2860.4400J, to the extent required by law, the Disclosure Document, Franchise Agreement and MUDA are modified so that we cannot require you to waive your rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Disclosure Document and Franchise Agreement are modified accordingly, to the extent required by Minnesota law.

Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), to the extent required by law, the Franchise Agreement and Item 13 of the Disclosure Document are amended to state that we will protect your right to use the primary trademark, service mark, trade name, logotype or other commercial symbol or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of our primary trade name.

Pursuant to Minn. Stat. Sec. 80C.17, Subd. 5, to the extend required by law, the Franchise Agreement, the MUDA and Item 17 of the Disclosure Document are amended to state that no action may be commenced pursuant to this section more than three years after the cause of action accrues.

Franchisee's payment of initial Franchise Fees will be deferred until Franchisor has met all of its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Minnesota Department of Commerce due to Franchisor's financial status.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

Franchisee:____________________________

By: ____________________________	By: ____________________________
Title:____________________________	Title: ____________________________

STATE LAW ADDENDUM – NEW YORK

Notwithstanding anything contained in the foregoing Franchise Agreement, Food Truck Addendum, Area Development Agreement and Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the New York State Franchise Act shall apply to any franchise or franchisee located in the State of New York, which shall control to the extent of any inconsistency:

Item 3 shall be supplemented by the following:

A. Neither we nor any person identified in Item 2 has an administrative, criminal or civil action pending against it, him or her alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations. Nor do we or a person identified in Item 2 have any 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. Neither we nor any person identified in Item 2 has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Neither we nor any person identified in Item 2 is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or is subject to any currently effective order of any 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 shall be supplemented by the following:

Neither we nor any of our affiliates, officers or members, during the 10-year period immediately before the date of this disclosure document, has: (a) filed as a debtor (or had filed against it, him or her) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its, his or her 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 member of us held this position in the company or partnership.

Dated on the__________day of_______________, 20____.

Garbanzo Mediterranean Grill Franchising, LLC

By: _____________________________________
Name, Title:______________________________

FRANCHISEE:

By: _____________________________________
Name, Title:______________________________

STATE LAW ADDENDUM – VIRGINIA

The following provisions of the Virginia Retail Franchising Act shall apply to any franchises sold or offered for sale within the State of Virginia, located in this State or to a Virginia resident, which shall control to the extent of any inconsistency in the Franchise Disclosure Document ("FDD"), the Franchise Agreement, Food Truck Addendum or the Area Development Agreement:

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 grounds for default or termination stated in the Franchise Agreement or Area Development Agreement does not constitute "reasonable cause," as the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement or Area Development Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

Section of IV., A. of the Franchise Agreement shall be replaced by the following: Initial Franchise Fee. You must pay us an initial franchise fee ("Initial Franchise Fee") when we have completed our pre-opening obligations under this Franchise Agreement. The amount of the Initial Franchise Fee is $30,000 in unencumbered cash; it cannot be borrowed. If you have signed an area development agreement with us and paid us a development fee, then the portion of that development fee attributable to signing this Agreement and opening the Grill will be applied to the Initial Franchise Fee. In that event, you will pay us the balance of the Initial Franchise Fee when we have completed our pre-opening obligations under this Franchise Agreement. The Initial Franchise Fee is not refundable in whole or in part under any circumstances.

Section of IV of the Area Development Agreement shall be supplemented by the following at the end of that section:

Nothing in this section to the contrary withstanding, you will not be required to pay any development fees to us under this Area Development Agreement ("ADA") until we have completed our pre-opening obligations under the ADA and under the franchise agreement for the first unit. At that time, after we have completed those pre-opening obligations for the first unit, you will pay us all the development fees relative to all of the remaining units to be opened after the first unit, as more particularly described in the ADA development exhibit.

Section III.A. of the Food Truck Addendum shall be replaced by the following. Food Truck Development Fees. You must pay us a food truck development fee ("Food Truck Development Fee" when we have completed our opening obligations under this Food Truck Addendum. The amount of the Food Truck Development Fee is $5,000 in unencumbered cash; it cannot be borrowed. The Food Truck Fee is not refundable in whole or in part under any circumstances.

Dated on the__________day of_______________, 20__.

Garbanzo Mediterranean Grill Franchising, LLC

By:_______________________________, Title: ___________________________

FRANCHISEE:

By:_______________________________, Title: ___________________________

STATE LAW ADDENDUM – WASHINGTON

Notwithstanding anything contained in the foregoing Franchise Agreement, Food Truck Addendum, Area Development Agreement and Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the Washington Franchise Investment Protection Act shall apply to any franchise or franchisee located in the State of Washington, which shall control to the extent of any inconsistency:

The state of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with FRANCHISOR, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with FRANCHISOR, including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in 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.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the Franchise 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 Washington Franchise Investment Protection Act, right or remedies under such Act, such as a right to jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect FRANCHISOR'S reasonable estimated or actual costs in effecting a transfer.

<u>Franchise Disclosure Document – Items 5 and 7 and Section IV.A of the Franchise Agreement , Section IIIA. of the Food Truck Addendum, and Section IV of the Area Development Agreement.</u>

The State of Washington has imposed a financial condition under which the initial franchise fees due will be deferred until the franchisor has fulfilled its initial pre-opening obligations under the **Franchise Agreement** and the franchise is open for business. Because the Franchisor has material pre-opening obligations with respect to each franchised business the Franchisee opens under the **Area Development Agreement** and the **Food Truck Addendum**, the State of Washington will require that the franchise fees be released proportionally with respect to each franchised business.

Dated on the__________day of_______________, 20____.

Garbanzo Mediterranean Grill Franchising, LLC

By: ____________________________________
Name, Title:_____________________________

FRANCHISEE:

By: ____________________________________
Name, Title:_____________________________

STATE LAW ADDENDA-WISCONSIN

The Securities Commissioner of the State of Wisconsin requires that certain provisions contained in franchise documents be amended to be consistent with Wisconsin Fair Dealership Law, Wisconsin Statutes, Chapter following, such provisions are hereby amended:

a. The Wisconsin Fair Dealership Law, among other things, grants Franchisee the right, in most circumstances, to 90 days' prior written notice of termination or non-renewal and 60 days within which to remedy any claimed deficiencies. If the Agreement contains a provision that is inconsistent with these provisions of the Wisconsin Fair Dealership Law, the provisions of the Agreement shall be superseded by the Law's requirements and shall have no force or effect.

b. If the Agreement requires that it be governed by a state's law, other than the State of Wisconsin, to the extent that any provision of the Agreement conflicts with the Wisconsin Fair Dealership Law such provision shall be superseded by the law's requirements.

Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Wisconsin law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

As to any state law described in the Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, Food Truck Addendum or Area Development Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

Dated on the__________day of_______________, 20____.

Garbanzo Mediterranean Grill Franchising, LLC

By: ____________________________________
Name, Title: ____________________________

FRANCHISEE:

By:____________________________________
Name, Title:____________________________

EXHIBIT C

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OPERATIONS MANUAL

Revised 3-19-18

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EXHIBIT D
STATE LAW ADDENDA TO THE FDD

STATE LAW ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

STATE LAW ADDENDUM – CALIFORNIA

"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 FRANCHISE DISCLOSURE DOCUMENT."

Notwithstanding anything contained in the foregoing Franchise Agreement, Area Development Agreement and Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the California Investment Law shall apply to any franchise or franchisee located in the State of California, which shall control to the extent of any inconsistency:

Item 3 of the FDD

Neither we, nor any person or franchise broker in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

Item 5 Shall be supplemented by the following:

The Initial Fee for each Franchise Agreement will not be paid by you until after the franchisor has completed its initial obligations under the Franchise Agreement and the franchise is open for business. In the case of a Franchise Agreement for the second and subsequent franchises under an Area Development Agreement, any portion of the development fee attributable to an individual franchise outlet will not be paid by you until after the franchisor has completed its pre-opening obligations as to that specific outlet and that franchised outlet is open for business.

Item 17 of the FDD

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

The Franchise Agreement and Area Development 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.).

If the Area Developer fails to maintain the Development Schedule, the Area Development Agreement may expire or be terminated.

The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. These provisions may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement and the Area Development Agreement require binding arbitration. The arbitration will occur in Arapahoe County, CO with the costs being borne by both parties.

