

FRANCHISE DISCLOSURE DOCUMENT

Greek Xpress Franchising LLC
A New York Limited Liability Company
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As a GX Greek Xpress franchisee, you will operate a fast-casual restaurant business featuring traditional Greek gyros, pitas, platters, salads, burgers, appetizers, sides and smoothies.

The total investment necessary to begin operation of one GX Greek Xpress restaurant is \$198,600 to \$857,500. This includes \$39,500 to \$51,500 that must be paid to the franchisor or affiliate.

To enter into a multi-unit operator agreement, you will commit to develop a minimum of five restaurants. If you commit to develop between five and nine restaurants, the development fee you will pay to the franchisor is 100% of the initial franchise fee for the three restaurants plus 50% of the initial franchise fee for each additional restaurant you commit to develop. The total investment necessary to begin operations of a GX Greek Xpress multi-unit operator franchise for five restaurants, including the costs to build and equip the first restaurant is \$290,600 to \$950,000. This includes \$120,000 that must be paid to the franchisor when you sign the multi-unit operator agreement.

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

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 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: April 22, 2022.

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 D and 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 A 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 GX Greek Xpress business in my area?	Item 12 and the "territory" provisions in the franchise agreement and multi-unit operator 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 a GX Greek Xpress franchisee?	Item 20, Exhibit D 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.

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 H.

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 and multi-unit operator agreement require you to resolve disputes with the franchisor by arbitration and/or litigation only in New York. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in New York than in your own state.
- 2) The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you_{ny}.
- 3) The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history_{ny}.

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

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- A. Financial Statements
- B. Franchise Agreement
- C. Multi-Unit Operator Agreement
- D. List of Franchisees
- E. Former Franchisees Contact Information
- F. Table of Contents of Confidential Operations Manual
- G. State-Specific Addenda
- H. List of State Administrators
- I. Receipts

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

To simplify the language in this disclosure document, the terms “Franchisor”, or “we” or “us” means Greek Xpress Franchising LLC, the Franchisor. The terms “we”, “us” and “Franchisor” do not include you, the “franchisee”. We refer to the purchaser(s) of a GX Greek Xpress franchise, as “you” or “franchisee”, whether an individual, a partnership, corporation, or limited liability company. If you are a corporation, partnership or other entity, our Franchise Agreement also will apply to your owners, officers and directors.

The Franchisor

We are a franchising company which promotes and sells franchises for the operation of Greek inspired fast casual restaurants under the trade name “GX Greek Xpress” (“Restaurant” or “Franchised Business”).

We were formed under the laws of New York as a limited liability company on October 7, 2020. Our principal business address is 59 Main Street, East Rockaway, New York 11518. We only do business under our corporate name and our proprietary marks, including the mark “GX Greek Xpress”.

We began offering franchises for the right to operate a Franchised Business on October 19, 2021. We have not operated any businesses that are similar to the Franchised Business. We do not offer or sell franchises in any other line of business and, except as described in this Item, we are not otherwise engaged in any other business activity. We are not an approved supplier of any product or service that GX Greek Xpress franchisees must purchase or lease.

Agents for Service of Process

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

Our Parents, Predecessors and Affiliates

We have no parents or predecessors and the below affiliated companies.

Our affiliate, Greek Xpress Holdings LLC, owns the GX Greek Xpress proprietary marks. This affiliate has licensed these proprietary marks to us. Greek Xpress Holdings LLC is a New York limited liability company formed on October 28, 2016 with a principal business address at 71-79 Douglaston Parkway, Douglaston, New York 11362. Greek Xpress Holdings LLC does not operate a GX Greek Xpress Restaurant. This affiliate does not offer franchisees in this or any line of business and is not approved suppliers of any products or services that GX Greek Xpress franchisees must purchase or lease.

Our affiliate, GX Foods, LLC is a New York limited liability company formed on July 3, 2018 and its’ headquarters are at 53 Main Street, East Rockaway, NY 11518. GX Foods, LLC is the approved supplier of logoed paper goods and to-go packaging and our franchisees must purchase these products from them.

We have operated, through affiliates, GX Greek Xpress outlets similar to the franchise offered by this Disclosure Document since April 2015. We may operate other GX Greek Xpress concepts, including additional GX Greek Xpress outlets, in the future.

The Franchise We Offer

We grant franchises for the right to establish and operate GX Greek Xpress Restaurants featuring traditional Greek gyros, pitas, platters, salads, burgers, appetizers, sides and smoothies. Each Restaurant will offer dine-in and take-out services. Unless prohibited by applicable law, your Restaurant may serve beer and wine. You must maintain the appropriate permits and licenses to do so. After your Restaurant has been in operation for at least three months, you may offer catering and delivery services from the Restaurant with our prior written approval. You will operate the GX Greek Xpress Restaurant from a single location in a limited protected territory under a single unit agreement. In certain instances, and under a separate

agreement, we may offer qualified individuals a specifically described geographical territory to establish and operate five or more GX Greek Xpress Restaurants.

The Restaurants are generally located in high traffic locations, including strip mall complexes, shopping malls, lifestyle centers and free-standing locations, and will need approximately 250 to 1,600 square feet of space. The Restaurants are established and operated under a comprehensive and unique system (the “System”). The System includes distinctive signage, interior and exterior design, décor and color scheme; special recipes and menu items, which may include proprietary products and ingredients; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; inventory, management and financial control procedures (including point of sale and tracking systems); training and assistance; and advertising and promotional programs all of which we may change, improve, and further develop, in our discretion. Certain aspects of the System are more fully described in this Disclosure Document and the Confidential Operations Manual, which you should expect to evolve over time and that will be provided to you as a franchisee.

Market and Competition

The market for Greek restaurants in general, is well developed and intensely competitive. You will serve the general public and will compete with a variety of businesses, including locally owned to regional, national and chain restaurants, some of which may be franchise systems. We may establish other Restaurants in your area (if permitted under the Franchise Agreement) and/or sell or license others to sell products in your area. We may also sell products through the internet, toll-free telephone numbers, catalogs, or other similar means of distribution to customers at any location, which may be located in your area.

Industry Regulations

A wide variety of Federal, state and local laws, rules and regulations have been enacted that may impact the operation of your Restaurant, and may include those which regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements for restaurants and employee practices concerning the storage, handling, cooking and preparation of food. You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your Restaurant and you should consider both their effect and costs of compliance.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture and state and local health departments administer and enforce laws and regulations that govern food preparation and service and restaurant sanitary conditions. The federal Clean Air Act and various implementing state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide and particulate matters, including caps on emissions from commercial food preparation. Some areas have also adopted or are considering proposals that would regulate indoor air quality.

The Nutrition Labeling and Education Act (NLEA) sets regulations for food labeling, including nutritional label standards, nutrient content claims, and health claims. NLEA applies to virtually all foods in the food supply, including food served and sold in restaurants. While NLEA specifies a number of exemptions for restaurants, there are many instances where a nutritional label is required. The Food and Drug Administration’s *Nutritional Labeling Guide for Restaurants and Other Retail Establishments* provides answers to commonly asked questions regarding the application of NLEA.

Unless prohibited by applicable law, the Franchised Restaurants may offer beer and wine. You should consult with your attorney concerning any federal, state, county, municipal, and local regulations and ordinances that may affect sale of beer and wine. You must secure and maintain the mandatory licenses and permits to offer beer and wine beverages. State operated Alcohol Beverage Control Agencies are one resource that can assist you with the different beer and wine licenses available in the state in which your Restaurant is located. In addition, state “dram shop” laws give rise to potential liability for injuries that are directly or indirectly related to the sale and consumption of alcohol.

You should independently research and review the legal requirements of the food services industry with your own attorney before you sign any binding documents or make any investments.

Your Designated Controlling Principal, Management and the staff we designate must secure and maintain the “Industry Certifications” we designate, including ServSafe (food safety and handling program) certified and TIPS (alcohol awareness program), if you are offering alcoholic beverages.

ITEM 2

BUSINESS EXPERIENCE

Founder & C.E.O: Dimitrios (“Jimmy”) Soursos

<i>Employer</i>	<i>Start Date - End Date</i>	<i>Titles</i>	<i>City, State</i>
Greek Xpress Franchising, LLC	10/2020 - present	C.E.O.	East Rockaway, NY
GX Foods, LLL	07/2018 - present	Member	East Rockaway, NY
Greek Xpress Holdings LLC	07/2018 – present	Member	East Rockaway, NY
G2X Inc.	07/2016 – present	President	East Rockaway, NY
Park West Café & Grill Inc.	07/2016 - present	President	East Rockaway, NY
Toshiba Business Solutions	04/2012 - 07-2016	Vice-President	New York City, NY

Managing Member: Alex Plevritis

<i>Employer</i>	<i>Start Date - End Date</i>	<i>Titles</i>	<i>City, State</i>
Greek Xpress Franchising, LLC	10/2020 - present	Managing Member	East Rockaway, NY
GX Foods, LLL	07/2018 - present	Member	East Rockaway, NY
Greek Xpress Holdings LLC	07/2018 - present	Member	East Rockaway, NY
G2X Inc.	07/2016 - 12/2019	Vice President	East Rockaway, NY
Brother’s Aluminum Corp.	02/2011 - 06/2016	Project Manager	Valley Stream, NY

Managing Member: Stamatios D. Mamounas

<i>Employer</i>	<i>Start Date - End Date</i>	<i>Title(s)</i>	<i>City, State</i>
Greek Xpress Franchising, LLC	10/2020 - present	Managing Member	East Rockaway, NY
GX Foods, LLL	07/2018 - present	Member	East Rockaway, NY
Greek Xpress Holdings LLC	07/2018 - present	Member	East Rockaway, NY
G4X LLC	03/2018 - present	Co-owner	East Rockaway, NY
Manas Property Group Inc.	03/2010 - present	Officer	Brooklyn, NY

Managing Member: Stamatios J. Mamounas

<i>Employer</i>	<i>Start Date - End Date</i>	<i>Title(s)</i>	<i>City, State</i>
Greek Xpress Franchising, LLC	10/2020 - present	Managing Member	East Rockaway, NY
GX Foods, LLC	07/2018 - present	Member	East Rockaway, NY
Greek Xpress Holdings LLC	07/2016 - present	Member	East Rockaway, NY
Built in Brooklyn	04/2015 - present	President	Brooklyn, NY
Manas Property Group Inc.	03/2010 - present	Managing Partner	Brooklyn, NY

Director: Robert Galindo

<i>Employer</i>	<i>Start Date - End</i>	<i>Title(s)</i>	<i>City, State</i>
Greek Xpress Franchising,	10/2000 – present	Director	East Rockaway,
GX6 LLC	04/2019 – present	Managing Member	East Rockaway,
GX5 LLC	12/2018 – present	Managing Member	East Rockaway,
Piedmont Capital Distributors	03/2017 – 11/2019	Regional Director	New York, NY
First Eagle Investment Management	03/2003 – 12/2016	Vice-President/Regional Director	New York, NY

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Franchise Agreement

Franchise Fee: You must pay an initial franchise fee of \$30,000 (“Initial Franchise Fee”) to purchase a GX Greek Xpress franchise. The Initial Franchise Fee is paid in a lump sum when you sign the Franchise Agreement and is not refundable under any circumstances. The Initial Franchise Fee is imposed uniformly on all franchisees that purchase a Restaurant franchise.

Pre-Opening Assistance and Training Fee: We will provide you with up to 14 days of on-site pre-opening assistance and training before the opening of your first Restaurant. We will provide this assistance and training, but you must pay a current fee of \$7,500 to off-set the additional out-of-pocket expenses that are incurred by our representative. This fee is non-refundable and is payable in a lump sum no later than 30 days before the Restaurant is scheduled to open.

Proprietary Purchases: You must purchase your initial inventory of logoed paper goods and to-go packaging from our affiliate, GX Foods, LLC. We estimate that the initial inventory for 3 months will be between \$2,000 and \$6,000.

Delayed Opening Fee: If your Restaurant does not open within 12 months after you have signed the Franchise Agreement, except for circumstances that are not in your control, you must pay to us a delayed opening fee of \$100 per day for each day that the opening of your Restaurant is delayed, up to a maximum of 90 additional days. If your Restaurant is not open after this additional 90-day period, then we may terminate your Franchise Agreement or we may require you to continue paying the delayed opening fee until your Restaurant has opened. This fee is not refundable.

Multi-Unit Operator Agreement

Development Fee: When you sign the Multi-Unit Operator Agreement to develop multiple Restaurants in the Development Area, you must pay us a development fee (“Development Fee”). You must develop a minimum of five Restaurants to enter into a Multi-Unit Operator Agreement. The Development Fee is based on the total number of Restaurants that you commit to develop under the Multi-Unit Operator Agreement and is calculated below:

Number of Restaurants to be developed	Development Fee paid upon signing the Multi-Unit Operator Agreement:	*Additional \$15,000 to be paid in connection with:
5 – 9	\$90,000 for the first 3 Restaurants, plus \$15,000 for each additional Restaurant	4 th and each additional Restaurant
10 or more	\$150,000 for the first 5 Restaurants, plus \$15,000 for each additional Restaurant	6 th and each additional Restaurant

*Paid 90 days before the scheduled opening of the Restaurant or the date you sign the lease for the Restaurant premises, whichever occurs first.

For example, if you commit to develop five franchises, the Development Fee is calculated as $(\$30,000 \times 3 = \$90,000) + (\$15,000 \times 2 = \$30,000) = \$120,000$. If you commit to develop ten franchises, the Development Fee is calculated as $(\$30,000 \times 5 = \$150,000) + (\$15,000 \times 5 = \$75,000) = \$225,000$. The Development Fee is fully earned by us upon receipt and is not refundable under any circumstances. The Development Fee is calculated uniformly for all Multi-Unit Operators.

There are no other payments to or purchases from us or any affiliate that you must make before you open your Restaurant for business.