The Franchise Agreement contains provisions that limit Franchisee's rights and may not be enforceable in California including but not limited to a time limit to raise claims against the Franchisor, limitation of damages and waiver of jury trial.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Sections 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516.) Business and Professions Code Section 200010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The Franchise Agreement and Area Development Agreement requires application of the law of Colorado. This provision may not be enforceable under California law.

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

Dated on the _____ day of ______________, 20_____.

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

By:___________________________

FRANCHISEE

By:______________________________

STATE LAW ADDENDUM - ILLINOIS

Notwithstanding anything contained in the foregoing Franchise Agreement, Area Development Agreement and Franchise Disclosure Document to the contrary, the following provisions of the Illinois Franchise Disclosure Act ("Act") shall apply to any franchise located in the State of Illinois, which shall control to the extent of any inconsistency:

Item 5 of the FDD, Section IV.A of the Franchise Agreement, Section III.A and Section IV of the Area Development Agreement: The Illinois Attorney General's Office has imposed financial assurances based on our financial condition. For this reason, the initial franchise fees are to be deferred. The initial franchise fees include fees and payments you make to us and our Affiliate for goods and services before your first Grill opens for business. The initial franchise fees will be deferred until all of our initial obligations to you have been fulfilled and you have opened your first Grill for business pursuant to the Franchise Agreement.

Item 17v. and 17 w of the FDD, Section IX.G. of the Area Development Agreement and Section XVII.F of the Franchise Agreement: Choice of Law and Choice of Forum shall be Illinois. Any provision in the Franchise Agreement, including but not limited to Section XVIII.G, which designate choice of law, jurisdiction or venue in a forum outside the State of Illinois is void.

Termination or Nonrenewal Franchise: Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

Waiver of Jury Trial. Section XVII.P of the Franchise Agreement, and IX.I of the Area Development Agreement may not be enforceable under Illinois law.

Other Provisions Unaffected: All other terms and provisions contained in the Franchise Agreement and ADA shall remain in full force and effect, except to the extent specifically modified herein.

Garbanzo Mediterranean Grill Franchising, LLC	Franchisee__________________
By:__________________________	By:________________________
Date:_________________________	Date:_______________________

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT REQUIRED FOR MARYLAND FRANCHISEES

This Addendum pertains to franchises sold in the State of Maryland, residents of the State of Maryland, and franchises to be operated in the State of Maryland, regardless of the franchisee's residency, and is for the purpose of complying with Maryland statutes and regulations. The Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows:

1. Item 5 of the Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by multi-unit developers shall be deferred until the first franchise under the development agreement opens.

2. Item 17 of the Franchise Disclosure Document, Section III.C of the Franchise Agreement, and the Area Development Agreement are amended as follows: The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Item 17 of the Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows: This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is in an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise aw. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

4. Item 17 of the Franchise Disclosure Document, the Franchise Agreement and the Area Development Agreement are amended as follows: Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. Item 17 of the Franchise Disclosure Document is amended as follows: The provision in the Franchise Agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)

6. The Franchise Agreement, the Area Development Agreement and the Franchise Disclosure Questionnaire are amended as follows: All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Garbanzo Mediterranean Grill Franchising, LLC	Franchisee__________________
By:__________________________	By:_________________________
Date:_________________________	Date:________________________

STATE LAW ADDENDUM - MINNESOTA

We will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and Area Development Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document, Franchise Agreement or Area Development Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

In accordance with Minnesota Rule 2860.4400J, to the extent required by law, the Disclosure Document, Franchise Agreement and Area Development Agreement are modified so that we cannot require you to waive your rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Disclosure Document, Franchise Agreement and Area Development Agreement are modified accordingly, to the extent required by Minnesota law.

Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), to the extent required by law, the Franchise Agreement and Item 13 of the Disclosure Document are amended to state that we will protect your right to use the primary trademark, service mark, trade name, logotype or other commercial symbol or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of our primary trade name.

Pursuant to Minn. Stat. Sec. 80C.17, Subd. 5, to the extent required by law, the Franchise Agreement, the Area Development and Item 17 of the Disclosure Document are amended to state that no action may be commenced pursuant to this section more than three years after the cause of action accrues.

ITEM 5 of the Disclosure Document and Section IV of the Franchise Agreement are amended to disclose that Franchisee's payment of initial Franchise Fees will be deferred until Franchisor has met all of its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Minnesota Department of Commerce due to Franchisor's financial status.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum and understands and consents to be bound by all of its terms.

Franchisee:______________________________

By: ______________________________	By: ______________________________
Title:______________________________	Title: ______________________________

STATE LAW ADDENDUM – NEW YORK

Notwithstanding anything contained in the foregoing Franchise Agreement, Area Development Agreement and Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the New York State Franchise Act shall apply to any franchise or franchisee located in the State of New York, which shall control to the extent of any inconsistency:

Item 3 shall be supplemented by the following:

A. Neither we nor any person identified in Item 2 has an administrative, criminal or civil action pending against it, him or her alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations. Nor do we or a person identified in Item 2 have any 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. Neither we nor any person identified in Item 2 has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Neither we nor any person identified in Item 2 is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or is subject to any currently effective order of any 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 shall be supplemented by the following:

Neither we nor any of our affiliates, officers or members, during the 10-year period immediately before the date of this disclosure document, has: (a) filed as a debtor (or had filed against it, him or her) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its, his or her 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 member of us held this position in the company or partnership.

Dated on the__________day of_______________, 20____.

Garbanzo Mediterranean Grill Franchising, LLC
By: ____________________________________
Name, Title:_____________________________

FRANCHISEE:
By: ____________________________________
Name, Title:_____________________________

STATE LAW ADDENDUM – VIRGINIA

The following provisions of the Virginia Retail Franchising Act shall apply to any franchises sold or offered for sale within the State of Virginia, located in this State or to a Virginia resident, which shall control to the extent of any inconsistency in the Franchise Disclosure Document ("FDD"), the Franchise Agreement or the Area Development Agreement:

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 grounds for default or termination stated in the Franchise Agreement or Area Development Agreement does not constitute "reasonable cause," as the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement or Area Development Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

Section of IV., A. of the Franchise Agreement shall be replaced by the following: Initial Franchise Fee. You must pay us an initial franchise fee ("Initial Franchise Fee") when we have completed our pre-opening obligations under this Franchise Agreement. The amount of the Initial Franchise Fee is $30,000 in unencumbered cash; it cannot be borrowed. If you have signed an area development agreement with us and paid us a development fee, then the portion of that development fee attributable to signing this Agreement and opening the Grill will be applied to the Initial Franchise Fee. In that event, you will pay us the balance of the Initial Franchise Fee when we have completed our pre-opening obligations under this Franchise Agreement. The Initial Franchise Fee is not refundable in whole or in part under any circumstances.

Section of IV of the Area Development Agreement shall be supplemented by the following at the end of that section:

Nothing in this section to the contrary withstanding, you will not be required to pay any development fees to us under this Area Development Agreement ("ADA") until we have completed our pre-opening obligations under the ADA and under the franchise agreement for the first unit. At that time, after we have completed those pre-opening obligations for the first unit, you will pay us all the development fees relative to all of the remaining units to be opened after the first unit, as more particularly described in the ADA development exhibit.

Dated on the__________day of_______________, 20__.

Garbanzo Mediterranean Grill Franchising, LLC

By:______________________________, Title: __________________________

FRANCHISEE:

By:______________________________, Title: __________________________

STATE LAW ADDENDUM – WASHINGTON

Notwithstanding anything contained in the foregoing Franchise Agreement, Area Development Agreement and Franchise Disclosure Document ("FDD") to the contrary, the following provisions of the Washington Franchise Investment Protection Act shall apply to any franchise or franchisee located in the State of Washington, which shall control to the extent of any inconsistency:

The state of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with FRANCHISOR, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with FRANCHISOR, including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in 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.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the Franchise 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 Washington Franchise Investment Protection Act, right or remedies under such Act, such as a right to jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect FRANCHISOR'S reasonable estimated or actual costs in effecting a transfer.

Franchise Disclosure Document – Items 5 and 7 and Section IV.A of the Franchise Agreement and Section IV of the Area Development Agreement.

The State of Washington has imposed a financial condition under which the initial franchise fees due will be deferred until the franchisor has fulfilled its initial pre-opening obligations under the **Franchise Agreement** and the franchise is open for business. Because the Franchisor has material pre-opening obligations with respect to each franchised business the Franchisee opens under the **Area Development Agreement**, the State of Washington will require that the franchise fees be released proportionally with respect to each franchised business.