ITEM 6 **OTHER FEES**

Column 1 Type of Fee(1)	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty	6% of Gross Sales (see note 2)	Payable each Monday for the previous week ending Sunday	“Gross Sales” means all revenue from the sale of services and products and all other income related to the Franchised Business, except sales taxes. Royalty Fees are payable by automatic debit and funds must be made available in your account for withdrawal. Your Royalty may be higher than 6% if you serve alcohol in a state that does not permit Royalties on the sale of alcoholic beverages. See Note 2 and Note 3.
Worldwide Creative Marketing Fee	2% of Gross Sales	Payable at the same time and in the same manner as the Royalty	
Local Advertising	1% of Gross Sales	Must be spent each month	Payable directly to your local advertising vendors. Any advertising that you propose to use must first be approved by us
Advertising Cooperative	As determined by the members, but not more than 0.5% of Gross Sales	Quarterly	Any amount you contribute to an advertising cooperative will count toward your local advertising requirement, but if the amount you contribute to an advertising cooperative is less than the amount you must spend for local advertising, you must still spend the difference locally. See Note 4

Column 1 Type of Fee(1)	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Promotional Programs	Varies, depending on length and type of program Not to exceed \$600/day	As incurred	You must participate in the additional promotional programs that we require. Costs could include labor, marketing materials, furniture, equipment, food and services by creative advertising vendors
Headquarter Initial Training Program (“HQ Initial Training”) for Additional or Replacement Employees	Our then-current training fee per person, plus expenses Current training fee: \$3,500 per person, plus each trainee’s expenses	10 days before training begins	Training for three trainees is included in the Initial Franchise Fee, but you must pay your trainees’ expenses, including travel, lodging, meals and wages. This amount does not include the cost of the applicable wages of your trainees and the cost for the mandatory Management/Leadership Training and the required Industry Certifications. For each additional trainee you send to our HQ Initial Training, or to new or replacement employees during the term of your Franchise Agreement, you must pay our then-current training fee and your trainees’ expenses. If a trainee does not complete our HQ Initial Training to our satisfaction, the training fee will be applied to another trainee you send to us. Before you can schedule your HQ Initial Training, you must receive our approval of your grand opening advertising plan, you have pre-paid us or your third party suppliers of the grand opening advertising campaign, and the automatic debit program must be ready for use
On-Site Training	Our then-current per diem rate per representative, plus expenses Current per diem rate per a representative = \$1,000 plus each representative’s expenses	Within 30 days after billing	If you request that we provide additional training at your Restaurant or if we determine that additional training is necessary for you, you must pay this fee and reimburse us for each of our representative’s expenses, including travel, lodging and meals
Transfer Fee (Franchise Agreement)	\$15,000	With request for our consent to transfer	No fee is imposed for a one-time transfer to a corporate entity you form for the convenience of ownership
Transfer Fee (Multi-Unit Operator Agreement)	50% of our then-current initial franchise fee	With request for our consent to transfer	No fee is imposed for a one-time transfer to a corporate entity you form for the convenience of ownership

Column 1 Type of Fee(1)	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Successor Agreement Fee (Franchise Agreement)	\$5,000	Before signing successor franchise agreement	Payable to us. There is no successor option under the Multi-Unit Operator Agreement
Relocation Fee	\$2,500	With your request to relocate the Restaurant	If you wish to relocate your Restaurant, you must apply to us for our consent to the relocation and pay to us the relocation fee. In addition to any location evaluation fees
Interest	Lesser of 18% per annum of balance due or maximum rate allowed per law, but not less than \$100 per occurrence	With payment of past due amount	Due on all overdue amounts. Interest accrues from the original due date until payment is received in full
Insufficient Funds Fee	\$100 per occurrence	On demand	Payable if you do not have sufficient funds in your account to pay fees owed to us or our affiliates when due. This fee is in addition to any interest you owe to us on overdue amounts.
Audit	Cost of audit (estimated to be between \$1,000 and \$5,000)	When billed	Payable only if we find, after an audit, that you have understated any amount you owe to us or Gross Sales by 2% or more. You must also pay the understated amount plus interest
On-Site Location Evaluation	Our then-current per diem rate, our representative's expenses Current per diem rate: \$5,000, plus our representative's expenses	If incurred	For the relocation of any Franchised Business, at your request we will perform an on-site evaluation of your prospective locations, for which you will pay us our per diem fee, plus our representative's travel, lodging and meals.
Prohibited Product or Service Fine	\$250 per day of use of unauthorized or unapproved products or services	If incurred	In addition to other remedies available to us
Insurance	Premiums and our costs and expenses plus 10% administrative fee	When billed	Due only if you fail to maintain insurance and we (at our option) obtain insurance on your behalf
Management Fee	5% of Gross Sales plus expenses	If incurred	We may step in and manage your Restaurant in certain circumstances, including your death, disability or prolonged absence. We will charge a management fee if we manage your Restaurant, and you must reimburse our expenses

Column 1 Type of Fee(1)	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Indemnification	Will vary under circumstances	As incurred	You must reimburse us for the costs we incur if we are sued or held liable for claims that arise from your operation of the Franchised Business, or for costs associated with defending claims that you used the Marks in an unauthorized manner
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	If you default under a franchise or multi-unit operator agreement, you must reimburse us for the expenses we incur (such as attorneys' fees) in enforcing or terminating the agreement
Product and/or Supplier Evaluation	Reimbursement of our evaluation costs, but not more than \$2,500	On demand	Applies to new products and suppliers you wish to use that we have not previously approved. May be paid by suppliers
E-Gift Cards/E-Loyalty Cards	Estimated to be \$10 for \$30 monthly subscription fee	Annually	Payable to approved vendors. Your restaurant must participate in our E-Gift Card program. Your restaurant is not required to participate in our Loyalty Card program.
Computer System Maintenance	Up to \$1,000	Annually	Payable to approved supplier. Your computer system must be kept in working order
Technology Fee	Currently \$0, subject to increase, up to \$200/month	As incurred	We reserve the right to impose a fee for new or improved technology for the benefit of the System and the Franchised Business, including but not limited to, assigned phone numbers and email addresses, a franchise portal, benchmarking platform or other operations or communications systems.
Liquidated Damages	The lower of the average monthly Royalty Fees you paid or owed to us during the 12 months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in 2 full years), or (b) the number of months remaining in the Agreement had it not been terminated	15 days after termination	If we terminate your Franchise Agreement for cause, you must pay us liquidated damages
Customer Satisfaction Evaluations ("Mystery Shops")	Up to \$100 per month	As incurred	Payable to our approved supplier. You must participate in the mystery shop program

Column 1 Type of Fee(1)	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Violation of Non-Competition Covenant	\$500 per week	On demand, if incurred	If you violate the covenant not to compete in your agreements with us
Industry Certifications Programs (ServSafe and TIPS)	Then-current market rate per program Currently estimated to be \$150 per person	As needed	Payable to an approved supplier. Your Designated Controlling Principal, General Managers, Managers and other employees we designate must maintain the required food safety and handling certifications and alcohol awareness certification (if you are offering alcoholic beverages).
Restaurant Refurbishment	Will vary under the circumstances Not to exceed \$75,000 in any five year period	As incurred	Payable to approved suppliers. You must regularly maintain your Restaurant and its equipment. We may periodically require you to refurbish your Restaurant to meet our then-current image for new GX Greek Xpress Restaurants. We will not require this more frequently than every five years
Streaming Music Service	\$15 to \$40	Monthly	Payable to the approved supplier. You must play music in the Restaurant as outlined in the Confidential Operations Manual.
On-line Ordering	\$100	Monthly	Payable to the approved supplier. If we establish an on-line ordering program, you must participate in it
Refresher Training and Franchisee Meeting	Up to \$1,000 per person, plus expenses	Before refresher training or meeting begins	If we conduct a refresher training course or hold a meeting of our franchisees
Proprietary Product Purchases	Will vary depending on your sales	As incurred	You must purchase your ongoing inventory of logoed paper goods and to-go packaging from our affiliate, GX Foods, LLC. We may designate a different supplier in the future.

Notes:

- (1) Except as otherwise noted in this Item 6, all fees are imposed and collected by and payable to us. Except as noted above, all fees are non-refundable and are uniformly imposed.
- (2) The automatic debit program must be ready for use before you will be permitted to schedule the HQ Initial Training. You must sign and deliver to us the documents required by us, our bank and/or your bank to authorize us to debit your bank account automatically for the Royalty Fee, Worldwide Creative Marketing Fee and other amounts due under the Franchise Agreement or any related agreement between us (or our affiliates) and you. Under the automatic debit program for the Restaurant, we will debit your account for these fees on Monday of each week based on the Gross Sales of your Restaurant for the previous week ending Sunday. If any Monday is not a business day, then payment is due on the next business day. You must make the funds available for withdrawal by electronic transfer before each due date. In our automatic debit program, we may require you to obtain, at your expense, overdraft protection for your bank account in an amount that we specify.

If you fail to report the Restaurant's Gross Sales for any week, we may debit your account for 120% of the Royalty Fee and Worldwide Creative Marketing Fee that we debited for the previous week. If the amount we debit from your account is less than the amount you actually owe us (once we have determined the true and correct Gross Sales

of the Restaurant), we will debit your account for the balance due on the day that we specify. If the amount we debit from your account is greater than the amount you actually owe us (once we have determined the true and correct Gross Sales of the Restaurant), we will credit the excess, without interest, against the amount that we otherwise would debit from your account for the next payment due.

We have the right, at our sole option upon notice to you, to change periodically the timing and terms for payment of Royalty Fees, Worldwide Creative Marketing Fees and other amounts payable to us under the Franchise Agreement. We will provide you with 30 days prior written notification. For example, we may change the frequency at which we calculate payments to bi-weekly or monthly. If any state imposes a sales or other tax on the Royalty Fees, then we have the right to collect this tax from you.

- (3) If a state or local law applicable to your Restaurant prohibits or restricts in any way your ability to pay Royalty Fees or other amounts based on Gross Sales derived from the sale of alcoholic beverages at the Restaurant, then the percentage rate for calculating Royalty Fees shall be increased, and the definition of Gross Sales shall be changed to exclude sales of alcoholic beverages, so that the Royalty Fees to be paid by you shall be equal to the amounts you would have had to pay if sales from alcoholic beverages were included in Gross Sales. For example, if you generated \$1,000 in Gross Sales, of which \$200 is from the sale of alcoholic beverages, then your weekly Royalty Fee is \$60 ($6\% \times \$1,000$). If you are not permitted by law to pay Royalty Fees on the sale of alcoholic beverages, then we must recalculate your royalty percentage so that you still pay the full Royalty Fee. In our example, we must deduct \$200 from the Gross Sales and raise your royalty percentage to 7.5% so that we may collect the same \$60 Royalty Fee ($\$1,000 - \$200 = \$800 \times 7.5\% = \60).
- (4) Cooperatives will include all Restaurants in a designated geographic area, whether owned by us, our affiliates or our franchisees. Each Restaurant has one vote on all cooperative matters and on the fees the Cooperative imposes on its members. No single Restaurant, group of commonly controlled Restaurants or Franchisor controlled Restaurants will have more than 25% of the total vote. No Cooperatives have been established as of the date of this Disclosure Document.

YOUR ESTIMATED INITIAL INVESTMENT FRANCHISE AGREEMENT				
Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Initial Franchise Fee	\$30,000	Lump Sum	On Signing the Franchise Agreement	Us
Delayed Opening Fee	\$0 - \$9,000	As Arranged	As Incurred	Us
Leasehold Improvements & Construction Cost (1)	\$30,000 - \$200,000	As Arranged	As Agreed	Contractor, Approved Suppliers, Supplier
Licenses and Permits (Not Including a Beer and Wine License) (2)	\$300 - \$1,500	As Arranged	As Agreed	Government Agencies

YOUR ESTIMATED INITIAL INVESTMENT FRANCHISE AGREEMENT				
Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Rent – 3 months (3)	\$6,000 - \$45,000	As Arranged	As Agreed	Landlord
Security Deposits (4)	\$4,000 - \$40,000	As Arranged	As Arranged	Landlord, Utility Companies
Blueprints (5)	\$1,000 - \$7,500	As Arranged	As Arranged	Architect, General Contractor
Furnishings, Fixtures, Equipment & Signage (6)	\$40,000 - \$300,000	As Arranged	As Incurred	Approved Suppliers
Computer System (7)	\$3,000 - \$7,000	As Arranged	As Incurred	Approved Suppliers
Travel & Living Expenses While Training (8)	\$5,000 - \$13,000	Lump Sum	As Incurred	Airline, Hotel, Restaurants, etc.
Third Party Management/Leader -ship Training (9)	\$2,000 - \$10,000	Lump Sum	As Agreed	Approved Supplier
Pre-Opening Assistance & Training Fee (10)	\$7,500	Lump Sum	30 Days Before the Restaurant Opens	Us
Insurance – 3 Months (11)	\$800 - \$2,000	As Arranged	Quarterly	Insurance Companies
Professional Fees (12)	\$1,000 - \$5,000	As Arranged	As Arranged	Attorney, Accountant
Grand Opening Advertising Campaign (13)	\$10,000	As Arranged	Prior to Scheduling the HQ Initial Training	Suppliers or Us
Opening Inventory & Supplies (14)	\$23,000 - \$40,000	As Arranged	As Incurred	Approved Suppliers and GX Foods, LLC
On-Site Location Evaluation (15)	\$0 - \$5,000	Lump Sum	Before evaluation	Us

YOUR ESTIMATED INITIAL INVESTMENT FRANCHISE AGREEMENT				
Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Ancillary Real Estate Costs (16)	\$5,000 - \$25,000	As Arranged	As Arranged	Approved Real Estate Consultants
Additional Funds – 3 Months (17)	\$30,000 - \$100,000	As Arranged	As Incurred	Third Parties
TOTAL	\$198,600 - \$857,500			

ITEM 7 ESTIMATED INITIAL INVESTMENT

In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not finance any portion of your initial investment. All of our estimates assume that you will purchase the required items. Your costs may be lower if you choose to lease some items.

Notes:

1. ***Leasehold Improvements & Construction Costs.*** Leasehold improvement and construction costs vary significantly depending on the condition, location, size and configuration of the Restaurant premises and other factors relating to the geographic location of the business, suppliers, government regulations, labor costs and other considerations. You will contract directly with the licensed architect and general contractor, that we have approved, and possibly other construction suppliers, on terms negotiated by you. Leasehold improvements do not include exterior costs. These estimates do not include extraordinary costs such as developing in a historical property or developing a base shell. In addition, our estimate does not include any tenant improvement allowance you may negotiate.

Restaurants will generally occupy approximately 250 to 1,600 square feet. In some instances, the Restaurants may be larger or smaller, depending on the size of available sites and/or franchisee preferences. Calculations regarding estimates for leasehold improvements, building construction and site work are based upon these square foot estimates. The low side of our estimate assumes you have converted a site that previously operated as a restaurant and is similar to the design and engineering requirements of a GX Greek Xpress Restaurant.

2. ***Licenses & Permits (Not Including a Beer and Wine License).*** Our estimate includes the cost of obtaining local business licenses which typically remain in effect for one year. The cost of these permits and licenses will vary substantially depending on the location of the Restaurant. Our estimate does not include tap-in, fixture or similar fees which, depending on the municipality, and could cost several thousand dollars. We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.

You must secure and maintain the appropriate permits and licenses needed to serve beer and wine at your Restaurant. The difficulty and cost of obtaining a beer and wine license and the procedures for securing the license vary greatly from jurisdiction to jurisdiction, you should consult the appropriate governmental authority and an attorney concerning the availability of the required license and the associated expenses for your Restaurant before you sign a Franchise Agreement. The cost of a beer and wine license can range from under \$2,000 to over \$50,000, depending on the location and jurisdiction, but can be even higher in some areas. We strongly recommend that you verify the cost and availability of a beer and wine license for your jurisdiction before signing the Franchise Agreement.

3. **Rent – 3 Months.** If you do not own adequate property, you must lease the property for your Restaurant. Rental costs will vary widely depending on factors such as the size of the site, the property location, population density, economic climate, prevailing interest rates and other financing costs, conditions of the property and extent of alterations required for the property. You should investigate these costs in the area where you wish to establish a Restaurant.

Landlords may vary the base rental rate and charge rent based on a percentage of gross sales. In addition to base rent, the lease may require you to pay common area maintenance charges (“CAM Charges”), your pro rata share of the real estate taxes and insurance, and your pro rata share of other charges. The actual amount you pay under the lease will vary depending on the size of the Restaurant, the types of charges that are allocated to tenants under the lease, your ability to negotiate with landlords and the prevailing rental rates in the geographic region.

If you choose to purchase real property on which to build your Restaurant, your initial investment will probably be higher than what we estimate above. If you purchase real property, we cannot estimate how this purchase will affect your total initial investment.

4. **Security Deposits.** You may need to provide security deposits to your landlord and your local utilities, such as gas, electricity and water.
5. **Blueprints.** We will provide you with one set of prototype plans and specifications for the build-out of a Restaurant. Our estimate includes the conversion of an existing restaurant to the design and engineering requirements and the high side is for a new buildout. You must hire a licensed architect and general contractor that meet our approval to adapt our prototype plans and specifications to the specific shape and dimensions of the accepted location for your Restaurant. You may not use your architect’s adapted plans, specifications and blueprints until they have been accepted by us, which acceptance relates to how well they comply with our System, specifications, prototype plans and presentation of the Proprietary Marks. You and your architect and general contractor must make sure that the plans and blueprints comply with all applicable laws, rules, regulations, ordinances and building codes, including any relating to accommodations for disabled persons (Americans with Disabilities Act).
6. **Furnishings, Fixtures, Equipment & Signage.** You must lease or purchase the following: customer seating, fixtures, décor items, prep tables, commercial refrigerator, commercial freezer, commercial convection oven, sandwich prep table with bain marie and refrigerator, radiant chargrill, flat top grill, gyro rotisserie, broilers, fryers, stove top, small wares, display cases, water heater, steam table, warming draws and other items typically necessary to outfit and operate a restaurant in accordance with our specifications. The signage will be for the interior and exterior of your Restaurant has been included in this estimate, but this cost will vary based on your lease restrictions and any local ordinances that could restrict the placement and size of exterior signage.
7. **Computer System.** You must purchase or lease an approved computer system, which includes the point of sale system, software (including on-demand accounting and operations software), hardware, peripheral equipment, multi-function printer. You must also pay ongoing monthly software subscription fees to approved suppliers. The computer system may from time to time evolve and change.
8. **Travel & Living Expenses While Training.** These estimates include your out-of-pocket costs associated with attending the HQ Initial Training, including travel, lodging and meals for the first three trainees. These amounts do not include the applicable wages you may pay your trainees or any fees or expenses for training additional personnel. Your costs may vary depending on your selection of lodging, dining facilities, mode and distance of transportation and the number of attendees.
9. **Third Party Management/Leadership Training.** We require the Designated Controlling Principal and management staff to participate in a third party Management/Leadership training program, which may be McClaskey Excellence Institute or a similar program that we have approved. Our estimate includes the program fee, and the estimated associated cost of travel, lodging and meals for three attendees.

10. **Pre-Opening Assistance & Training Fee.** For your first Restaurant, you must pay our non-refundable fee and we will provide you with up to 14 days of pre-opening assistance and training around the opening date of the Restaurant. If you are opening your second or later Restaurant, we reserve the right to not provide pre-opening assistance and training. If we do provide this training, you shall pay to us our then-current per diem fee for each representative providing the training, as well as reimburse us for each representative's travel, lodging and meals.
11. **Insurance – 3 Months.** This estimate includes the estimated quarterly insurance premium for the insurance policies we require you to maintain. You should contact your insurance agent and obtain an estimate of your actual insurance costs.
12. **Professional Fees.** We strongly recommend that you engage the services of an attorney and/or accountant to assist you in evaluating this franchise offering. You may also wish to use an attorney to assist you in lease negotiations and/or to form an entity to own the franchise. Your costs may vary depending on how much you rely on your chosen advisors and the hourly rates your advisors charge.
13. **Grand Opening Advertising Campaign.** You will submit your grand opening advertising campaign to us for our review, and we will have 60 days to complete our review. We reserve the right to create a grand opening advertising campaign for you to conduct or to collect this money from you and conduct the grand opening advertising campaign on your behalf. If we collect this money from you, it is non-refundable. Your grand opening advertising campaign must include the elements that we require, such as food and merchandise giveaways.
14. **Opening Inventory and Supplies.** The opening inventory and supplies that you must purchase includes food and beverage supplies as well as items such as cups, utensils, menus, various other paper products, and cleaning products for your Restaurant. This estimate includes the cost to purchase logoed paper goods and to-go packaging from our affiliate, GX Foods LLC.
15. **On-Site Location Evaluation.** If you request us to perform an evaluation of the prospective site(s) for the Restaurant, you must pay to us our current per diem fee of \$5,000 and reimburse our representative's expenses, including travel, lodging and meals.
16. **Ancillary Real Estate Costs.** These are the estimated costs you may incur for additional real estate research and broker incentives.
17. **Additional Funds – 3 Months.** We relied on our affiliates' experiences in operating a GX Greek Xpress Restaurants when preparing these estimates. The amount of working capital needed will depend on the time necessary to achieve cash flow to cover operating expenses. This amount is the minimum recommended for your initial three months of operations. Shortfalls of capital may arise from independent factors such as labor shortages, delays in construction or delivery, installation of leasehold improvements and equipment, or possible recession. If you begin operating your Restaurant with inadequate cash, you may experience a total loss of your investment.

This category includes estimated payroll, utilities, vendor, advertising, promotion, and similar costs during the initial phase of a new Restaurant, which we estimate will be three months, but we have not included or factored in any sales revenue your Restaurant may have generated during this period. Your costs will depend on factors such as how much you follow our System and procedures, the local market for purchasing food products, the prevailing wage rate, competition, and the sales level reached during the initial period.

YOUR ESTIMATED INITIAL INVESTMENT MULTI-UNIT OPERATOR AGREEMENT FOR FIVE RESTAURANTS				
Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be Made
Development Fee (for five Restaurants) (1)	\$120,000	Lump Sum	When Multi-Unit Operator Agreement is Signed	Us
Vehicle – 3 Months (2)	\$2,000 - \$2,500	As incurred	As arranged	Third Parties
Other Expenditures for the First Restaurant (3)	\$168,600 - \$827,500	As Disclosed in the Above Table	As Disclosed in the Above Table	As Disclosed in the Above Table
Total	\$290,600 - \$950,000			

- Development Fee.** If the Development Fee is for between six and nine Restaurants, then the Development Fee will increase \$15,000 for each additional Restaurant. The Development Fee for ten Restaurants is \$225,000 and will increase \$15,000 for each additional Restaurant you commit to develop.
- Vehicle – 3 Months.** We expect that you will need a vehicle to view potential sites, oversee the build-outs, supervise multiple locations, etc. Our estimate includes expenses related to loan or lease payments, gas and maintenance for three months.
- Other Expenditures for the First Restaurant.** A Multi-Unit Operator is expected to incur these same costs *for each GX Greek Xpress Restaurant it develops*, subject to inflation and other increases over time. If you are a Multi-Unit Operator, your professional fees (such as legal and financial) will probably be higher.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase or lease and install all fixtures, furnishings, equipment, computer system (including point of sale system, hardware, software), décor items, signs and related items we require, all of which must conform to the standards and specifications in our Confidential Operations Manual (“Manual”) or otherwise in writing. You may not install or permit to be installed on the Restaurant premises any fixtures, furnishings, equipment, décor items, signs, games, vending machines or other items without our written consent or that do not comply with our specifications. You must hire a licensed architect and general contractor that meet our approval to adapt our prototype plans and specifications to the specific shape and dimensions of the accepted location for your Restaurant.

To make sure that the highest degree of quality and service is maintained, you must operate the Restaurant in strict conformity with the methods, standards and specifications that we prescribe in the Manual or otherwise in writing. You must maintain in sufficient supply and use and sell at all times only those food and beverage items, ingredients, products (including proprietary products), materials, supplies and paper goods that meet our standards and specifications. All menu items must be prepared according to the recipes and procedures specified in the Manual or other written materials, including measurements of ingredients. You must not deviate from these standards and specifications by the use or offer of non-conforming items, or differing amounts of any items, without obtaining our written consent first. We can, and expect to, modify our standards and specifications as we deem necessary. We will provide you notice in the Manual or other methods (such as by email) of any changes in the standards and specifications.

You must permit us or our agents, at any reasonable time, to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant free of charge for testing by us or by an independent laboratory to determine whether the samples meet our then-current standards and specifications. In addition to any other remedies we

may have, we may require you to pay for the testing if we have not previously approved the supplier of the item or if the sample fails to conform to our specifications.

You will obtain all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment, computer system and other products used or offered for sale at the Restaurant solely from our approved suppliers who demonstrate, to our continuing reasonable satisfaction, the ability to meet our then-current standards or in accordance with our standards and specifications.

A complete list of our approved products and suppliers will be included in the Manual and is subject to change over time. We will provide you notice in the Manual or otherwise in writing (such as by email) of any changes to the lists of approved products and approved suppliers.

We are not an approved supplier of any item that you must purchase or lease, but our affiliate GX Foods, LLC is. GX Foods LLC is the approved supplier of logoed paper goods and to-go packaging and you are required to purchase these items from them. Our affiliate reserves the right to earn a profit from the sale of these proprietary products to our franchisees. During the fiscal year ended December 31, 2021, our affiliates did not earn any revenue from the sale of proprietary products as we did not have any franchises.

The following officers have an ownership interest in GX Food, LLC: Dimitrios (“Jimmy”) Soursos, Alex Plevritis, Stamatios D. Mamounas, Stamatios J. Mamounas. Our officers do not have an ownership interest in any other approved suppliers.

If you wish to purchase, lease or use any unapproved products or other items, or obtain them from an unapproved supplier, you must submit a written request for approval or you must request the supplier to do so. We must approve any product or supplier in writing before you make any purchases of that product or from that supplier. We can require that our representatives be permitted to inspect the supplier’s facilities and that samples from the supplier be delivered, either to us or to an independent laboratory, for testing. You or the supplier must reimburse our costs related to our evaluation of the proposed product or supplier, but not more than \$2,500. We reserve the right to re-inspect the facilities and products of any approved supplier and to revoke our approval if the supplier fails to continue to meet any of our then-current standards. Our supplier approval procedure does not obligate us to approve any particular supplier. We will notify you within 30 days after we complete the inspection and evaluation process of our approval or disapproval of any proposed supplier. We are not required to make available to you or to any supplier our criteria for product or supplier approval that we deem confidential. We will permit you to purchase certain items from any supplier, provided that the product or supplier has met our criteria.

We may develop for use in the System certain other proprietary products which are prepared from confidential proprietary recipes and manufactured according to our specifications, or which bear the Marks. Because of the importance of quality and uniformity of production and the significance of products in the System, it is to your and our benefit that we closely control the production and distribution of those products. You will use only our proprietary recipes and other proprietary products and will purchase proprietary products only from us or from the supplier we designate.

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of the System. There are currently no purchasing or distribution cooperatives for any of the items described above in which you must participate, but we may form purchasing or distribution cooperatives in the future. We reserve the right to set up a purchasing or distribution cooperative for the ingredients and other items you must purchase. We do not provide material benefits to you (including renewal rights or the right to additional franchises) based on whether you purchase through the sources we designate or approve. When determining whether to grant new or additional franchises we consider many factors, including compliance with the requirements described in this Item 8.

We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products, equipment, or services to some or all of the Restaurants in our System. If we do establish those types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, we may designate sources that you must use for some or all products, equipment and services you must purchase or lease, and we may refuse to approve

proposals from franchisees to add new products or suppliers if we believe that approval would not be in the best interests of the System or the franchised network of Restaurants.

We have the right to collect and retain any and all allowances, rebates, credits, incentives, or benefits (collectively, "Allowances") offered by manufacturers, suppliers, and distributors to you, to us, or to our affiliates, based upon your purchases of products and services from manufacturers, suppliers, and distributors. We or our affiliates will have all of your right, title, and interest in and to any and all of these Allowances. We or our affiliates may collect and retain any or all of these Allowances without restriction (unless otherwise instructed by the manufacturer, supplier, or distributor). If we contribute any Allowances from approved suppliers to the Worldwide Creative Marketing Fund, it will not reduce or eliminate your obligation to pay the Worldwide Creative Marketing Fee. During the fiscal year ended December 31, 2019, we and our affiliates did not earn any Allowances.

We estimate that your purchases from us, approved suppliers, or that must conform to our specifications, will represent approximately 74% to 84% of your total purchases in establishing the Restaurant, and approximately 60% of your total purchases in the continuing operation of the Restaurant.

All advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Restaurant) and other items we designate must bear the Marks in the form, color, location and manner we prescribe. In addition, all advertising and promotion in any medium must be conducted in a dignified manner and must conform to the standards and requirements specified in the Manual or otherwise in writing. You must obtain our approval before you use any advertising and promotional materials and plans if we have not prepared or approved them during the 12 months before their proposed use. Any advertising and promotional materials you submit to us for our review will become our property.

We must approve your request for a Restaurant site before you acquire the site. You must also obtain our approval of any contract of sale or lease for the Restaurant before you sign the contract or lease. At our request, you and your landlord must sign a Collateral Assignment of Lease with us (Attachment B to the Franchise Agreement) which will permit your lease to be assigned to us on the expiration or termination of your Franchise Agreement.

If we permit you to provide catering or delivery services from your Restaurant, we anticipate that your employees will use their personal vehicles to provide these services. We reserve the right to require you to have temporary signage placed on each delivery vehicle. It is not a requirement to have any car wrapped. We expect that all delivery vehicles will be kept clean, in good working order and properly registered and insured. You must have each person providing those services to comply with all laws, regulations and rules of the road, including complying with all hands-free and no-texting laws, and to use due care and caution operating and maintaining the motor vehicles. Except as described in this paragraph, we do not have any standards or exercise control over any motor vehicle that you use.

Before you begin construction of the Restaurant, you must obtain the insurance coverages we require. Our current insurance requirements are described below. We may modify our insurance requirements during the term of your Franchise Agreement, and any modifications will be communicated to you in our Manual or otherwise in writing. This insurance coverage must be maintained during the term of the Franchise Agreement and must be obtained from a responsible, duly licensed carrier or carriers acceptable to us. All insurance must be on an "occurrence" basis. You must provide us with certificates of insurance showing that you have obtained the required insurance coverages not later than 30 days before your Restaurant opens and then upon renewal of each policy.