Dated on the__________day of_______________, 20____.

Garbanzo Mediterranean Grill Franchising, LLC

By: ______________________________________

Name, Title:_______________________________

FRANCHISEE:

By: ______________________________________

Name, Title:_______________________________

STATE LAW ADDENDA-WISCONSIN

The Securities Commissioner of the State of Wisconsin requires that certain provisions contained in franchise documents be amended to be consistent with Wisconsin Fair Dealership Law, Wisconsin Statutes, Chapter following, such provisions are hereby amended:

a. The Wisconsin Fair Dealership Law, among other things, grants Franchisee the right, in most circumstances, to 90 days' prior written notice of termination or non-renewal and 60 days within which to remedy any claimed deficiencies. If the Agreement contains a provision that is inconsistent with these provisions of the Wisconsin Fair Dealership Law, the provisions of the Agreement shall be superseded by the Law's requirements and shall have no force or effect.

b. If the Agreement requires that it be governed by a state's law, other than the State of Wisconsin, to the extent that any provision of the Agreement conflicts with the Wisconsin Fair Dealership Law such provision shall be superseded by the law's requirements.

Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Wisconsin law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

As to any state law described in the Amendment that declares void or unenforceable any provision contained in the Franchise Agreement or Area Development Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

Dated on the__________day of______________, 20___.

Garbanzo Mediterranean Grill Franchising, LLC

By: ____________________________________

Name, Title: ____________________________

FRANCHISEE:

By:___________________________________

Name, Title:____________________________

EXHIBIT E

LIST OF FRANCHISEES

EXHIBIT E
LIST OF FRANCHISEES
(As of December 31, 2019)

LIST OF FRANCHISES

Colorado

Ciara Dawn Restaurant Company, LLC*
C/O Lory Student Center
1101 Central Avenue Mall
Fort Collins, CO. 80521
303-731-1404

SD-OMAHA LLC
1905 29th St.
Boulder, CO 80301
(720) 974-6601

SD-OMAHA LLC
3453 W. 32nd Ave.
Denver, CO 80211
(909) 433-9991

SD-OMAHA LLC
1350 16th Street
Denver, CO 80222
(720)-266-2001

SD-OMAHA LLC
8225 South Chester Street
Englewood, CO 80112
(303) 705-9800

SD-OMAHA LLC
100 West Troutman Suite 120
Ft. Collins, CO 80525
970-449-5021

SD-OMAHA LLC
14700 W. Colfax Ave.
Lakewood, CO 80401
(720) 214-7101

SD-OMAHA LLC
9996 Commons St., Suite 310
Lone Tree, CO 80124
(303) 397-1911

SD-OMAHA LLC
1232 Hoover St.
Longmont, CO 80503

Georgia

Delaware North Company*
Hartsfield-Jackson
6000 N Terminal Pkwy.
Atlanta, GA 30320
404-762-1577

Illinois

Bonzos1, LLC
University of Illinois
1401 W. Green Street
Urbana, IL 61801

Indiana

Chris Abayasinghe*
Senior Director
Campus Dining
University of Notre Dame
(574) 631-7253

Minnesota

Sodexo*
University of Minnesota Mankato
1651 Warren Street
Mankato, MN 56001

Missouri

Sodexo*
University of St. Louis
9801 Washingtonian Boulevard
Gaithersburg, Maryland 20878

Pennsylvania

Sodexo*
Moravian College
1200 Main Street
Bethlehem, PA 18018

Texas

Blue Jean Food Group, LLC*
11075 Heubner Oaks, Suite 306
San Antonio, TX 78230
210-572-4382

Ella Bean*
947 Gessner, Suite A651
Houston, TX 77024
281-570-5018

Virginia

Sodexo*
1971 University Blvd., MSC Box 710233
Campus Student Center
Lynchburg, VA 24515
516-922-9469

Sodexo*
George Mason University
Johnson Center
4400 University Drive
Fairfax, VA 22030

* indicates an area developer

SIGNED BUT NOT OPENED

Colorado
Delaware North Company*
Hartsfield-Jackson
6000 N Terminal Pkwy.
Atlanta, GA 30320
404-762-1577

Indiana
Janes Franchising, LLC

Massachusetts
S&S Management*
134 Boylston
Boston, MA

Utah
OHM Concessions Group, LLC
Salt Lake City International Airport Terminal A
4482 Woodson Road
Woodson Terrace, MO 63134

FRANCHISEES THAT HAVE LEFT THE SYSTEM

(The list of franchisees that have been terminated, transferred, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the Application Date.) If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No Franchisees Left the System in 2019

LIST OF GARBANZO MEDITERRANEAN GRILL RESTAURANTS OWNED BY OUR PARENT OR AFFILIATE AS OF DECEMBER 31, 2019

COLORADO

Colorado Springs, CO
3779 Bloomington St.
Colorado Springs, CO 80922
(719) 573-1302

Denver, CO
2466 South Colorado Blvd.
Denver, CO 80222
(303) 300-3534

Glendale, CO
630 S. Colorado Blvd.
Glendale, CO 80246
(303) 757-5901

Greenwood Village, CO
8547 E. Arapahoe Rd, Unit D
Greenwood Village, CO 80112
(303) 850-0031

Highlands Ranch, CO
1100 Sergeant Jon Stiles Drive, Suite 108
Highlands Ranch, CO 80129
(303) 471-6100

Littleton, CO
8246 West Bowles Avenue
Littleton, CO 80123
(303) 932-8897

MISSOURI

Clayton, MO
8143 Maryland Ave
Clayton, MO 63105
(314) 224-5222

EXHIBIT F

FINANCIAL STATEMENTS

UNAUDITED FINANCIALS

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT.

PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM

Garbanzo Mediterranean Grill Franchising LLC Income Statement (unaudited) as of August 25, 2020	
Revenues	
Franchise Fee	45,750
Franchise Royalty	237,926
Franchise Training Fee	30,000
Total Revenues	**313,676**
General & Administrative	206,318
Net Income	**107,358**
Members' Deficit, beginning of fiscal year	(391,605)
Members' Deficit, through August 25, 2020	**(284,247)**

Garbanzo Mediterranean Grill Franchising LLC Balance Sheet (unaudited) as of August 25, 2020	
Current Assets	
Cash	21,114
Accounts Receivable	85,982
Current Portion of Deferred Commissions	1,500
Total Current Assets	**108,596**
Long Term Assets	
Deferred Commissions, net of current portion	11,500
Due from Parent	396,195
Total Long Term Assets	**407,695**
Property & Equipment Net	**497**
Total Assets	**516,788**
LIABILITIES & Member's Deficit	
Accounts Payable	53,243
Current Portion of Deferred Revenue	68,500
Total Current Liabilities	**121,743**
Long Term Liabilities	
Deferred Revenue, Net of Current Portion	679,292
Total Long Term Liabilities	**679,292**
Total Liabilities	**801,035**
Commitments & Contingencies	(284,247)
Total Liabilities & members' deficit	**516,788**

Garbanzo Mediterranean Grill Franchising, LLC

Financial Statements

December 31, 2019 and 2018

armanino

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INDEPENDENT AUDITOR'S REPORT

To the Members
Garbanzo Mediterranean Grill Franchising, LLC
Centennial, Colorado

We have audited the accompanying financial statements of Garbanzo Mediterranean Grill Franchising, LLC (a California corporation) (the "Company"), which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of income and changes in members' equity (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Garbanzo Mediterranean Grill Franchising, LLC as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Company has changed its method of accounting for revenue from contracts with customers in fiscal year 2019 due to the adoption of the new revenue recognition standard. The Company adopted the new revenue standard using a modified-retrospective approach.

Emphasis of Matter

As discussed in Note 2 to the financial statements, on March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is not modified with respect to that matter.