We currently require our franchisees to have the following insurance coverages: (1) comprehensive general liability, including broad form contractual liability, employment practices coverage, broad form property damage, personal injury, facilities, completed operations, products liability, automobile (covering all vehicles used in the delivery of catering and products from the Restaurant, including owned, hired and non-owned vehicles), fire legal liability and alcoholic beverage liability in the amount of Two Million Dollars (\$2,000,000), however, in the event you offer alcoholic beverages from the Restaurant, you must include liquor liability and the amount of comprehensive general liability will increase to Five Million Dollars (\$5,000,000); (2) all risks coverage for full repair and replacement value of all of the equipment, fixtures and supplies used in your Restaurant with an agreed amount endorsement equal to 100% of the

property's value; (3) employer's liability, workers' compensation, errors and omissions (E&O), directors and officers general liability (D&O), and any other insurance that may be required by statute or rule of the state or locality in which the Restaurant is located and operated; (4) business interruption insurance of at least 50% of your annual gross sales excluding payroll, including naming us as an additional insured and loss payee for royalties that would have been paid by you based on the Restaurant's Gross Sales during the preceding 12 month period; (5) any insurance coverages required by the terms of the lease for the Restaurant premises; and (6) any other insurance coverages we may require in the future.

In addition, related to any construction, renovation, refurbishment or remodeling of the Restaurant, you must maintain builders' risks insurance and performance and completion bonds in forms and amounts, and written by duly licensed carrier or carriers, satisfactory to us. All policies, including general liability and property damage policies, must name us and those of our affiliates that we specify, and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional named insureds and must include a waiver of subrogation in favor of all those parties.

We have the right to require that you obtain from your insurance company a report of claims made and reserves set against your insurance. We reserve the right to change our insurance requirements during the term of your Franchise Agreement, including the types of coverage and the amounts of coverage, and you must comply with those changes. If you fail to obtain the insurance coverages we require we may, but are not obligated to, obtain the insurance coverage on your behalf. You must reimburse us for our expenses, the cost of insurance and a 10% administrative fee if we choose to obtain insurance coverage on your behalf.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

In the table below, the following abbreviations have these meanings: FA means the Franchise Agreement and MUOA means the Multi-Unit Operator Agreement.

Obligation	Article or Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	FA – Article 2 MUOA – Section 3	Items 8 and 11
b. Pre-opening purchases/leases	FA – Articles 6, 7 and 8	Items 5, 6, 7, 8 and 11
c. Site development and other pre-opening requirements	FA – Article 2	Items 1, 8 and 11
d. Initial and ongoing training	FA – Article 6	Items 5, 6 and 11
e. Opening	FA – Articles 2 and 6	Items 6, 7 and 11
f. Fees	FA – Articles 3, 4, 6, 7, 8, 10, 11, 14 and 18 MUOA – Sections 2 and 3	Items 5, 6, 7 and 11
g. Compliance with standards and policies/ operating manual	FA – Articles 2, 3, 6, 8, 9, 10, 11 and 12	Items 8, 11 and 14
h. Trademarks and proprietary information	FA – Articles 9 and 10 and Attachment D MUOA – Section 7	Items 13 and 14

Obligation	Article or Section in Agreement	Disclosure Document Item
i. Restrictions on products/services offered	FA – Article 7 MUOA – Section 7	Items 8 and 16
j. Warranty and customer service requirements	FA – Article 7	Not applicable
k. Territorial development and sales quotas	MUOA – Section 3	Item 12
l. Ongoing product/service purchases	FA – Article 7	Items 6 and 8
m. Maintenance, appearance and remodeling requirements	FA – Articles 2, 7 and 14	Items 8 and 11
n. Insurance	FA – Article 12	Items 7 and 8
o. Advertising	FA – Article 8	Items 6, 8 and 11
p. Indemnification	FA – Article 15 MUOA – Section 14	Item 6
q. Owner's participation/management/staffing	FA – Articles 6, 14, 15 and 19 MUOA – Section 7	Items 1, 11 and 15
r. Records and reports	FA – Articles 4, 7 and 11	Item 6
s. Inspections and audits	FA – Articles 2, 7 and 11 MUOA – Section 12	Items 6, 8 and 11
t. Transfer	FA – Article 14 MUOA – Section 11	Items 6 and 17
u. Renewal	FA – Article 3 MUOA – Section 5	Items 6 and 17
v. Post-termination obligations	FA – Article 18 MUOA – Section 10	Items 6 and 17
w. Non-competition covenants	FA – Article 10 and Attachment D MUOA – Section 12	Item 17
x. Dispute resolution	FA – Article 19 MUOA – Section 19	Items 6 and 17
y. Liquidated damages	FA – Article 18	Item 6

ITEM 10 **FINANCING**

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

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

Except as listed below, Greek Xpress Franchising LLC is not required to provide you with any assistance.

Pre-Opening Assistance

Before the opening of a Restaurant, we will provide the following assistance and services:

- (1) You must submit to us your request for a site in writing no later than 60 days after we have signed the Franchise Agreement. Your request for a site must include a description of the site, evidence that it satisfies our site selection guidelines and any other information we may request. We will have 30 days after we receive your written request to approve or disapprove your request for the site. The site for the Restaurant may not be relocated without first obtaining our written consent. If you are unable to locate a site for your Restaurant within 60 days after signing the Franchise Agreement, we have the right to terminate your Franchise Agreement or we may provide you with an extension of this timeframe. If we cannot agree on a proposed site, we may elect to terminate the Franchise Agreement and keep the entire initial franchise fee, or we may provide you with an extension of this timeframe (Franchise Agreement, Article 2.2). You must assume all costs, liabilities, expenses and responsibility for locating, obtaining and developing a site for the Restaurant and for constructing and equipping the Restaurant at the accepted location. We do not own the premises and lease it to you, nor will we lease the premises and then sublease it to you. You must receive our approval of your request for a site before you lease or purchase the site for the Restaurant.

If you are a Multi-Unit Operator, you must submit each proposed site to be developed under the minimum performance schedule to us for our approval, which approval will be based on our then-current standards.

- (2) We will provide you with our written materials on how to analyze potential sites and markets (Franchise Agreement, Article 5.1). The guidelines we use when evaluating a site you propose includes: general location and neighborhood, traffic patterns, parking, size, physical characteristics of existing buildings, ease of access to the location, level of foot traffic, visibility to the site, co-tenants within the building, lease terms, level of competition in the area, and demographic characteristics such as income levels, household size, population density and ethnic mix.
- (3) On-site location evaluations, if you request that we provide this, which will be at your cost. You must pay us our then-current non-refundable per diem fee for our representative, as well as reimburse our representative's travel, lodging and meals. The current per diem fee you must pay to us is \$5,000 (Franchise Agreement, Article 5.2)
- (4) We will not provide you with assistance in conforming the location to local ordinances or building codes. We will not obtain the required permits for construction, remodeling or decorating the location (Franchise Agreement, Article 2.3). Before opening the Restaurant, you must sign and deliver to us an Americans with Disabilities Certification (in the form that is attached as Attachment M to the Franchise Agreement) certifying to us that the Franchised Business and any proposed renovations comply with the Americans with Disabilities Act.
- (5) We will loan to you one set of prototype specifications and layouts for building and furnishing the Restaurant for your architect and general contractor to adapt to the Restaurant, at your expense (Franchise Agreement, Article 5.3). We will review your final plans, specifications and blueprints for conformity to our standards and specifications (Franchise Agreement, Article 2.4). We will request that you remodel or redecorate the Restaurant not more than every five years (Franchise Agreement, Article 7.3).
- (6) We will provide you with our HQ Initial Training, which will be located at our headquarters, at an existing Restaurant or at another location we designate (Franchise Agreement, Article 5.10). We will not provide you any assistance in the hiring or firing of your employees (Franchise Agreement, Article 16.1).
- (7) On loan, our Manual, which we may revise during the term of your Franchise Agreement (Franchise Agreement, Article 10.1). Our manual contains a list of our approved suppliers, which includes the suppliers of any fixtures, equipment, signs, supplies, goods, and inventory you must purchase. The list of approved suppliers is subject to change during the term of your Franchise Agreement (Franchise Agreement, Article 7.4). You must purchase all equipment, signs, fixtures, opening inventory and suppliers from approved suppliers. We will not sell, deliver or install these items for you.

(8) Restaurant Opening: We estimate that the time from when the Franchise Agreement is signed to the opening of the Restaurant will be approximately 12 months. You are not permitted to open the Restaurant without our written approval. You will request written approval to open the Restaurant for business at least 30 days prior to your scheduled opening date. Our approval may be subject to our satisfactory inspection of the franchised Restaurant and compliance with the Franchise Agreement. This time may be shorter or longer depending on the time necessary to obtain an accepted location, to obtain financing, to obtain the permits and licenses for the construction and operation of the Restaurant, to complete construction or remodeling as it may be affected by weather conditions, shortages, delivery schedules and other similar factors, to complete the interior and exterior of the Restaurant, including decorating, purchasing and installing fixtures, equipment and signs, to complete HQ Initial Training to our satisfaction, and to complete preparation for operating the Restaurant, including purchasing inventory and supplies.

(9) If you are a Franchisee, you must open the Restaurant and begin business within 12 months of signing the Franchise Agreement. If the Restaurant is not open within this timeframe, except for circumstances beyond your control, you must pay us a non-refundable delayed opening fee equal to \$100 per day for each day that your opening is delayed, up to a maximum of 90 additional days. If your Restaurant is not open after this additional 90 day period, then we may terminate your Franchise Agreement or we may require you to continue paying the delayed opening fee until your Restaurant has opened.

If you are a Multi-Unit Operator, you must sign your first Franchise Agreement at the same time you sign the Multi-Unit Operator Agreement. For each additional Restaurant you commit to develop, you must sign and return the then-current Franchise Agreement to us within 15 days after your receipt of the Franchise Agreement. The typical length of time between the signing of the Franchise Agreement and the opening of your Restaurant is the same as for an individual franchisee. For each Restaurant you develop after the first one, the Restaurants must begin business according to the dates set forth in your Minimum Performance Schedule.

(10) Review of your grand opening advertising campaign to promote the opening of your Restaurant. We reserve the right to create a grand opening advertising campaign for you to conduct or to collect the money for you and conduct the campaign on your behalf (Franchise Agreement, Article 8.8)

(11) One of our representatives for a period of up to 14 days around your scheduled opening of your first Restaurant to provide on-site pre-opening assistance and training and which you must pay to us our current fee of \$7,500. This fee is not refundable. If you request us to provide additional on-site opening training at this that, then you must pay to us our then current per diem On-Site Training fee for our representative and reimburse our representative's travel, lodging and meals.

If you are opening your second or later Restaurant, we reserve the right to not provide pre-opening assistance and training. If we do provide this service, you must pay our per diem On-Site Training Fee for each representative providing the training as well as reimburse each representative's travel, lodging and meals (Franchise Agreement, Article 6.5) Our current per diem fee for On-Site Training is \$1,000, plus reimbursement of our representative's travel, lodging and meals.

Post-Opening Assistance

During the operation of a Restaurant, we will provide the following assistance and services:

(1) Advice and written materials (including updates to the Manual) concerning techniques of managing and operating the Restaurant, including new developments and improvements in equipment, food products, recipes, packaging and preparation (Franchise Agreement, Article 5.7). Review of your annual advertising plan, which must be submitted to us no later than the week before Thanksgiving Day of each year for the following year (Franchise Agreement, Article 8.2). We will administer the Worldwide Creative Marketing Fund (Franchise Agreement, Article 8.3).

- (2) We will provide you with training programs and seminars and other related activities regarding the operation of the Restaurant as we may conduct for you or Restaurant personnel generally, which may be mandatory for you and specific Restaurant personnel (Franchise Agreement, Article 6.7). We will not provide you any assistance in the hiring or firing of your employees (Franchise Agreement, Article 16.1). When we determine it will be practical, an annual franchisee meeting (Franchise Agreement, Article 5.10). You must pay our then-current fee for each attendee from your Restaurant, as well as each attendee's expenses, such as travel, lodging, meals and wages. At your request or if we determine it is necessary, on-site training at your Restaurant. You must pay our per diem fee for each representative providing the training as well as reimburse each representative's expenses (Franchise Agreement, Article 6.6).
- (3) We may determine the maximum prices you must charge for goods, products and services sold by your Restaurant, as permitted by applicable law (Franchise Agreement – Article 7.13). We reserve the right to designate the minimum levels of inventory that you must maintain.
- (4) Advisory Council: We reserve the right to establish an advisory council to work with us to improve various aspects of our System, including advertising, merchandising, products, menu items and other items. If we choose to establish an advisory council, its members will include franchisee representatives and our representatives. The franchisee representatives may be chosen by us or elected by other franchisees in the System. If you participate in an advisory council you must pay any costs you incur related to your participation, such as travel and living expenses to attend meetings. If established, the advisory council will act in an advisory capacity only and will not have decision making authority. We have the right to form, change, merge or dissolve any advisory council at any time.
- (5) As we reasonably determine necessary, visits to inspect the Restaurant and evaluate the products and services provided to make sure that our high standards of quality, appearance and service of the System are maintained (Franchise Agreement, Article 5.5).

Advertising

Grand Opening Advertising Campaign: You must spend \$10,000 on a grand opening advertising campaign to promote the opening of the Franchised Business. You will submit your grand opening advertising campaign to us for our review. We have 60 days to complete our review. In addition to other requirements, you will not be eligible to schedule the training dates for the HQ Initial Training until you have received our approval of your grand opening advertising campaign and you have pre-paid either us or suppliers for the grand opening advertising campaign. We reserve the right to create a grand opening advertising campaign for you to conduct or to collect this money from you and conduct the grand opening advertising campaign on your behalf. If we collect this money from you, it is non-refundable. Your grand opening advertising campaign must include the elements that we require, such as food and merchandise giveaways.

Worldwide Creative Marketing Fund: Recognizing the value of advertising and marketing to the goodwill and public image of GX Greek Xpress Restaurants, we reserve the right to establish, administer and control a Worldwide Creative Marketing Fund. The advertising coverage conducted by the Worldwide Creative Marketing Fund will typically be regional and national in nature. You must contribute 2% of your Restaurant's Gross Sales to the Worldwide Creative Marketing Fund. GX Greek Xpress Restaurants that we and our affiliates own will contribute to the Worldwide Creative Marketing Fund on the same basis as franchisees. We may, but are not required to, contribute Allowances that we receive from certain approved suppliers to the Worldwide Creative Marketing Fund, but this does not reduce or eliminate the Worldwide Creative Marketing Fee you must pay. When we establish the Creative Marketing Fund, we will provide you with upon 30 days' notice. Since the Worldwide Creative Marketing Fund was not established during the fiscal year ending December 31, 2021, no monies have been collected by the Worldwide Creative Marketing Fund.

The Worldwide Creative Marketing Fund is maintained and administered by us or our designee as follows:

1. We direct all advertising programs and have sole discretion to approve the creative concepts, materials and media used in the programs and their placement and allocation. The Worldwide Creative Marketing Fund is intended to maximize general public recognition and acceptance of the Marks and improve the collective success of all Restaurants operating under the System. We may use monies from the Worldwide Creative Marketing Fund to offset the cost of

refresher training programs and our annual meeting of our franchisees, to conduct mystery shopper programs, and to ensure 4 Walls Marketing.

2. The Worldwide Creative Marketing Fund may be used to satisfy the costs of maintaining, administering, directing and preparing advertising, including the cost of preparing and conducting digital, television, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; internet marketing; 4 Walls Marketing; public relations activities; employing advertising agencies; employing mystery shopper services; social media initiatives; and costs of our personnel and other departmental costs for advertising that we administer or prepare internally. All sums you pay to the Worldwide Creative Marketing Fund will be maintained in a separate account from our general funds. We may reimburse ourselves out of the Worldwide Creative Marketing Fund for our reasonable administrative costs and expenses that we may incur in the administration or direction of the Worldwide Creative Marketing Fund and advertising programs for you and the System. Our reimbursements for our personnel and other department costs will not be more than 20% of the Worldwide Creative Marketing Fund. The Worldwide Creative Marketing Fund and its earnings will not otherwise inure to our benefit except that any resulting technology and intellectual property will be deemed our property. Any sums paid to the Worldwide Creative Marketing Fund that are not spent in the year they are collected will be carried over to the following year.

3. We will prepare an annual statement of the operations of the Worldwide Creative Marketing Fund that will be made available to you if you request it. We are not required to have the Worldwide Creative Marketing Fund statements audited.

4. Although the Worldwide Creative Marketing Fund is intended to be perpetual, we may terminate the Worldwide Creative Marketing Fund at any time. The Worldwide Creative Marketing Fund will not be terminated until all monies in the Worldwide Creative Marketing Fund have been spent for advertising or promotional purposes or returned to contributors on a pro rata basis. If we terminate the Worldwide Creative Marketing Fund, we have the right to reinstate it at any time and you must again contribute to the Worldwide Creative Marketing Fund. Any reinstated Worldwide Creative Marketing Fund will be maintained as described above.

5. No money in the Worldwide Creative Marketing Fund will be used to create and place advertising that is primarily a solicitation of franchise sales. The Worldwide Creative Marketing Fund and its earnings shall not otherwise inure to our benefit except that any resulting technology and intellectual property shall be deemed our property.

6. In administering the Worldwide Creative Marketing Fund, we and our designees are not required to make expenditures for you that are equivalent or proportionate to your contribution or to make sure that any particular franchisee or Restaurant benefits directly or *pro rata* from the placement of advertising in any franchisee's area or territory.

We currently advertise the Restaurants and the products offered by the Restaurants primarily using point of purchase advertising materials, direct mail, electronic and internet marketing, public relations and promotions, social media and print media. As the number of Restaurants in the System expands, we envision using other forms of media, including television, radio, internet, magazine and newspaper advertising campaigns; and direct mail and outdoor billboard advertising. The coverage is typically regional and national in nature. We are not obligated to spend any amount on advertising in your area or territory separate from the Worldwide Creative Marketing Fund. The majority of our advertising is developed by members of our staff or third-party consultants.

We are not obligated to spend any amount on advertising in your area or territory other than the amount we would pay to the Advertising Cooperative or the Worldwide Creative Marketing Fund.

Local Advertising: You must conduct Local Advertising in your Designated Territory and you must spend at least 1% of your Restaurant's Gross Sales each month for local advertising. We must approve all advertising before you use it. You must provide us with an annual advertising plan no later than the week before Thanksgiving of every year for the following year and we must approve this plan. You must also send us a monthly update to your advertising plan before the end of every month including an expenditure report to show that you have complied with the local advertising requirements for the previous month. We reserve the right to collect some or all of your Local Advertising expenditure and implement Local Advertising on your behalf.

Any advertising that you propose to use that has either not been prepared by us or has not been approved by us in the immediately preceding 12-month period must be submitted to us for our approval before you may use it. We will have 15 days after receipt of all materials to approve or disapprove of the proposed advertising materials. Unless we provide our specific approval of the proposed advertising materials, the materials are deemed not approved. Any materials you submit to us for our review will become our property, and there will be no restriction on our use or distribution of these materials. We are not obligated to spend any amount on advertising in your area or territory.

We reserve the right to require you to include certain language in your local advertising, such as “Franchises Available” and our Website address and telephone number.

Advertising Cooperative: We may designate any geographic area in which two or more Restaurants are located as a region for purposes of establishing an advertising Cooperative, or we may approve of the formation of an advertising Cooperative by our franchisees. The members of the Cooperative for any area will consist of all Restaurants, whether operated by us, our affiliates or our franchisees. We have the right to form, dissolve, merge or change the structure of the Cooperatives. Each Cooperative will be organized for the exclusive purposes of administering advertising programs and developing, subject to our approval as described above, promotional materials for use by the members in Local Advertising. If a Cooperative has been established for a geographic area where your Restaurant is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, you must become a member of the Cooperative. The Cooperative will operate according to written governing documents which we have approved. If you request a copy of the governing documents for the Cooperative to which you contribute, we will provide them to you.

If a Cooperative is formed and approved by us, each Cooperative member will contribute to the Cooperative, as determined by the Cooperative members. The amount you must contribute will not be more than 0.5% of Gross Sales. The amount you contribute to a Cooperative will count toward your Local Advertising requirement, but if the amount you contribute to the Cooperative is less than the amount you must spend for Local Advertising, you must still spend the difference locally. Restaurants owned by us and our affiliates will pay into the Cooperative on the same basis as you. All contributions to the Cooperative will be maintained and administered in accordance with the documents governing the Cooperative, if any. The Cooperative will be operated solely as a conduit for the collection and expenditure of the Cooperative fees for the purposes outlined above. No advertising or promotional plans or materials may be used by the Cooperative or furnished to its members without first obtaining our approval as described above. The Cooperative is not required to prepare an annual financial statement. Each member of the Cooperative will have one vote on all Cooperative matters, but no franchisee (or commonly controlled group of franchisees) may have more than 25% of the total vote. Currently there are no Cooperatives in the System.

Promotional Programs: You must also participate in any other advertising, promotional or marketing programs to advertise the Marks and Restaurants. The cost for participation in promotional programs will vary depending on the length and type of promotion. The costs will include labor, marketing materials, furniture, equipment and food. The cost of promotional programs varies, depending on length and type of promotion. We estimate the approximate cost for a 7-day program is \$4,200 or \$600/day and payable to local vendors. These promotions, if not designated by us, must first be approved by us as described above.

Website / Intranet / Social Media: We alone may establish, maintain, modify or discontinue all internet, worldwide web and electronic commerce activities pertaining to the System. We may establish one or more websites accessible through one or more uniform resource locators (“URLs”) and, if we do, we may design and provide for the benefit of your Restaurant a “click through” subpage at our website for the promotion of your Restaurant. If we establish one or more websites or other modes of electronic commerce and if we provide a “click-through” subpage at the website(s) for the promotion of your Restaurant, you must routinely provide us with updated copy, photographs and news stories about your Restaurant suitable for posting on your “click through” subpage. We reserve the right to specify the content, frequency and procedure you must follow for updating your “click through” subpage.

Any websites or other modes of electronic commerce that we establish or maintain, including any mobile applications (“Apps”) that we may introduce, may in addition to advertising and promoting the products, programs or services available

at GX Greek Xpress Restaurants also be devoted in part to offering GX Greek Xpress franchises for sale and be used by us to exploit the electronic commerce rights which we alone reserve.

In addition to these activities, we may also establish an intranet through which downloads of operations and marketing materials, exchanges of franchisee email, System discussion forums and System-wide communications (among other activities) can be done. You may not maintain your own website; otherwise maintain a presence or advertise on the internet or any other mode of electronic commerce in connection with your Restaurant; establish a link to any website we establish at or from any other website or page; or at any time establish any other website, electronic commerce presence or URL which in whole or in part incorporates the “GX Greek Xpress” name or any name confusingly similar to the Proprietary Marks.

You are not permitted to promote your Restaurant or use any of the Proprietary Marks in any manner on any social or networking websites or on the internet without our prior written consent. We will control all social media initiatives. You must comply with our System standards regarding the use of social media in your Franchised Business’s operation, including prohibitions on your and the Franchised Business’s employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us (“social media” includes personal blogs, common social networks like Facebook, FourSquare, Instagram and Pinterest; professional networks like LinkedIn; live-blogging tools like Twitter and Snapchat; virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). We will provide access to branded social media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local social media on your behalf.

We will have the right to establish a website or other electronic system providing private and secure communications (such as an intranet or messaging application) between us, our franchisees, and other persons and entities that we decide are appropriate. If we require, you must establish and maintain access to the intranet in the manner we designate. Additionally, we may periodically prepare agreements and policies concerning the use of the intranet that you must acknowledge and sign.

We alone, will be, and will at all times remain, the sole owner of the copyrights to all material which appears on any website we establish and maintain, including any and all material you may furnish to us for your “click through” subpage.

Computer System

You must purchase or lease and use an approved computer system (point of sale system, hardware, software) that meets our specifications and that is capable of communicating electronically with our computer system. Our specific requirements for the hardware and software components of the computer system will be included in our Manual. The computer system is used to collect and monitor point of sale information, create business reports (sales analyses, cost of goods sold, etc.), keep track of inventory, payroll, time clock and accounting information, processing gift cards and loyalty cards, and credit card sales.

You must make sure that we have independent access to your computer system at the times and in the manner we specify, at your cost. The computer system will give us immediate and independent access to the information generated and stored by the system. There are no contractual limits on our access to or use of the information we obtain from your computer information. You must install and maintain equipment in accordance with our specifications to permit us to access the computer system at the Restaurant premises as described above.

The approved supplier for the computer system, if we designate one, will be included in the Manual. We expect that the computer system will approximately cost between \$3,000 and \$10,000. In addition, you must have a maintenance contract for your computer system, which we anticipate will be up to \$1,000 annually, and you must maintain the required software subscriptions, which we anticipate will cost between \$100 and \$500 monthly.

You must obtain any upgrades or updates to the software used with the computer system, at your expense. In addition, we may require you to update and upgrade all or a portion of your computer system during the term of your Franchise Agreement, at your expense. The Franchise Agreement does not limit our ability to require you to update and/or upgrade

your computer system or the cost of any update and/or upgrade. Neither we nor any of our affiliates will provide you with any maintenance, updates and/or upgrades for your computer system.

You must obtain and maintain high speed internet access or other means of electronic communication, as specified by us. You must have a high speed internet connection at all times. This will permit us to independently inspect and monitor information concerning your Restaurant's Gross Sales and any other information that may be contained in the computer system. It will be a material default under the Franchise Agreement if you do not maintain the equipment, lines and communication methods in operation and accessible to us at all times throughout the term of the Franchise Agreement.

Confidential Operations Manual

The Table of Contents for our Manual is attached to this Disclosure Document as Exhibit F. Our Confidential Operations Manual contains approximately 220 pages.

Training

No later than 60 days before the date your Restaurant begins operation, your Designated Controlling Principal, General Manager and two Managers must have attended and completed, to our satisfaction, our mandatory twelve day HQ Initial Training.

Before you can schedule your HQ Initial Training, you must receive our approval of your grand opening advertising campaign plan, and you must pre-pay either us or third party suppliers for the grand opening advertising campaign, and the automatic debit program must be ready for use.

HQ Initial Training programs will be offered at various times during the year depending on the number of new franchisees entering the System, replacement general managers, managers and other personnel needing training, the number of new Restaurants being opened and the timing of the scheduled openings of Restaurants.

We will not provide you any assistance in the hiring of your employees.

The HQ Initial Training for your initial three trainees is included in the Initial Franchise Fee. You must pay our then-current fee for each additional trainee. You must pay the cost of your trainees' expenses, including applicable wages, travel, lodging and meals. All trainees must the same HQ Initial Training at the same time.

We will determine upon each trainee's request to graduate whether each trainee has completed to our satisfaction the HQ Initial Training.

The Designated Controlling Principal, General Manager or Managers do not satisfactorily complete HQ Initial Training or if we determine that this person cannot satisfactorily complete HQ Initial Training, you must designate a replacement to satisfactorily complete the training before you will be permitted to receive pre-opening assistance and training (if applicable) or open your Restaurant for business.

It is mandatory and your responsibility to ensure that all replacement or subsequent Designated Controlling Principal, General Manager sand Managers attend and complete HQ Initial Training to our satisfaction. You must pay our then-current fee for the HQ Initial Training for each replacement or successor Designated Controlling Principal or employee if we have not approved you to provide the training. You must pay the cost of your trainees' expenses, including applicable wages, travel, lodging and meals.

We will provide instructors and training materials for HQ Initial Training for three trainees at no charge to you. The instructional materials used in the HQ Initial Training consists of our Manual, marketing and promotion materials, and any other materials that we believe will be beneficial to our franchisees in the training process. Our classroom and on-the-job training are integrated. The entire training program is subject to change due to updates in materials, methods, manuals and personnel without notice to you. The time periods allocated to each subject being taught may vary based on the individual needs and experience level of the trainees.

Our HQ Initial Training program instructors are Dimitrios Soursos, Roberts Galindo, and John Corella. Each of our instructors has up to two years of experience relevant to the subject being taught, and at least two years of experience with us and/or our affiliate owned Restaurants. We reserve the right to make changes in our training staff as we deem necessary and advisable without prior notice.

The training schedule and activities of the HQ Initial Training program are described below:

HQ INITIAL TRAINING PROGRAM*			
Column 1	Column 2	Column 3	Column 4
Subject	Hours of Classroom Instruction	Hours of On-the-Job Training	Location
History of GX Greek Xpress	0.5	0	East Rockaway, New York
Tour of a GX Greek Xpress FC Restaurant	0.5	0	East Rockaway, New York
Use of the Manual	1	0	East Rockaway, New York
Pre-Opening Procedures	1	0.5	East Rockaway, New York
Front of the House Duties	1	20	East Rockaway, New York
Back of the House/Kitchen Duties	1	20	East Rockaway, New York
Management Procedures and Duties	1	4	East Rockaway, New York
POS System and Reporting	1.5	8	East Rockaway, New York
Inventory Management	1	4	East Rockaway, New York
Customer Service Procedures	1	4	East Rockaway, New York
Recruiting and Onboarding	1	4	East Rockaway, New York
Accounting and Record Keeping	1	2	East Rockaway, New York
Franchise Reporting Responsibilities	.5	1.5	East Rockaway, New York
Cleaning Procedures	1	4	East Rockaway, New York
Safety Procedures	1	4	East Rockaway, New York
Advertising and Marketing	1	4	East Rockaway, New York
Total Hours:	15	80	

*The HQ Initial Training Program does not include the required third party Management/Leadership training and Industry Certifications.