Armanino LLP

Armanino LLP
Los Angeles, California

June 5, 2020

Garbanzo Mediterranean Grill Franchising, LLC
Balance Sheets
December 31, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash	$ 23,112	$ 12,069
Accounts receivable	17,777	16,770
Current portion of deferred commissions	1,500	-
Total current assets	42,389	28,839
Long-term assets		
Deferred commissions, net of current portion	12,500	-
Due from Parent	311,928	-
Total long-term assets	324,428	-
Property and equipment, net	579	-
Total assets	$ 367,396	$ 28,839
LIABILITIES AND MEMBERS' DEFICIT		
Current liabilities		
Accounts payable and accrued expenses	$ 40,480	$ 13,800
Current portion of deferred revenue	61,500	45,000
Due to related party	-	3,396
Total current liabilities	101,980	62,196
Long-term liabilities		
Deferred revenue, net of current portion	657,042	-
Due to Parent	-	201,777
Total long-term liabilities	657,042	201,777
Total liabilities	759,022	263,973
Commitment and contingencies		
Members' deficit	(391,626)	(235,134)
Total liabilities and members' deficit	$ 367,396	$ 28,839

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

Garbanzo Mediterranean Grill Franchising, LLC
Statements of Income and Changes in Members' Equity (Deficit)
For the Years Ended December 31, 2019 and 2018

	2019	2018
Revenues		
Franchise royalty	$ 282,178	$ 248,023
Franchise fee	34,083	60,000
Restaurant sales and other	11,785	688
Total revenues	328,046	308,711
General and administrative	427,360	298,011
Net income (loss)	(99,314)	10,700
Members' deficit, beginning of year, as previously reported	(235,134)	(245,834)
Impact of ASC 606 adoption (Note 2)	(57,178)	-
Members' deficit, beginning of year, restated	(292,312)	(245,834)
Members' deficit, end of year	$ (391,626)	$ (235,134)

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

Garbanzo Mediterranean Grill Franchising, LLC
Statements of Cash Flows
For the Years Ended December 31, 2019 and 2018

		2019	2018
Cash flows from operating activities			
Net income (loss)	$	(99,314)	$ 10,700
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities			
Depreciation		41	-
Changes in operating assets and liabilities			
Accounts receivable		(1,007)	6,860
Deferred commissions		14,000	-
Accounts payable and accrued expenses		26,680	(52,464)
Deferred revenue		178,018	(45,000)
Net cash provided by (used in) operating activities		118,418	(79,904)
Cash flows from investing activities			
Purchases of property and equipment		(620)	-
Net cash provided by (used in) investing activities		(620)	-
Cash flows from financing activities			
Borrowing from Parent		(311,928)	77,197
Repayment to Parent		205,173	-
Net cash provided by (used in) financing activities		(106,755)	77,197
Net increase (decrease) in cash		11,043	(2,707)
Cash, beginning of year		12,069	14,776
Cash, end of year	$	23,112	$ 12,069

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

Garbanzo Mediterranean Grill Franchising, LLC
Notes to Financial Statements
December 31, 2019 and 2018

1. NATURE OF OPERATIONS

Garbanzo Mediterranean Grill Franchising, LLC (the "Company") is a limited liability company formed to act as the franchisor of Garbanzo Mediterranean Grill restaurants. The Company is a wholly-owned subsidiary of Garbanzo Mediterranean Grill, LLC ("Garbanzo") ("Parent").

Store franchise agreements

Franchise agreements typically have an initial term of ten years with one ten-year renewal period. The franchisees are required to purchase equipment and products from approved suppliers. The franchisees pay fees to the Company in exchange for selected employee training, manuals and approval of store location. They also pay a royalty based on their gross sales.

The summary of all franchise agreements is as follows:

Total franchise agreements for all locations at January 1, 2019	12
New franchise agreements in 2019	11
Total franchise agreements for all locations at December 31, 2019	23

The summary of open franchise locations is as follows:

Total open franchise locations at January 1, 2019	9
Locations opened during 2019	10
Total open franchise locations at December 31, 2019	19

The summary of all franchise agreements is as follows:

Total franchise agreements at January 1, 2018	7
New franchise agreements in 2018	5
Total franchise agreements at December 31, 2018	12

The summary of open franchise locations is as follows:

Total open franchise locations at January 1, 2018	5
Locations opened during 2018	4
Total open franchise locations at December 31, 2018	9

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the Unites States of America ("U.S. GAAP").

Change in accounting principle

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* (Topic 606) (codified as ASC 606), which, along with subsequent amendments issued after May 2014, replaced substantially all of the relevant U.S. GAAP revenue recognition guidance. ASC 606, as amended, is based on the principle that revenue is recognized to depict the contractual transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services utilizing a new five-step revenue recognition model, which steps include (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

On January 1, 2019, the Company adopted ASC 606, as amended, to all contracts that had not been completed as of January 1, 2019 using the modified-retrospective method. Accordingly, results for the reporting period beginning after January 1, 2019 are presented in accordance with ASC 606, while prior period amounts have not been adjusted and continue to be reported under the accounting standards that were in effect for the prior periods.

The cumulative effect of adopting ASC 606 resulted in a one-time adjustment of $57,178 to the opening balance of retained earnings which is reflected in the accompanying statements of stockholder's equity for the fiscal year ended December 31, 2019. The cumulative effect adjustment relates to the recognition of revenue and related costs for customer contracts that transfer goods or services over time. Under ASC 606, the timing of the recognition of revenue and the related cost of revenue associated with goods or services provided to customers with no alternative use are recognized over time utilizing an input method that compares the cost of cumulative work-in-process to date to the most current estimates for the entire cost of the performance obligation. By contrast, in the prior periods, revenue and the related costs were recognized upon completion of the performance obligation in accordance with accounting standards that were in effect in the prior periods. Under these customer contracts the customer retains control of the product as it is being created or enhanced by the Company's services and/or the Company is entitled to compensation for progress to date that includes an element of profit margin.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting principle (continued)

Opening balance adjustment consisted of the following:

Members' deficit, December 31, 2018, as previously reported	$	(235,134)
Deferred revenue ASC 606 impact		(57,178)
Members' deficit, December 31, 2018, as restated	$	(292,312)

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Cash and cash equivalents

The Company considers all short-term financial instruments with an original maturity of three months or less to be cash equivalents. There were no cash equivalents included within cash at December 31, 2019 and 2018, respectively.

Accounts receivable

The Company carries its accounts receivable at cost. On a periodic basis the Company evaluates its accounts receivable and recognizes bad debts, based on an analysis of specific franchises. An allowance for doubtful accounts has not been established as the amount is fully collectible.

Revenue recognition

Franchise fees are recognized as deferred revenue at the time a franchise agreement is executed or when the store commences operations, as the case may be. The deferred revenue is then recognized as revenue pro-rata over the term of the agreement. For area development agreements, the development fees are recognized as deferred revenue at the time an area development agreement is executed. The deferred revenue is then recognized pro-rata over the term of the agreement or when the required number of franchises in the area development agreement are satisfied, whichever occurs earlier.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

As a wholly-owned subsidiary, the Company is included on the Parent's income tax filings. The Parent, with the consent of its members, has elected under the Internal Revenue Code to be treated as a partnership. In lieu of corporation income taxes, the member is taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for income taxes has been included in the financial statements.

The Company accounts for any uncertain tax positions in accordance with the Income Taxes topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). The topic prescribes a recognition threshold and measurement process for financial statement recognition of uncertain tax positions taken or expected to be taken in a tax return. In evaluating the Company's tax provisions and accruals, future taxable income, the reversal of temporary differences, interpretations, and tax planning strategies are considered. The Company believes their estimates are appropriate based on current facts and circumstances, and have no uncertain tax positions.

The Parent's income tax filings are subject to audit by various taxing authorities. The Parent's open audit periods are the tax years ended December 31, 2015 and subsequent for federal income tax purposes and 2014 and subsequent for state purposes.

Subsequent events

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders. While the business disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders and the ultimate impact of the CARES Act and other governmental initiatives. In response, the U.S. Government enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which includes significant provisions to provide relief and assistance to affected organizations. Starting March 15, 2020, the stores being affected are temporarily closed down for dine-in services in compliance with the state's instruction. However, those stores are still taking delivery orders. As a result, the operations are negatively impacted by these events.

The Company evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through the date of the independent auditor's report, June 5, 2020, which is the date the financial statements were available to be issued.

3. DUE FROM AND TO PARENT

As of December 31, 2019, the Company has advanced the Parent $311,928 from royalty income and franchise fees. The advance is unsecured, noninterest-bearing and due upon demand. It is not anticipated it will be repaid within twelve months, thus has been classified as long-term.

As of December 31, 2018, the Parent has advanced amounts to the Company and paid expenses on the Company's behalf totaling $201,777. These amounts are unsecured and do not bear interest and are due upon demand, and was liquidated during 2019.