Management/Leadership Training. Not later than 60 days before the opening of the Restaurant, your Designated Controlling Principal and management staff must have graduated from a third party Management/Leadership training program, which may be McClaskey Excellence Institute or a similar program. This training must be arranged by and paid for by you.

System Certifications. At all times, your Designated Controlling Principal and a combined total of at least one General Managers and two Managers must secure and maintain current certifications from us. Our certification requirements are applied System-wide. To be certified, an individual must be able to satisfactorily perform, and be capable of cross-training staff members, to perform every station in the Restaurant to our current standards. Our certification requirements may change and evolve over time.

Industry Certifications. In addition to our certification requirements and HQ Initial Training, your Designated Controlling Principal, General Manager, Managers and other personnel we designate, must be maintain food safety and handling program certifications (ServSafe or similar approved program) and if your Restaurant offers alcoholic beverages, alcohol awareness certification (TIPS or a similar approved program). These industry certification programs are offered at various facilities and must be arranged by and paid for by you. Your Designated Controlling Principal and your staff may be required to attend periodic training to maintain specific industry certifications. We may require additional industry certifications in the future.

On-Site Training. If, during the term of your Franchise Agreement, you request that we provide training on-site at your Restaurant, or if we determine that it you need this additional on-site training, you must pay our per diem fee for each representative we send to provide this training and reimburse us for our representative's expenses. Our current per diem per representative fee is \$1,000.

Refresher Training/Franchisee Meetings. After the opening of the Restaurant, The Designated Controlling Principal and other personal that we require must attend and successfully complete annual or periodic refresher training programs and attend annual franchisee meetings. We may designate that attendance at any refresher training program and annual meeting as mandatory for specific Restaurant personnel, or specifically those franchisees in operational default. The location for the refresher training and annual franchisee meetings will be at our headquarters, a conference center, a resort or hotel close to our headquarters, or other location we designate. We will not designate an unreasonably expensive location for the refresher training program and annual meeting. Refresher training programs generally includes training in new methods and techniques, as well as an overview of basic concepts for operating the Restaurant. Annual franchisee meetings may include some training, but generally give our franchisees the opportunity to meet each other and exchange ideas. The annual meeting also gives us an opportunity to discuss with our franchisees ideas to improve the System, menu items, marketing and other items of general interest. We may charge a fee of up to \$1,000 per person for refresher training program or the franchisee meeting. You must pay for the expenses of you and your attendees, including travel, lodging, meals and wages.

ITEM 12 **TERRITORY**

Franchise Agreement: Under the Franchise Agreement we grant you the right to operate a single Restaurant at a specific location that you have submitted to us and which request we have accepted. You must submit to us your request of a site in writing, including any forms and information we may request. The Franchise Agreement does not grant you any territorial rights beyond whatever geographic radius is listed in an attachment to the Franchise Agreement.

The designated geographical territory ("Designated Territory") will depend on whether your Restaurant will be located in an urban or a suburban setting. If your Restaurant is located in an urban setting you will be granted a minimum radius of 1/4 mile and for a suburban setting you will be granted a minimum radius of two miles, for a single franchise unit sale, as agreed upon before signing the Franchise Agreement. The actual boundaries of your Designated Territory will not be determined until the location for your Restaurant has been determined.

If you are a Multi-Unit Operator, each Restaurant and its' Designated Territory will be located within your Development Area. The designated geographical territory for each Restaurant will depend on whether your Restaurant will be located in an urban or a suburban setting. If your Restaurant is located in an urban setting you will be granted a minimum radius of 1/4 mile and for a suburban setting you will be granted a minimum radius of 2 miles.

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 that we control.

Your Designated Territory cannot overlap or interfere with existing trade areas, designated territories or development areas. We reserve the right to provide a two mile buffer between trade areas, designated territories and development areas so that we can avoid any overlapping of areas. We reserve the right to adjust the boundaries of the Designated Territory or at any time or if we believe it conflicts with another trade area, designated territory or development area. Your Restaurant's premises will be located within the adjusted Designated Territory.

During the term of the Franchise Agreement, we will not establish or operate, or license any other person to establish or operate, a Restaurant in the Designated Territory or to solicit or accept orders within your Designated Territory, except as may be permitted under the Franchise Agreement and those exceptions are described below.

Nothing in the Franchise Agreement will prohibit us from: (1) operating and/or franchising others to operate restaurants identified in whole or in part by the Proprietary Marks and/or utilizing the System in the Designated Territory that are located in gas stations or convenience stores; transportation facilities, including airports, train stations, subways and rail and bus stations; military bases and government offices; sports facilities, including stadiums and arenas; amusement parks, zoos and convention centers; car and truck rest stops and travel centers; educational facilities; recreational theme parks; hospitals; hotels; business or industrial foodservice venues; venues in which food service is or may be provided by a master concessionaire or contract food service provider; Indian reservations; casinos; or any similar captive market location (a “Non-Traditional Site”); (2) awarding national, regional or local licenses to third parties to sell products under the Proprietary Marks in foodservice facilities primarily identified by the third party’s trademark; (3) merchandising and distributing products identified by the Proprietary Marks and other trade names and trademarks in the Designated Territory through any method or channel of distribution other than through the operation of a GX Greek Xpress Restaurant; (4) selling and distributing products identified by the Proprietary Marks in the Designated Territory to restaurants other than restaurants identified by the Proprietary Marks, regardless of whether the restaurants are licensed to use the Proprietary Marks in connection with their retail sales or not; (5) selling and soliciting products and services through other channels of distribution, including but not limited to the Internet, wholesale, mail order, catalog sales, grocery stores, ghost kitchens, club stores, telemarketing or other direct marketing sales; (6) developing and/or owning other franchise systems for the same or similar products and services using trade names and trademarks other than the Proprietary Marks; and (7) purchasing, being purchased by, merging or combining with businesses that we deem to offer direct competition to GX Greek Xpress Restaurants. We are not required to pay you any consideration if we exercise any right specified above in the Designated Territory.

If any Non-Traditional Site (as described above) is located within the physical boundaries of your Designated Territory, then the premises of this Non-Traditional Site will not be included in your Designated Territory and you will have no rights to this Non-Traditional Site.

We and our affiliates are not prohibited from: (1) operating and franchising others to operate, during the term of the Franchise Agreement, Restaurants at any location outside of the Designated Territory; (2) operating and franchising others to operate, after the Franchise Agreement terminates or expires, Restaurants at any location, including locations inside the Designated Territory; (3) operating and franchising others to operate at any location, during or after the term of the Franchise Agreement, any type of restaurant other than a GX Greek Xpress Restaurant; and (4) operating and franchising others to operate, during the term of the Franchise Agreement, a Restaurant at any Non-Traditional Site inside and outside of the Designated Territory.

The restrictions above do not apply to GX Greek Xpress Restaurants in operation, under lease or construction or other commitment to open in the Designated Territory as of the effective date of the Franchise Agreement.

Except as expressly limited above, we and our affiliates have the right to conduct any business activities, under any name, in any geographic area and at any location, regardless of the proximity to your Restaurant or the economic effect on your Restaurant or your activities under the Franchise Agreement.

If, during the term of the Franchise Agreement, you wish to relocate your Restaurant, or if the Restaurant is damaged or destroyed and cannot be repaired within 60 days, you must submit to us in writing the materials we request to consider your relocation request, including information concerning the proposed new location for the Restaurant. You must also meet certain other requirements, such as being in compliance with the Franchise Agreement, the location meets our then-current requirements for a GX Greek Xpress Restaurant and is located within your Designated Territory, and you must sign our then-current form of Franchise Agreement. We will use our then-current guidelines in reviewing a proposed new location for your Restaurant. If we permit you to relocate, you will not pay a new Initial Franchise Fee, but you must pay our relocation fee of \$2,500.

If we permit you to provide delivery and catering services, you may only offer these services to customers located within your Designated Territory. You may not provide delivery and catering services to any customer outside of your Designated Territory, unless that customer is in an area is not occupied by a GX Greek Xpress Restaurant. You may not sell any products at wholesale.

You may sell our products to customers who live anywhere but who choose to dine at or from your Restaurant. While you may place advertisements in printed media, social media, on the internet, on billboards and on television and radio that are targeted to customers and prospective customers located within your Designated Territory, and you will not be deemed to be in violation of the Franchise Agreement if those advertisements, because of the natural circulation of the printed media or reach of television and radio, are viewed by prospective customers outside of your Designated Territory, you may not make any sales or deliver any products to customers located outside of your Designated Territory, unless the customer is located in an area where there is not another GX Greek Xpress Restaurant in operation. You may not directly solicit customers outside of your Designated Territory.

We and our affiliates may solicit and sell products under the Marks and other trade names and trademarks in your Designated Territory through any alternate channel of distribution other than through the operation of a Restaurant (“Alternative Distribution Channels”). Alternate Distribution Channels include the Internet, wholesale, mail order, catalog sales, grocery stores, ghost kitchens, club stores, telemarketing or other direct or indirect marketing sales. You may not use Alternative Distribution Channels to solicit or sell products inside or outside your Designated Territory. You will not receive any compensation or consideration if we or our affiliate solicit or conduct business in your Designated Territory

We maintain the right under the Franchise Agreement, to buy back the franchised Restaurant for any reason. If the Restaurant has been operating less than 12 months, we will pay you a purchase price equal to 200% of the Restaurant’s assets or if you have been in operation longer than 12 months, we will pay you six times your Restaurant’s EBITDA. This buy back right, if exercised, shall be accomplished after we provide you with 90 days’ written notice of our intent to exercise this right. The closing shall occur 30 days following determination of the purchase price.

We have not yet established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark. We describe earlier in this Item 12 what we may do anywhere and at any time. We and our affiliates have not established, and presently do not intend to establish, other franchised or company-owned businesses which sell our products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent.

You are not granted any other options, rights of first refusal or similar rights to acquire additional Restaurants under the Franchise Agreement.

Multi-Unit Operator Agreement: Under the Multi-Unit Operator Agreement we grant you the right to develop and operate multiple Restaurants in a “Development Area”, a specifically described geographical territory. The Restaurants must each be opened within a specific timeframe. We will determine the Development Area and timeframe to open each individual Restaurant before you sign the Multi-Unit Operator Agreement. You must sign a separate Franchise Agreement for each Restaurant established under the Multi-Unit Operator Agreement. The Franchise Agreement for the first Restaurant developed under the Multi-Unit Operator Agreement will be in the form attached as Exhibit B to this Disclosure Document. The Franchise Agreement for your first Restaurant will be signed at the same time as the Multi-Unit Operator Agreement. For each additional Restaurant developed under the Multi-Unit Operator Agreement, you may be required to sign a different form of Franchise Agreement than the one in this offering. You may not open a Restaurant for business until a fully executed Franchise Agreement is in place for that Restaurant and you are in compliance with it, you have received our written authorization to open for business, and the initial franchise fee has been fully paid.

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 that we control.

The Development Area is typically described in terms of municipal boundaries, county boundaries or specified trade areas within a municipality. Your rights to the Development Area do not include the right to develop Restaurants at any Non-

Traditional Sites. The size of the Development Area will vary depending upon local market conditions and the number of Restaurants to be developed.

The Development Area cannot overlap or interfere with an existing trade area, designated territory or development area. We reserve the right to provide a two mile buffer between trade areas, designated territories and development areas so that we can avoid any overlapping of areas. We reserve the right to adjust or re-assign any of the trade areas in the Development Area if we believe that doing this will serve your best interest, or if we believe that there is a conflict with a trade area, designated territory or development area. We reserve the right to change that trade area to an unoccupied trade area and refund to you the pro-rata portion of the Development Fee that was paid for the number of Restaurants located in those specific trade areas. Other than the above circumstances, the Development Area may not be altered unless we and you mutually agree to do so.

Our designation of a particular Development Area is not an assurance or warranty that there are a sufficient number of suitable sites for Restaurants in the Development Area for you to meet your Minimum Performance Schedule. The responsibility to locate and prepare a sufficient number of suitable sites is solely yours and we have no obligation to approve sites which do not meet our guidelines so you can meet the Minimum Performance Schedule.

Except as described below, during the term of the Multi-Unit Operator Agreement, we and our affiliates will not operate or grant a franchise for the operation of Restaurants to be located within the Development Area. We have the right to terminate your development rights if you are not in full compliance with all of the terms and conditions of the Multi-Unit Operator Agreement and all of the Franchise Agreements signed under it.

Except as expressly limited by the Multi-Unit Operator Agreement, we and our affiliates retain all rights with respect to the Restaurants, the Marks, and any products and services anywhere in the world including the right: (a) to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Restaurants and any other goods displaying the Marks or other trade and service marks through similar or dissimilar channels of distribution, both within and outside the Development Area, under the Marks and other trade and service marks and under any terms and conditions we deem appropriate; (b) to operate and to grant others the right to operate Restaurants located outside the Development Area under any terms and conditions we deem appropriate and regardless of proximity to your Restaurants; (c) the right to acquire and operate a business operating one or more restaurants or food service businesses located or operating in your Development Area; and (d) to operate and to grant others the right to operate Restaurants located at Non-Traditional Sites within and outside the Development Area under any terms and conditions we deem appropriate and regardless of proximity to your Restaurant.

We maintain the right to buy back the development rights for any or all opened or unopened Restaurants in the Minimum Performance Schedule. For opened Restaurants, as outlined in the Franchise Agreement, if we exercise our right within the first 12 months of that Restaurant's operation, we will pay you a purchase price equal to 200% of the Restaurant's assets (per Restaurant) or it is after the first year of operation, we will pay you six times your Restaurant's EBITDA (per Restaurant). If the Restaurant has not opened, then we will buy back the development right to the Restaurant, and the associated trade area, for the pro-rata portion of the Development Fee that you paid for that Restaurant. This buy back right, if exercised, shall be accomplished after we provide you with 90 days' written notice of our intent to exercise this right. The closing shall occur 30 days following the determination of the purchase price.

To maintain your rights under the Multi-Unit Operator Agreement you must have open and in operation the cumulative number of Restaurants stated on the Minimum Performance Schedule by the dates agreed upon in the Minimum Performance Schedule. Failure to do so will be grounds for either a loss of territorial rights or the termination of the Multi-Unit Operator Agreement.

Upon completion of the Minimum Performance Schedule, your development rights under the Multi-Unit Operator Agreement will terminate and we and our affiliates will have the right to operate and to grant to others development rights and franchises to develop and operate Restaurants within the Development Area.

You are not granted any options, right of first refusal or similar rights to acquire additional Restaurants in your Development Area under the Multi-Unit Operator Agreement.

ITEM 13

TRADEMARKS

The Franchise Agreement grants you the non-exclusive right to use the below Marks in the operation of a GX Greek Xpress Franchised Business. These Marks may be used only in the manner we authorize and only for the operation of your Franchised Business. You may not use the Marks as a part of your corporate or other legal name, and you must comply with our instructions in filing and maintaining trade name or fictitious name registrations. You must sign any documents we require to protect the Marks or to maintain their continued validity and enforceability. In addition, you may not directly or indirectly contest the validity of our or our affiliate's ownership or rights in the Marks.