4. GOING CONCERN

The Company relies on Garbanzo for cash flow support as noted. The Company and Garbanzo have incurred operating losses in recent years. In April 2020, Garbanzo received a loan of $1,192,400 under the Paycheck Protection Program pursuant to the Coronavirus Aid, Relief and Economic Security (CARES) Act. Like the Company, starting March 15, 2020, Garbanzo's stores are also temporarily closed down for dine-in services in compliance with the state's instruction. However, these stores are still taking delivery orders. As a result, the operations of Garbanzo's stores are also negatively impacted by these events. Management believes, in large part, its ability to continue operations is dependent on, if and when, restaurants will be allowed to have dine-in services and at what capacity as well as customers willingness to return to restaurants for dine-in services.

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

FINANCIAL STATEMENTS

DECEMBER 26, 2017 AND DECEMBER 27, 2016

SFW PARTNERS, LLC
CPAs & Management Consultants

INDEPENDENT AUDITOR'S REPORT

Member
Garbanzo Mediterranean Grill Franchising, LLC

We have audited the accompanying financial statements of Garbanzo Mediterranean Grill Franchising, LLC, a wholly-owned subsidiary of Garbanzo Mediterranean Grill, LLC, which comprise the balance sheets as of December 26, 2017 and December 27, 2016, and the related statements of operations and member's deficit and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Garbanzo Mediterranean Grill Franchising, LLC as of December 26, 2017 and December 27, 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

SFW Partners, LLC

April 18, 2018

SFW Partners, LLC

1610 Des Peres Road | Suite 300 | St. Louis, MO 63131 | p. 314.569.3333 | f. 314.698.5799 | SFWPartnersLLC.com

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

BALANCE SHEETS
As of December 26, 2017 and December 27, 2016

ASSETS

	2017	2016
Current assets:		
Cash	$ 14,776	$ 19,941
Accounts receivable	23,630	12,623
Total assets	$ 38,406	$ 32,564

LIABILITIES AND MEMBER'S DEFICIT

	2017	2016
Current liabilities:		
Accounts payable	$ 6,264	$ 14,479
Accrued expenses	60,000	60,000
Due to parent	127,976	143,756
Unearned revenue	90,000	160,000
Total liabilities	284,240	378,235
Member's deficit	(245,834)	(345,671)
Total liabilities and member's deficit	$ 38,406	$ 32,564

The accompanying notes to the financial statements
are an integral part of these balance sheets.

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

STATEMENTS OF OPERATIONS AND MEMBER'S DEFICIT
For the Years Ended December 26, 2017 and December 27, 2016

	2017		2016	
Revenue	$ 380,907	100.00 %	$ 400,290	100.00 %
General and administrative expenses	281,070	73.79	162,965	40.71
Net income	99,837	26.21 %	237,325	59.29 %
Member's deficit, beginning of the year	(345,671)		(582,996)	
Member's deficit, end of the year	$ (245,834)		$ (345,671)	

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

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

STATEMENTS OF CASH FLOWS
For the Years Ended December 26, 2017 and December 27, 2016

	2017	2016
Cash flows from operating activities:		
Net income	$ 99,837	$ 237,325
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	(11,007)	(3,507)
Increase (decrease) in liabilities:		
Accounts payable	(8,215)	14,479
Unearned revenue	(70,000)	(160,000)
Net cash provided by operating activities	10,615	88,297
Cash flows from financing activities:		
Decrease in due to parent	(15,780)	(78,872)
Net (decrease) increase in cash	(5,165)	9,425
Cash, beginning of the year	19,941	10,516
Cash, end of the year	$ 14,776	$ 19,941

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

GARBANZO MEDITERRANEAN GRILL FRANCHISING, LLC

NOTES TO THE FINANCIAL STATEMENTS

(1) Operations

Garbanzo Mediterranean Grill Franchising, LLC (the "Company") is a limited liability company formed to act as the franchisor of Garbanzo Mediterranean Grill restaurants. The Company is a wholly-owned subsidiary of Garbanzo Mediterranean Grill, LLC ("Garbanzo"). Seven franchises were operating as of December 26, 2017 and eight as of December 27, 2016.

(2) Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fiscal Year

The Company's fiscal year ends on the last Tuesday of December.

Revenue Recognition

The Company enters into franchise agreements and area development agreements whereby it collects franchise fees from franchisees to secure the right to operate franchises in specific territories. Per the franchise agreements, fifty percent of the franchise fee is recognized when a lease is signed, signifying a commitment on the part of the franchisee to open a store. The remaining portion of the franchise fee is recognized as unearned revenue until a store commences operations. Upon commencement of operations, the remaining fifty percent of the franchise fee is recognized as revenue. For an area development agreement, a portion of the fee is recognized with each lease signing, with the remaining portion recognized as unearned revenue until the maturity date of the agreement or the full number of franchises are leased, whichever occurs earlier.

	2017	2016
Initial franchise fees, including renewal fees	$ 35,000	$ 30,000
Royalties and advertising fees	245,907	225,290
Terminated area development agreements	100,000	145,000
Total revenue	$ 380,907	$ 400,290

Accounts Receivable

The Company carries its accounts receivable at cost. On a periodic basis, the Company evaluates its accounts receivable and recognizes bad debts, based on an analysis of specific customers, taking into consideration the age of the past due accounts and an assessment of the customer's ability to pay. An allowance for doubtful accounts has not been established as the amount is considered immaterial. The Company recognizes service charge income only when collected.

(Continued)

(2) Summary of Significant Accounting Policies (Continued)

Income Taxes

As a wholly-owned subsidiary, the Company is included on Garbanzo's income tax filings. Garbanzo, with the consent of its members, has elected under the Internal Revenue Code to be treated as a partnership. In lieu of corporation income taxes, the members are taxed on their proportionate share of the company's taxable income. Therefore, no provision or liability for income taxes has been included in the financial statements.

The Company accounts for any uncertain tax positions in accordance with the Income Taxes topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). The topic prescribes a recognition threshold and measurement process for financial statement recognition of uncertain tax positions taken or expected to be taken in a tax return. In evaluating the Company's tax provisions and accruals, future taxable income, the reversal of temporary differences, interpretations, and tax planning strategies are considered. The Company believes their estimates are appropriate based on current facts and circumstances.

Garbanzo's income tax filings are subject to audit by various taxing authorities. Garbanzo's open audit periods are primarily the years ended December 30, 2014 through December 26, 2017.

Subsequent Events

The Company evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through the date of the independent auditor's report, which is the date the financial statements were available to be issued.

(3) Due to Parent

As of December 26, 2017 and December 27, 2016, Garbanzo has advanced amounts to the Company and paid expenses on the Company's behalf totaling $127,976 and $143,756, respectively. These amounts are unsecured and do not bear interest.

(4) Unearned Revenue

Unearned revenue consists of the following at December 26, 2017 and December 27, 2016:

	2017	2016
Beginning balance	$ 160,000	$ 320,000
Fees received	65,000	15,000
Income recognized	(135,000)	(175,000)
Ending balance	$ 90,000	$ 160,000

(5) Management Plans

As referred to in Note 3, the Company relies on Garbanzo for cash flow support as needed. Garbanzo has incurred operating losses in recent years. To address the operating losses, management developed a plan to reduce Garbanzo and the Company's operating costs through a combination of staff reductions and outsourcing. In addition, in April 2015, Garbanzo reorganized its ownership structure and raised $1,000,000 in senior notes from its existing ownership group to provide liquidity and operating capital to the Company. An additional $550,000 in equity was raised in late 2015. In January 2017, the ownership group entered into an agreement to infuse an additional $2,700,000 into Garbanzo with approximately $2,200,000 already contributed as of the date of the independent auditor's report. Management believes that these changes will allow Garbanzo to continue operations.

EXHIBIT G

LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	California Department of Business Oversight One Sansome Street, Suite 600 San Francisco, CA 94104 415-972-8559 1-866-275-2677	California Commissioner of Business Oversight 320 West 4th Street, Suite 750 Los Angeles 90013-2344 1-866-275-2677
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103 860-240-8230	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	Same
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2722	Commissioner of Securities of the State of Hawaii Dept. of Commerce and Consumer Affairs Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 515-281-4441	Same
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 207-298-3671	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48913 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 651-539-1500	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, NE 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 Tele: 402-471-2171	Same
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	Same
NEW YORK	Bureau of Investor Protection and Securities New York State Department of Law 28 Liberty Street, 21st Floor New York, NY 10005 212-416-8285	Secretary of State of New York 99 Washington Avenue Albany, New York 12231
NORTH CAROLINA	Secretary of State's Office/Securities Division 2 South Salisbury Street Raleigh, NC 27601 919-733-3924	Secretary of State Secretary of State's Office Same Address
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor Bismarck, ND 58505-0510 701-328-4712; Fax: 701-328-0140	North Dakota Securities Commissioner Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 15th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	Same
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 405-521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 503-378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center – Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-222-3048	Director, Rhode Island Department of Business Regulation Same address
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Insurance, Securities Regulation 124 S. Euclid Avenue, Suite 104 Pierre, SD 57501 605-773-3563	Director of the South Dakota Division of Insurance, Securities Regulation Same Address
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX:801-530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising Tyler Building, 9th Floor 1300 E. Main Street Richmond, VA 23219 804-371-9733	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051
WASHINGTON	Department of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8760	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703 608-266-8557	Wisconsin Commissioner of Securities Same Address

EXHIBIT H

RELEASE

EXHIBIT H

SAMPLE RELEASE

[DO NOT SIGN AT THE TIME YOU SIGN THE FRANCHISE AGREEMENT

THIS GENERAL RELEASE (the **"General Release"**) is made by the undersigned (hereinafter **"Releasor"**) for the benefit of Garbanzo Mediterranean Grill Franchising, LLC, a Colorado limited liability company (hereinafter, "Franchisor"), on this __________day of_____________, 20___.

RECITALS

WHEREAS, Releasor is a Garbanzo Mediterranean Fresh franchisee and operates a Garbanzo Mediterranean Fresh restaurant (the "Franchised Business") pursuant to that certain franchise agreement dated_____________(the "Franchise Agreement");

WHEREAS, Releasor desires to renew its franchise with Franchisor or desires Franchisor's consent to___________________________in connection with the Franchise Agreement; and

WHEREAS, certain states require certain changes be made to this General Release specific to such state.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, Releasor hereby agrees, covenants and promises as follows:

1. Releasor, on behalf of itself and each of the persons and entities described in Section 2 hereof, hereby absolutely and forever releases, remises and discharges Franchisor and each of the persons and entities described in Section 3 hereof, from any and all claims, demands, damages, liabilities, costs (including, but not limited to reasonable attorneys' fees, accounting fees or experts' fees, and the costs of litigation, arbitration or other proceedings), expenses, liens, losses, charges, audits, investigations, injunctions, orders, rulings, subpoenas, controversies, obligations, debts, loans, interest, dues, accounts, awards, reckonings, bonds, bills, covenants, promises, undertakings, variances, trespasses, judgments, executions, sums of money owed, arbitrations, suits, decisions, proceedings, verdicts entered, issued, made or rendered and causes of action of every kind and nature whatsoever, whether now known or unknown, suspected or unsuspected, which Releasor now has, owns or holds, or at any time heretofore ever had, owned or held, or could, shall or may hereafter have, own or hold, pertaining to, arising out of or in connection with the Franchise Agreement, any related agreements or the franchisor-franchisee relationship between Releasor and Franchisor. Notwithstanding the foregoing, if this General Release is entered into in conjunction with the renewal, assignment or transfer of the Franchise Agreement, the foregoing release shall not apply to any liability under any state franchise law which governs this Release.

2. Releasor hereby understands and agrees that this General Release shall extend to and be binding upon any and all of Releasor's past, present and future officers, directors, owners, employees, representatives, agents, trustees, successors, affiliates and assigns, and their respective insurers and underwriters. If more than one party shall execute this General Release, the term "Releasor" shall mean and refer to each of the parties executing this General Release, and all such parties shall be bound by its terms, jointly and severally.

3. Releasor hereby understands and agrees that this General Release shall extend to and inure to the benefit of Franchisor and any and all of Franchisor's past, present and future officers,

directors, owners, employees, representatives, agents, trustees, successors, affiliates and assigns, and their respective insurers and underwriters.

4. Releasor hereby understands and agrees that this General Release supersedes any prior agreement, oral or written, with respect to its subject matter. Releasor understands and agrees that no representations, warranties, agreements or covenants have been made by Franchisor with respect to this General Release, other than those expressly set forth herein, and that in executing this General Release, Releasor is not relying upon any representations, warranties, agreements or covenants not expressly set forth in this General Release.

5. This General Release may not be changed except in a writing signed by the person(s) against whose interest such change shall operate. This General Release and all acts and transaction under it shall in all respects be interpreted, enforced and governed by the internal laws of the state in which Franchisor's principal place of business is located without regard to principles of conflicts of law

6. If any provision of this General Release is found or declared invalid or unenforceable by any arbitrator, court or other competent authority having jurisdiction, such finding or declaration shall not invalidate any other provision hereof and this General Release shall thereafter continue in full force and effect except that such invalid or unenforceable provision, and (if necessary) other provisions hereof, shall be reformed by such arbitrator, court or other competent authority so as to effect insofar as is practicable, the intention of the parties set forth in this General Release, provided that if such arbitrator, court or other competent authority is unable or unwilling to effect such reformation, the invalid or unenforceable provision shall be deemed deleted to the same extent as if it had never existed.

7. Releasor hereby certifies that Releasor has read all of this General Release and fully understands all of the same, and that Releasor has executed this General Release only after having received full legal advice and disclosure as to Releasor's rights from legal counsel of Releasor's choice.

IN WITNESS WHEREOF, each Releasor party hereto has executed this General Release effective as the day and year first above written.

RELEASOR:

By: ______________________________________

Name: ____________________________________

Title: _____________________________________

EXHIBIT I
ASSIGNMENT OF FRANCHISE AGREEMENT TO WHOLLY CONTROLLED ENTITY FORM

ASSIGNMENT OF FRANCHISE AGREEMENT TO CORPORATION (*or LLC*)

AND

GUARANTY OF THE CORPORATE (*or LLC*) FRANCHISE OWNER'S

PERFORMANCE AND OBLIGATIONS

Hereinafter, this Assignment of Franchise Agreement to Corporation *(or LLC)* and Guaranty of the Corporate (or LLC) Franchise Owner's Performance and Obligations shall be referred to as (the "Agreement").

WHEREAS, all of the original individual franchise owners (who are individually and collectively referred to as "you" in the franchise agreement) of that certain franchise agreement dated the____day of__ _____________, 20___ by and between Garbanzo Mediterranean Grill Franchising, LLC. (Referred to as "us, we, our or ours" in this Agreement.) and____ (Referred to as the "Assignors" in this Agreement.) (Which franchise agreement and all of its amendments is referred to as the "Franchise Agreement" in this Agreement.) wish to assign their interest in the Franchise Agreement to a corporation (*or LLC*), which has met the requirements to receive assignment of the Franchise Agreement, as set forth in the Franchise Agreement.

WHEREAS, the Assignors wish to individually guarantee the performance of all of the obligations under the Franchise Agreement by that corporation (*or LLC*).

NOW THEREFORE, as of the _____ day of_________, 20___ the Parties hereto agree:

1. All of the interest of the undersigned Assignors in and to the Franchise Agreement is hereby assigned to ____________________, a corporation (*or LLC*) of the state of ________________________ located at ____________________________(referred to as the "Corporation (*or LLC*)" in this Agreement).

2. The Corporation (or LLC), by execution below by its duly authorized officers, hereby accepts assignment of the referenced Franchise Agreement, agrees to be bound by all of the terms and provisions of that Franchise Agreement and agrees to fully perform all of the obligations of the franchise owner as set forth in that agreement.

3. We hereby approve assignment of the Assignors' interests in the Franchise Agreement to the Corporation (*or LLC*) named above on the condition that the Corporation (*or LLC*) hereby agrees to be bound by that Franchise Agreement and to perform all of the obligations set forth in the Franchise Agreement for the franchise owner, and on the condition that all of the Assignors, as well as all of the shareholders (*or members*) of the Corporation (*or LLC*), hereby agree to jointly and severally guarantee the performance and obligations of the Corporation (*or LLC*) under the terms of the Franchise Agreement.