Greek Xpress Holdings LLC owns the following principal Marks and has applied for registration with the U.S. Patent and Trademark Office ("USPTO"):

Mark	Serial Number	Registration Date	Registration Number	Register
GX GREEK XPRESS	97/142,603	Pending	Pending	Principal
	97/142,799	Pending	Pending	Principal

We do not have a federal registration for our principal trademark. Therefore, our trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternate trademark which may increase your expenses.

There are no agreements currently in effect which limit our right to use or to license others to use the Marks except for the trademark license agreement between Greek Xpress Holdings LLC and us, dated July 6, 2021. Greek Xpress Holdings LLC intends to file all required affidavits and to renew its' registrations for the Marks when they become due.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings and no pending litigation involving any of the Marks that may significantly affect the ownership or use of any Mark listed above which may be relevant to their use in this state or in any other state.

We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks in the state where the Restaurant will be located. You must immediately notify us of any apparent infringement of the Marks or challenge to your use of any of the Marks or claim by any person of any rights in any of the Marks. You and your Controlling Principals are not permitted to communicate with any person other than us, or any designated affiliate, our counsel and your counsel involving any infringement, challenge or claim. We can take action and have the right to exclusively control any litigation or USPTO or other administrative or agency proceeding caused by any infringement, challenge or claim or otherwise relating to any of the Marks. You must sign any and all documents, and do what may, in our counsel's opinion, be necessary or advisable to protect our interests in any litigation or USPTO or other administrative or agency proceeding or to otherwise protect and maintain our interests and the interests of any other person or entity (including any affiliate) having an interest in the Marks.

We will indemnify you against and reimburse you for all damages for which you are held liable for your use of any of the Marks, provided that the conduct of you and your Controlling Principals in the proceeding and use of the Marks is in full compliance with the terms of the Franchise Agreement.

Except as provided above, we are not obligated by the Franchise Agreement to protect any rights granted to you to use the Marks or to protect you against claims of infringement or unfair competition with respect to them. Although we are not contractually obligated to protect the Marks or your right to use them, as a matter of corporate policy we intend to defend the Marks vigorously.

If it becomes advisable at any time in our sole discretion, we may require you, at your expense, to discontinue or modify your use of any of the Marks or to use one or more additional or substitute trade names, service marks, trademarks, symbols, logos, emblems and indicia of origin if we determine that an addition or substitution will benefit the System. You must comply with our directions within a reasonable period of time after receiving notice. We will not be obligated to reimburse you for any loss of revenue attributable to any modified or discontinued Marks or for any expenditures you make to promote a modified or substitute trademark or service mark.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights: We do not have an ownership interest in any patents or copyrights that are material to the franchise.

Confidential Operations Manual: You must operate the Restaurant in accordance with the standards and procedures specified in the Manual. One copy of the Manual will be loaned to you by us for the term of the Franchise Agreement. We may choose to provide the Manual electronically, such as via a password protected website.

You must treat the Manual and any other manuals we create or approve for use in your operation of the Restaurant, and the information contained in them, as confidential. You must also use all reasonable efforts to maintain this information as secret and confidential and you must not duplicate, copy, record or otherwise reproduce these materials, in whole or in part, or make them available to any unauthorized person. The Manual remains our sole property and must be kept in a secure place on the Restaurant premises.

We may revise the contents of the Manual and you must comply with each new or changed standard. You must also make sure that the Manual is kept current at all times. If there is a dispute regarding the contents of the Manual, the terms of the master copy maintained by us at our home office will be controlling.

Confidential Information: We claim proprietary rights in certain of our recipes which are included in the Manual and which are our trade secrets. You and your Principals are prohibited, during and after the term of your Agreement, from communicating, or using for the benefit of any other person or entity, and, after the term of your Agreement, from using for your or their own benefit, any confidential information, knowledge or know-how concerning the methods of operation of the Restaurant that may be communicated to you or any of your Principals or that you may learn about, including these trade secrets. You and each of your Principals may divulge this confidential information only to your employees who must have access to it to operate the Restaurant. Neither you nor your Principals are permitted at any time, without first obtaining our written consent, to copy, record or otherwise reproduce the materials or information nor make them available to any unauthorized person. Any and all information, knowledge, know-how and techniques related to the System that we communicate to you, including the Manual, recipes, plans and specifications, marketing information and strategies and site evaluation, selection guidelines and techniques, are considered confidential.

It is your responsibility to have all individuals, including Principals, employees, architects and contractors, that receive or will have access to confidential information sign confidentiality covenants similar to the ones described above. We will be a third-party beneficiary of these covenants with the independent right to enforce them.

If you, your Principals, or employees develop any new concept, process or improvement in the operation or promotion of the Restaurant, you must promptly notify us and give us all necessary information, free of charge. You and your Principals acknowledge that any of these concepts, processes or improvements will become our property and we may give the information to other franchisees.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

During the entire term of the Franchise Agreement and any successor agreements, you must consistently employ and designate a minimum of one General Manager and two Managers who will be the main individuals responsible for the

supervision, management and operation of the Restaurant. The General Manager and Managers must devote their full time and reasonable efforts the day-to-day operations of the Restaurant. You must also employ additional personnel needed to operate and to manage the Restaurant. We require General Managers and Managers to satisfy our educational and business criteria, they must be individually acceptable to us and must satisfy our training requirements.

A Principal can be the General Manager or Manager if they have at least three years of previous restaurant management or restaurant ownership experience. The Designated Controlling Principal may not be the General Manager or Manager. If a General Manager or Manager cannot serve in the position or does not meet the requirements, then he or she must be replaced within 60 days from the date they are no longer able to serve the position or do not meet the requirements. We do not require that your General Manager or Managers have an ownership interest in you.

You must obtain covenants not to compete, including covenants applicable on the termination of the person's relationship with you, from your General Manager, Managers and any of your other personnel who have received or will have access to our training before employment, and any holder of a beneficial interest in you (except for any limited partners). It is your responsibility to have all of your management personnel sign covenants that they will maintain the confidentiality of information they receive or have access to, based on their relationship with you. We will be a third-party beneficiary to each agreement with the independent right to enforce the agreement's terms. We reserve the right, in our discretion, to decrease the period of time or geographic scope of the non-competition covenants contained in the attachments or eliminate the non-competition covenants altogether for any party that must sign an agreement as described in this paragraph.

You may be an individual, corporation, partnership or other form of legal entity. Under the Franchise Agreement, certain parties are characterized as Franchisee's Principals (referred to in this Disclosure Document as your "Principals"). Your Principals include you, those of your business entity's officers and directors (including the officers and directors of your general partner, if applicable) whom we designate as your Principals, and all holders of an ownership interest in you and in any entity that directly or indirectly controls you, and any other person or entity controlling, controlled by, or under common control with you. All Principals will be required to sign confidentiality and non-competition agreements.

The Franchise Agreement is signed by us, by you, and by those of your Principals whom we designate as "Controlling Principals". The Controlling Principals are your principal equity owners and executive officers, as well as any other affiliated entities that operate Restaurants. You must designate one of the Controlling Principals as the "Designated Controlling Principal". The Designated Controlling Principal must be a minimum 10% equity owner and be responsible for the general oversight and management of the Restaurant on your behalf. By signing the Franchise Agreement, your Controlling Principals and Designated Controlling Principal agree to be individually bound by certain obligations in the Franchise Agreement, including covenants concerning confidentiality and non-competition, and to personally guarantee your performance under the Franchise Agreement.

If your spouse is not a party to the agreements, then your spouse does not have to personally guarantee your performance under the agreements.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale all menu items, food products, and other products and services we require, and in the manner and style we require. You must sell and offer for sale only the menu items and other products and services that we have expressly approved in writing. You must not deviate from our standards and specifications without first obtaining our written consent. You must stop selling and offering for sale any menu items, products or services that we may disapprove in writing at any time. We have the right to change the types of menu items, products and services offered by you at the Restaurant at any time, and there are no limits on our right to make those changes. We also have the right to modify menu offerings for a particular Restaurant based on regional tastes and/or ingredients. If we do this, we do not have to grant you a similar modification or variance.

You must maintain in sufficient supply and use and sell only the food and beverage items, ingredients, products, materials, supplies, and paper goods that conform to our standards and specifications. You must prepare all menu items with our recipes and procedures for preparation contained in the Manual or other written instructions, including the measurements

of ingredients. You must not deviate from our standards and specifications by the use or offer of nonconforming items or differing amounts of any items, without first obtaining our written consent.

We reserve the right to determine the maximum prices for the goods, products and services offered from your Restaurant, as permitted by applicable law. You must comply with the prices required by us, but we make no guarantees or warranties that offering the products or merchandise at the required price will enhance your sales or profits.

We do not impose any other restrictions in the Franchise Agreement or otherwise as to the goods or services that you may offer or sell or as to the customers to whom you may offer or sell, except that you may not directly solicit customers outside of your Designated Territory.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	3.1	Term continues for 10 years from the date of the Franchise Agreement unless terminated earlier
b. Renewal or extension of the term	3.2	If you are in good standing, and subject to contractual requirements, you may sign a successor agreement for an additional term of ten years, unless we have determined, in our sole discretion, to withdraw from the geographical area where your Store is located.
c. Requirements for franchisee to renew or extend	3.2	You must provide notice that you wish to enter into a successor agreement, you must be current in all payments and not in default of your Franchise Agreement; if we require, you must renovate and/or upgrade your Store; you must sign a release; sign a successor franchise agreement; you must pay a successor agreement fee. You may be asked to sign a contract with materially different terms and conditions than your original contract, except the boundaries of your territory will remain the same, and the fees in the successor franchise agreement will not be greater than the fees that we impose on similarly situated franchisees with successor franchise agreements.
d. Termination by franchisee	Not applicable	You may seek termination upon on any grounds available by state law

Provision	Section in Franchise Agreement	Summary
e. Termination by franchisor without cause	14.5	The Franchise Agreement will terminate upon your death or permanent disability, and the Franchised Business must be transferred within 6 months to a replacement franchisee that we approve.
f. Termination by franchisor with “cause”	17.1.1	Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination
g. “Cause” defined – curable defaults	17.1.3 and 17.2	We may terminate you for cause if you fail to cure certain defaults, including: if you or any of your affiliates fail to pay any monies owed to us, or our affiliates or vendors, and do not cure within five days after notice (or longer period required), fail to obtain signed copies of the confidentiality and non-competition covenants contained in the Franchise Agreement within five days after a request, fail to procure and maintain required insurance within seven days after notice, use the Marks in an unauthorized manner and fail to cure within 24 hours after notice, failure to cure health code or safety violations within 24 hours after notice; fail to cure any other default that is susceptible of cure within 30 days after notice
h. “Cause” defined – non-curable defaults	17.1.2 and 17.1.3	We may terminate you for cause if you: become insolvent, make a general assignment for benefit of creditors, file a petition or have a petition initiated against you under federal bankruptcy laws, have outstanding judgments against you for over 30 days, sell unauthorized products or services, fail to acquire an accepted location within time required, fail to remodel when required, fail to open Restaurant when required, fail to comply with any term and condition of any sublease or related agreement and have not cured the default within the given cure period, abandon or lose right to the Restaurant premises, are convicted of a felony or other crime that may have an adverse effect on the System or Marks, transfer any interest without our consent, maintain false books or records, are in violation of any anti-terrorism law, or are in violation of the RICO Act. In addition, a default under one agreement with us may result in a termination of all of your other agreements with us. This is known as a cross-default provision

Provision	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	18	Obligations include: You must stop operating the Restaurant and using the Marks and System and completely de-identify the business, pay all amounts due to us or our affiliates, return the Manual and all other proprietary materials, comply with confidentiality requirements, pay liquidated damages (if applicable), and at our option, sell or assign to us your rights in the Restaurant premises and the equipment and fixtures used in the business
j. Assignment of contract by franchisor	14.1	We have the right to transfer or assign the Franchise Agreement to any person or entity without restriction. However, no assignment will be made except to an assignee who, in our good faith and judgment, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement
k. "Transfer" by franchisee – defined	14.2.1	Includes sale, assignment, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Restaurant or you (if you are not a natural person)
l. Franchisor approval of transfer by franchisee	14.2.2	You must obtain our consent before transferring any interest. We will not unreasonably withhold our consent
m. Conditions for franchisor approval of transfer	14.2.2	Conditions include: You must pay all amounts due us or our affiliates, not otherwise be in default, sign a general release, and pay a transfer fee. Transferee must meet our criteria, satisfactorily complete training, sign current Franchise Agreement and, at our option, remodel the Restaurant
n. Franchisor's right of first refusal to acquire franchisee's business	14.4	If you receive an offer to purchase your Restaurant or any portion of the Restaurant assets, we will have a right of first refusal to purchase the Restaurant or its assets on the same terms as the offer
o. Franchisor's option to purchase franchisee's business	14.8 and 18.12	We have the right to buy back the business at any time and for any reason. In addition, on termination or expiration of your Franchise Agreement, we may purchase all or a portion of the assets of your Restaurant
p. Death or disability of franchisee	14.5	The Franchise Agreement will terminate upon your death or permanent disability, and the Franchised Business must be transferred within six months to a replacement franchisee that we approve.