4. All of the Assignors and all of the shareholders (*or members*) of the Corporation (*or LLC*), jointly and severally as individuals, hereby guarantee to us that the Corporation *(or LLC*) will perform each and every covenant, payment, agreement and undertaking on the part of franchise owner contained and set forth in the Franchise Agreement and agree that in the event that the Corporation (*or LLC*) does not satisfactorily perform (within our subjective and sole judgement from time to time) each and every covenant, payment, agreement and undertaking on the part of franchise owner contained and set forth in the Franchise Agreement, that we may require the assignors and/or shareholders (*or members*) of the Corporation (*or LLC*), jointly or severally to perform each and every covenant, payment, agreement and undertaking on the part of franchise owner contained and set forth in the Franchise Agreement.

5. We, our successors and assigns, may from time to time, without notice to the Assignors and/or shareholders (*or members*) (a) resort to the Assignors and/or shareholders (*or members*) for payment of any of the liabilities of the Corporation (*or LLC*) to us (the "Liabilities"), whether or not we or our successors have resorted to any property securing any of the Liabilities or proceeded against any other of the Assignors and/or shareholders (*or members*) or any party, whether primarily or secondarily liable on any of the Liabilities, (b) release or compromise any liability of any of the Assignors and/or shareholders (*or members*) hereunder or any liability of any party or parties primarily or secondarily liable on any of the Liabilities, and (c) extend, renew or credit any of the Liabilities for any period (whether or not longer than the original period); alter, amend or exchange any of the Liabilities; or give any other form of indulgence, whether under this Agreement or the Franchise Agreement or not.

6. The Assignors and/or shareholders (*or members*) agree to comply with and abide by the restrictive covenants, non-competition provisions and non-disclosure provisions contained in the Franchise Agreement to the same extent as and for the same period of time as the Franchise Owner is required to comply with and abide by such covenants and provisions under the terms of the Franchise Agreement. These obligations of the Assignors and/or shareholders (*or members*) shall survive any expiration or termination of the Franchise Agreement or this Agreement.

7. The Assignors and/or shareholders (*or members*) waive presentment, demand, notice of dishonor, protest, nonpayment and all other notices whatsoever, including without limitation: notice of acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under this Agreement or under the Franchise Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between The Corporation (*or LLC*) and us resulting from such Agreements or otherwise, and the settlement, compromise or adjustment thereof. The Assignors and/or shareholders (*or members*) further waive: (a) any right to require that an action be brought against the Corporation (*or LLC*) or any other person as a condition of liability, (b) all rights to payments and claims for reimbursement or subrogation which the Assignors and/or shareholders (*or members*) may have against the Corporation (*or LLC*) arising as a result of the Assignors and/or shareholders (*or members*) execution of and performance under this guaranty, and (c) any and all other notices and legal or equitable defenses to which the Assignors and/or shareholders (*or members*) may be entitled.

8. The Assignors and/or shareholders (*or members*) agree to pay all expenses paid or incurred by us in enforcing the Franchise Agreement and/or this Agreement against the Corporation (*or LLC*) and/or against the Assignors and/or shareholders (*or members*) and in collecting or attempting to collect any amounts due thereunder and hereunder, including reasonable accountants', attorneys', attorney assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this guaranty. Any waiver, extension of time or other indulgence granted from time to time by us, our agents, our successors or assigns, with respect to the Franchise Agreement or this Agreement, shall in no way modify or amend this Agreement, which shall be continuing, absolute, unconditional and irrevocable.

9. If more than one person has executed this Agreement, the term "the Assignors and/or shareholders (*or members*)," as used herein shall refer to each such person, and the liability of each of the Assignors and/or shareholders (*or members*) hereunder shall be joint and several and primary.

10. All parties hereto acknowledge, agree and recognize that certain disputes relating to the Franchise Agreement are to be resolved by arbitration and hereby consent to such arbitration in accordance with the terms of the Franchise Agreement. Further, all parties hereto also hereby consent to the applicability of the venue and jurisdiction provisions in the Franchise Agreement to this Agreement.

11. In consideration of this assignment, the Assignors hereby pay us a non-refundable assignment fee of seven hundred fifty dollars ($750).

IN WITNESS WHEREOF, we and each of the Assignors and/or shareholders (*or members*) has executed this Assignment and Guaranty effective as of the date set forth above.

Garbanzo Mediterranean Grill Franchising, LLC
(Execution of this Agreement on behalf of
Garbanzo Mediterranean Grill Franchising, LLC.
may be accomplished by hand signature or by facsimile stamp.)

By:____
James Park, CEO

ASSIGNORS: To Assign and to Individually Guarantee

By: ____________________________________

Name: __________________________________

Title: ___________________________________

THE Corporation *(or LLC*): To Accept Assignment and to Be Bound by The Area Agreement

[Name of entity]

By: ____________________________________
Name: __________________________________
Title: ___________________________________

Shareholders (*or members*) OF THE Corporation (*or LLC*): To Agree to Individual Guarantee

By: ____________________________________
Name: __________________________________
Title: ___________________________________

By: ____________________________________
Name: __________________________________
Title: ___________________________________

EXHIBIT J
ASSIGNMENT OF AREA DEVELOPMENT AGREEMENT TO WHOLLY CONTROLLED ENTITY FORM

ASSIGNMENT OF AREA DEVELOPMENT AGREEMENT TO CORPORATION (*or LLC*)
AND
GUARANTY OF THE CORPORATE (*or LLC*)
AREA DEVELOPER'S PERFORMANCE AND OBLIGATIONS

Hereinafter, this Assignment of Area Development Agreement to Corporation *(or LLC)* and Guaranty of the Corporate (or LLC) Area Developer's Performance and Obligations shall be referred to as (the "Agreement").

WHEREAS, all of the original individual developers (who are individually and collectively referred to as "you" in the Area Development Agreement) of that certain area development agreement dated the ____ day of________, 2_____ by and between Garbanzo Mediterranean Grill Franchising, LLC (referred to as "us, we, our or ours" in this Agreement.) and________________________ (referred to as the "Assignors" in this Agreement.) (Which area development agreement and all of its amendments is referred to as the "Area Agreement" in this Agreement.) wish to assign their interest in the Area Agreement to a corporation (*or LLC*), which has met the requirements to receive assignment of the Area Agreement, as set forth in the Area Agreement.

WHEREAS, the Assignors wish to individually guarantee the performance of all of the obligations under the Area Agreement by that corporation (*or LLC*).

NOW THEREFORE, as of the _______day of_______________, 20____ the Parties hereto agree:

1. All of the interest of the undersigned Assignors in and to the Area Agreement is hereby assigned to_________________________, a corporation (*or LLC*) of the state of__, located at__________________ _____________(referred to as the "Corporation (*or LLC*)" in this Agreement).

2. The Corporation (or LLC), by execution below by its duly authorized officers, hereby accepts assignment of the referenced Area Agreement, agrees to be bound by all of the terms and provisions of that Area Agreement and agrees to fully perform all of the obligations of the franchise owner as set forth in that agreement.

3. We hereby approve assignment of the Assignors' interests in the Area Agreement to the Corporation (*or LLC*) named above on the condition that the Corporation (*or LLC*) hereby agrees to be bound by that Area Agreement and to perform all of the obligations set forth in the Area Agreement for the franchise owner, and on the condition that all of the Assignors, as well as all of the shareholders (*or members*) of the Corporation (*or LLC*), hereby agree to jointly and severally guarantee the performance and obligations of the Corporation (*or LLC*) under the terms of the Area Agreement.

4. All of the Assignors and all of the shareholders (*or members*) of the Corporation (*or LLC*), jointly and severally as individuals, hereby guarantee to us that the Corporation *(or LLC*) will perform each and every covenant, payment, agreement and undertaking on the part of franchise owner contained and set forth in the Area Agreement and agree that in the event that the Corporation (*or LLC*) does not satisfactorily perform (within our subjective and sole judgement from time to time) each and every covenant, payment, agreement and undertaking on the part of franchise owner contained and set forth in the Area Agreement, that we may require the assignors and/or shareholders (*or members*) of the Corporation (*or LLC*), jointly or severally to perform each and every covenant, payment, agreement and undertaking on the part of franchise owner contained and set forth in the Area Agreement.

5. We, our successors and assigns, may from time to time, without notice to the Assignors and/or shareholders (*or members*) (a) resort to the Assignors and/or shareholders (*or members*) for payment of any of the liabilities of the Corporation (*or LLC*) to us (the "Liabilities"), whether or not we or our successors

have resorted to any property securing any of the Liabilities or proceeded against any other of the Assignors and/or shareholders (*or members*) or any party, whether primarily or secondarily liable on any of the Liabilities, (b) release or compromise any liability of any of the Assignors and/or shareholders (*or members*) hereunder or any liability of any party or parties primarily or secondarily liable on any of the Liabilities, and (c) extend, renew or credit any of the Liabilities for any period (whether or not longer than the original period); alter, amend or exchange any of the Liabilities; or give any other form of indulgence, whether under this Agreement or the Area Agreement or not.

6. The Assignors and/or shareholders (*or members*) agree to comply with and abide by the restrictive covenants, non-competition provisions and non-disclosure provisions contained in the Area Agreement to the same extent as and for the same period of time as the Franchise Owner is required to comply with and abide by such covenants and provisions under the terms of the Area Agreement. These obligations of the Assignors and/or shareholders (*or members*) shall survive any expiration or termination of the Area Agreement or this Agreement.

7. The Assignors and/or shareholders (*or members*) waive presentment, demand, notice of dishonor, protest, nonpayment and all other notices whatsoever, including without limitation: notice of acceptance hereof; notice of all contracts and commitments; notice of the existence or creation of any liabilities under this Agreement or under the Area Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between The Corporation (*or LLC*) and us resulting from such Agreements or otherwise, and the settlement, compromise or adjustment thereof. The Assignors and/or shareholders (*or members*) further waive: (a) any right to require that an action be brought against the Corporation (*or LLC*) or any other person as a condition of liability, (b) all rights to payments and claims for reimbursement or subrogation which the Assignors and/or shareholders (*or members*) may have against the Corporation (*or LLC*) arising as a result of the Assignors and/or shareholders (*or members*) execution of and performance under this guaranty, and (c) any and all other notices and legal or equitable defenses to which the Assignors and/or shareholders (*or members*) may be entitled.

8. The Assignors and/or shareholders (*or members*) agree to pay all expenses paid or incurred by us in enforcing the Area Agreement and/or this Agreement against the Corporation (*or LLC*) and/or against the Assignors and/or shareholders (*or members*) and in collecting or attempting to collect any amounts due thereunder and hereunder, including reasonable accountants', attorneys', attorney assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this guaranty. Any waiver, extension of time or other indulgence granted from time to time by us, our agents, our successors or assigns, with respect to the Area Agreement or this Agreement, shall in no way modify or amend this Agreement, which shall be continuing, absolute, unconditional and irrevocable.

9. If more than one person has executed this Agreement, the term "the Assignors and/or shareholders (*or members*)," as used herein shall refer to each such person, and the liability of each of the Assignors and/or shareholders (*or members*) hereunder shall be joint and several and primary.

10. All parties hereto acknowledge, agree and recognize that certain disputes relating to the Area Agreement are to be resolved by arbitration and hereby consent to such arbitration in accordance with the terms of the Area Agreement. Further, all parties hereto also hereby consent to the applicability of the venue and jurisdiction provisions in the Area Agreement to this Agreement.

11. In consideration of this assignment, the Assignors hereby pay us a non-refundable assignment fee of seven hundred fifty dollars ($750).

IN WITNESS WHEREOF, we and each of the Assignors and/or shareholders (*or members*) has executed this Assignment and Guaranty effective as of the date set forth above.

Garbanzo Mediterranean Grill Franchising, LLC
(Execution of this Agreement on behalf of
Garbanzo Mediterranean Grill Franchising, LLC.
may be accomplished by hand signature or by facsimile stamp.)

By:____
James Park, CEO

ASSIGNORS: To Assign and to Individually Guarantee

By: ____
Name: ______________________________________
Title: _______________________________________

THE Corporation *(or LLC*): To Accept Assignment and to Be Bound by The Area Agreement
[Name of entity]

By: ____
Name: ______________________________________
Title: _______________________________________

Shareholders (*or members*) OF THE Corporation (*or LLC*): To Agree to Individual Guarantee

By: ____
Name: ______________________________________
Title: _______________________________________

By: ____
Name: ______________________________________
Title: _______________________________________

EXHIBIT K

STATE EFFECTIVE DATES AND RECEIPT PAGES

State Effective Dates

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

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

State	Effective Date
California	July 6, 2020
Florida	September 27, 2019
Hawaii	Not Registered
Illinois	Not Registered
Indiana	July 1, 2020
Kentucky*	December 15, 2009
Maryland	Not Registered
Michigan	Not Registered
Minnesota	Not Registered
Nebraska*	May 2, 2017
New York	Pending
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Texas*	November 16, 2009
Utah	September 26, 2019
Virginia	Not Registered
Washington	Not Registered
Wisconsin	Not Registered

*One-time filing, perpetual registration

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 Garbanzo Mediterranean Grill Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Garbanzo Mediterranean Grill Franchising, LLC or its affiliate in connection with the proposed franchise sale or grant. If applicable: Under Iowa, Michigan, or Oklahoma law, we must provide this disclosure document to you at least 10 business days before you sign a binding agreement with, or make a payment to, Garbanzo Mediterranean Grill Franchising, LLC or its affiliate in connection with the proposed franchise sale or grant; under Maine or Nebraska law, Garbanzo Mediterranean Grill Franchising, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise; or under New York or Rhode Island law, Garbanzo Mediterranean Grill Franchising, LLC must provide this disclosure document to you at the earlier of your first personal meeting or at least 10 business days before you sign a binding agreement with, or make a payment to, Garbanzo Mediterranean Grill Franchising, LLC or its affiliate in connection with the proposed franchise sale or grant.

If Garbanzo Mediterranean Grill Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, 20580 and the appropriate state agency identified on Exhibit G.

The name, principal business address and telephone number of each franchise seller offering the franchise:

☐ James Park, Garbanzo Mediterranean Grill Franchising, LLC, at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112, 303-221-2559.

☐ Larry Sidoti, Garbanzo Mediterranean Grill Franchising, LLC, at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112, 303-221-2559.

Issuance Date: June 16, 2020 as amended September 3, 2020.

I have received a disclosure document dated June 16, 2020 as amended September 3, 2020, that included the following Exhibits:

A. Franchise Agreement
B. Area Development Agreement
C. Table of Contents of Manual
D. State Law Addenda to the FDD, Franchise Agreement, and Area Development Agreement
E. List of Franchisees
F. Financial Statements
G. List of State Agencies/Agents for Service of Process
H. Release
I. Assignment of Franchise Agreement to Wholly Controlled Entity Form
J. Assignment of Area Development Agreement to Wholly Controlled Entity Form
K. State Effective Dates and Receipt Pages

Date	Signature	Printed Name
Date	Signature	Printed Name

Please date and sign this copy of the Receipt and keep for your records.

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 Garbanzo Mediterranean Grill Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Garbanzo Mediterranean Grill Franchising, LLC or its affiliate in connection with the proposed franchise sale or grant. If applicable: Under Iowa, Michigan, or Oklahoma law, we must provide this disclosure document to you at least 10 business days before you sign a binding agreement with, or make a payment to, Garbanzo Mediterranean Grill Franchising, LLC or its affiliate in connection with the proposed franchise sale or grant; under Maine or Nebraska law, Garbanzo Mediterranean Grill Franchising, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise; or under New York or Rhode Island law, Garbanzo Mediterranean Grill Franchising, LLC must provide this disclosure document to you at the earlier of your first personal meeting or at least 10 business days before you sign a binding agreement with, or make a payment to, Garbanzo Mediterranean Grill Franchising, LLC or its affiliate in connection with the proposed franchise sale or grant.

If Garbanzo Mediterranean Grill Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, 20580 and the appropriate state agency identified on Exhibit G.

The name, principal business address and telephone number of each franchise seller offering the franchise:

☐ James Park, Garbanzo Mediterranean Grill Franchising, LLC, at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112, 303-221-2559.

☐ Larry Sidoti, Garbanzo Mediterranean Grill Franchising, LLC, at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112, 303-221-2559.

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F. Financial Statements
G. List of State Agencies/Agents for Service of Process
H. Release
I. Assignment of Franchise Agreement to Wholly Controlled Entity Form
J. Assignment of Area Development Agreement to Wholly Controlled Entity Form
K. State Effective Dates and Receipt Pages

Date	Signature	Printed Name
Date	Signature	Printed Name

Please date and sign this copy of the Receipt and return it to
James Park, Garbanzo Mediterranean Grill Franchising, LLC,
7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112.

RECEIPT