Provision	Section in Franchise Agreement	Summary
q. Non-competition covenants during the term of the franchise	10.3.1	You are prohibited from operating or having an interest in a similar business
r. Non-competition covenants after the franchise is terminated or expires	10.3.2	You and your Controlling Principals are prohibited for two years from expiration, termination or transfer of the franchise from operating or having an interest in a similar business within 20 miles of any Restaurant in the System
s. Modification of the agreement	10.1.5 and 19.2	Franchise Agreement may not be modified unless mutually agreed to in writing. You must comply with our Manual, as it may be amended
t. Integration/merger clause	19.2	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the Franchise Disclosure Document and other agreements may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	19.7	Except for actions brought by us for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes must be arbitrated in East Rockaway, New York (subject to state law)
v. Choice of forum	19.8	East Rockaway, New York (subject to state law)
w. Choice of law	19.8	The Franchise Agreement is to be interpreted, governed and construed under New York law (subject to state law)

THE MULTI-UNIT OPERATOR RELATIONSHIP

Provision	Section in Multi-Unit Operator Agreement	Summary
a. Length of the franchise term	6	Length of the minimum performance schedule
b. Renewal or extension of the term	5	After all Restaurants have been developed, we will negotiate in good faith another Multi-Unit Operator Agreement

Provision	Section in Multi-Unit Operator Agreement	Summary
c. Requirements for multi-unit operator to renew or extend	Not applicable	Not applicable
d. Termination by multi-unit operator	Not applicable	The Multi-Unit Operator may terminate the agreement on any grounds available by state law
e. Termination by franchisor without cause	Not applicable	Not applicable
f. Termination by franchisor with cause	9	We can terminate if you commit any one of several listed violations
g. "Cause" defined – curable defaults	9	If you use the Marks or System without our consent; participating in a competing business; failure to pay money to us when due; you begin developing a Restaurant before all of your pre-development obligations are met; failure to obtain our consent when required; you open any Restaurant before a Franchise Agreement for that Restaurant has been signed
h. "Cause" defined – non-curable defaults	9	Failure to meet your minimum performance schedule; failure to comply with applicable laws; if all of your Restaurants stop operating; unauthorized transfer; you make a material misrepresentation to us; conviction by you or your owners of an indictable offense; or are in violation of any anti-terrorism law or the RICO Act; bankruptcy or insolvency; In addition, a default under one agreement with us may result in a termination of all of your other agreements with us. This is known as a cross-default provision
i. Multi-unit operator's obligations on termination/ non-renewal	10	You must stop selecting sites for Restaurants, and you may not open any more Restaurants
j. Assignment of contract by franchisor	11	No restriction on our right to assign. However, no assignment will be made except to an assignee who, in our good faith and judgment, is willing and financially able to assume the franchisor's obligations under the Multi-Unit Operator Agreement
k. "Transfer" by multi-unit operator – defined	11	Includes transfer of any interest in the Multi-Unit Operator Agreement
l. Franchisor approval of transfer by multi-unit operator	11	We have the right to approve all transfers, our consent not to be unreasonably withheld

Provision	Section in Multi-Unit Operator Agreement	Summary
m. Conditions for franchisor approval of transfer	11	Conditions for transfer include not being in default, at least 25% of all Restaurants required to be developed are open or under construction, all debts are paid, the buyer meets our current criteria for new multi-unit operators, sign a general release (where legal), payment of transfer fee, buyer personally guarantees all obligations
n. Franchisor's right of first refusal to acquire multi-unit operator's business	11	We have the right to match the offer to purchase your business
o. Franchisor's option to purchase multi-unit operator's business	11	We have the right to buy back your development rights at any time and to change trade areas if there is a conflict with another trade area
p. Death or disability of multi-unit operator	11	The rights granted under the Multi-Unit Development Agreement will terminate upon your death or permanent disability, unless transferred to a third-party approved by us within six months.
q. Non-competition covenants during the term of the franchise	12	Can't divert business or operate a competing business anywhere
r. Non-competition covenants after the franchise is terminated or expires	12	No competing business for two years and within 20 miles of any Restaurant in the System
s. Modification of the agreement	18	No modifications except by mutual agreement of the parties
t. Integration/merger clause	18	Only the terms of the Multi-Unit Operator Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the Franchise Disclosure Document and other agreements may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	19	Except for actions brought by us for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes must be arbitrated within East Rockaway, New York (subject to state law)

Provision	Section in Multi-Unit Operator Agreement	Summary
v. Choice of forum	19	East Rockaway, New York (subject to state law)
w. Choice of law	18	New York law (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.

We have 7 Greek Xpress Restaurants located in New York and that are owned by our affiliates. We have excluded: 3 Restaurants that opened in 2020 during the pandemic and that temporarily closed for numerous periods during 2020 and 2021 due the COVID-19 pandemic and have returned to operations with for only 5 days a week. We have included the historical financial representations for 4 Restaurants below. Although these outlets operate under the Greek Xpress brand instead of GX Greek Xpress, they offer the same goods and services as a GX Greek Xpress. There are no material financial or operational characteristics of the below affiliate owned company outlets that are reasonably anticipated to differ materially from future franchise outlet operations. The below historical financial performance representations include the royalty fees and advertising fees that a franchise operated Restaurant would be expected to pay.

These outlets have earned these amounts. Your individual results may differ. There is no assurance you will earn as much.

These financial performance representations do not reflect all of the operating expenses, or other costs or expenses that must be deducted from the gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Restaurant. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

We offered the same services to the affiliate operated Restaurants described in this statement. These Restaurants offer the same products and services to the public as you will. Restaurants report gross sales information to us based upon a uniform reporting system. Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request. The information presented above has not been audited.

Other than the following financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we 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 the franchisor's management by contacting Jimmy Soursos at 59 Main Street, East Rockaway, New York 11518 and (516) 593-4949, the Federal Trade Commission, and the appropriate state regulatory agencies.

Profit and Loss
Park West Café and Grill Inc d/b/a Greek Xpress
For the Period Ending December 31, 2021

	Period							
	12/31/2021		12/31/2020		12/31/2019		12/31/2018	
Period Starting								
Period Ending								
Summary								
Gross Sales								
Food	840,008.73	100.0%	888,227.56	100.0%	842,573.90	100.0%	750,987.04	100.0%
Non-Alcoholic Beverage		0.0%		0.0%		0.0%		0.0%
Liquor		0.0%		0.0%		0.0%		0.0%
Bottled/Canned Beer		0.0%		0.0%		0.0%		0.0%
Draft Beer		0.0%		0.0%		0.0%		0.0%
Wine		0.0%		0.0%		0.0%		0.0%
Retail Merchandise		0.0%		0.0%		0.0%		0.0%
Other Operating Income		0.0%		0.0%		0.0%		0.0%
Total Gross Sales	840,008.73	100.0%	888,227.56	100.0%	842,573.90	100.0%	750,987.04	100.0%
Cost of Goods Sold:								
Food	267,901.10	31.9%	273,041.15	30.7%	262,883.06	31.2%	237,762.49	31.7%
Non-Alcoholic Beverage		0.0%		0.0%		0.0%		0.0%
Liquor		0.0%		0.0%		0.0%		0.0%
Bottled/Canned Beer		0.0%		0.0%		0.0%		0.0%
Draft Beer		0.0%		0.0%		0.0%		0.0%
Wine		0.0%		0.0%		0.0%		0.0%
Retail Merchandise		0.0%		0.0%		0.0%		0.0%
Other Operating Income		0.0%		0.0%		0.0%		0.0%
Total CoGS	267,901.10	31.9%	273,041.15	30.7%	262,883.06	31.2%	237,762.49	31.7%
Labor								
Management	70,000.00	8.3%	62,999.99	7.1%	60,000.00	7.1%	57,500.00	7.7%
Hourly Staff	186,434.82	22.2%	206,816.89	23.3%	180,976.14	21.5%	158,784.27	21.1%
Employee Benefits	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Labor	256,434.82	30.5%	269,816.88	30.4%	240,976.14	28.6%	216,284.27	28.8%
Prime Cost	524,335.92	62.42%	542,858.03	61.12%	503,859.20	59.80%	454,046.76	60.46%
Gross Margin	315,672.81	37.58%	345,369.53	38.88%	338,714.70	40.20%	296,940.28	39.54%
Other Variable Expenses								
Accounting/Payroll Processing	2,905.05	0.35%	2,880.00	0.32%	1,800.00	0.21%	1,800.00	0.24%
Business Licenses/Permits	1,265.00	0.15%	1,265.00	0.14%	1,120.00	0.13%	1,166.00	0.16%
Uniforms/Work Gear	3,243.26	0.39%	1,116.08	0.13%	930.54	0.11%	822.18	0.11%
Waste Removal	7,255.60	0.86%	5,964.46	0.67%	4,284.87	0.51%	3,629.61	0.48%
Insurance	7,288.70	0.87%	8,164.59	0.92%	7,390.17	0.88%	6,854.66	0.91%
Internet/Telephone	2,502.66	0.30%	2,088.07	0.24%	2,040.72	0.24%	1,938.54	0.26%
POS Hardware & Support	2,016.80	0.24%	2,160.00	0.24%	1,375.00	0.16%	1,375.00	0.18%
Marketing	10,666.49	1.27%	8,634.22	0.97%	6,220.31	0.74%	5,948.44	0.79%
Utilities (Gas/Electric/Water)	24,262.57	2.89%	25,124.36	2.83%	22,611.94	2.69%	23,173.94	3.09%
Office Supplies	2,640.02	0.32%	1,331.84	0.15%	1,320.46	0.16%	1,009.36	0.13%
Employer Payroll Tax Expense	23,671.51	2.82%	22,294.51	2.51%	21,326.39	2.53%	19,141.16	2.55%
Third-party fees/delivery	59,711.18	7.11%	72,335.44	8.14%	64,236.18	7.62%	61,305.83	8.16%
Credit Card Processing Fees	4,666.92	0.56%	5,116.01	0.58%	5,474.70	0.65%	4,732.85	0.63%
Repairs & Maintenance, Extermination	6,149.07	0.73%	8,967.77	1.01%	8,896.66	1.06%	6,806.52	0.91%
Total Other Variable Expenses	150,831.52	17.96%	162,181.27	18.26%	145,177.40	17.23%	135,915.91	18.10%
Total Controllable Costs	675,167.44	80.38%	705,039.30	79.28%	649,036.60	77.03%	589,962.67	78.56%
Controllable Income	164,841.29	19.61%	183,188.26	20.72%	193,537.30	22.97%	161,024.37	21.44%
Fixed Expenses								
Occupancy Costs	21,470.00	2.56%	21,240.00	2.39%	21,240.00	2.52%	21,240.00	2.83%
Equipment Leases		0.00%		0.00%		0.00%		0.00%
Corporate Overhead		0.00%		0.00%		0.00%		0.00%
Total Fixed Expenses	21,470.00	2.56%	21,240.00	2.39%	21,240.00	2.52%	21,240.00	2.83%
EBITDA (Operating Income)	143,371.29	17.07%	161,948.26	18.23%	172,297.30	20.45%	139,784.37	18.61%
Depreciation & Amortization	1,339.00	0.16%	4,513.22	0.51%		0.00%		0.00%
Interest Expense		0.00%		0.00%		0.00%		0.00%
Other (Income)/Expense		0.00%		0.00%		0.00%		0.00%
Income Before Income Taxes	142,032.29	16.91%	157,435.04	17.72%	172,297.30	20.45%	139,784.37	18.61%
Royalties for a franchise unit	50,400.52	6.00%	53,293.65	6.00%	50,554.43	6.00%	45,059.22	6.00%
Marketing fee for a franchise unit	16,800.17	2.00%	17,764.55	2.00%	16,851.48	2.00%	15,019.74	2.00%
Adjusted Income for a franchise unit	74,831.59	8.91%	86,376.84	9.72%	104,891.39	12.45%	79,705.41	10.61%

Profit and Loss
G2X Inc. d/b/a Greek Xpress
For the Period Ending December 31, 2021

Period Starting Period Ending	Period							
	12/31/2021		12/31/2020		12/31/2019		12/31/2018	
Summary								
Gross Sales								
Food	1,164,169.70	100.0%	1,220,665.66	100.0%	1,181,731.18	100.0%	1,143,106.10	100.0%
Non-Alcoholic Beverage		0.0%		0.0%		0.0%		0.0%
Liquor		0.0%		0.0%		0.0%		0.0%
Bottled/Canned Beer		0.0%		0.0%		0.0%		0.0%
Draft Beer		0.0%		0.0%		0.0%		0.0%
Wine		0.0%		0.0%		0.0%		0.0%
Retail Merchandise		0.0%		0.0%		0.0%		0.0%
Other Operating Income		0.0%		0.0%		0.0%		0.0%
Total Gross Sales	1,164,169.70	100.0%	1,220,665.66	100.0%	1,181,731.18	100.0%	1,143,106.10	100.0%
Cost of Goods Sold:								
Food	381,264.45	32.7%	375,585.81	30.8%	371,063.59	31.4%	368,080.16	32.2%
Non-Alcoholic Beverage		0.0%		0.0%		0.0%		0.0%
Liquor		0.0%		0.0%		0.0%		0.0%
Bottled/Canned Beer		0.0%		0.0%		0.0%		0.0%
Draft Beer		0.0%		0.0%		0.0%		0.0%
Wine		0.0%		0.0%		0.0%		0.0%
Retail Merchandise		0.0%		0.0%		0.0%		0.0%
Other Operating Income		0.0%		0.0%		0.0%		0.0%
Total CoGS	381,264.45	32.7%	375,585.81	30.8%	371,063.59	31.4%	368,080.16	32.2%
Labor								
Management	122,500.00	10.5%	120,000.00	9.8%	119,999.36	10.2%	115,000.00	10.1%
Hourly Staff	218,630.04	18.8%	248,641.03	20.4%	256,972.89	21.7%	246,221.53	21.5%
Employee Benefits	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Labor	368,641.03	31.7%	368,641.03	30.2%	376,972.25	31.9%	361,221.53	31.6%
Prime Cost	749,905.48	64.42%	744,226.84	60.97%	748,035.84	63.30%	729,301.69	63.80%
Gross Margin	414,264.22	35.58%	476,438.82	39.03%	433,695.34	36.70%	413,804.41	36.20%
Other Variable Expenses								
Accounting/Payroll Processing	2,307.48	0.20%	3,088.21	0.25%	3,146.55	0.27%	1,800.00	0.16%
Business Licenses/Permits	1,670.00	0.14%	1,670.00	0.14%	1,670.00	0.14%	1,670.00	0.15%
Uniforms/Work Gear	4,129.16	0.35%	1,650.27	0.14%	1,423.05	0.12%	1,337.64	0.12%
Waste Removal	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Insurance	10,930.00	0.94%	9,645.87	0.79%	9,210.49	0.78%	8,854.24	0.77%
Internet/Telephone	2,364.11	0.20%	2,270.10	0.19%	2,270.76	0.19%	2,065.38	0.18%
POS Hardware & Support	2,837.00	0.24%	1,360.20	0.11%	1,499.88	0.13%	1,499.98	0.13%
Marketing	13,476.39	1.16%	11,367.48	0.93%	8,867.32	0.75%	10,804.20	0.95%
Utilities (Gas/Electric/Water)	33,051.00	2.84%	32,418.67	2.66%	31,088.78	2.63%	29,978.54	2.62%
Office Supplies	2,874.00	0.25%	1,369.54	0.11%	1,118.67	0.09%	949.62	0.08%
Employer Payroll Tax Expense	32,974.05	2.83%	34,325.12	2.81%	33,399.74	2.83%	32,004.23	2.80%
Third-party fees/delivery	46,716.84	4.01%	59,261.07	4.85%	49,994.90	4.23%	45,221.32	3.96%
Credit Card Processing Fees	15,064.86	1.29%	16,967.25	1.39%	19,464.83	1.65%	18,683.60	1.63%
Repairs & Maintenance, Extermination	6,248.17	0.54%	4,380.46	0.36%	4,008.60	0.34%	3,884.73	0.34%
Total Other Variable Expenses	166,536.42	14.51%	173,365.76	14.20%	160,923.97	13.62%	153,945.84	13.47%
Total Controllable Costs	916,441.90	78.72%	917,592.60	75.17%	908,959.81	76.92%	883,247.53	77.27%
Controllable Income	247,727.80	21.28%	303,073.06	24.83%	272,771.37	23.08%	259,858.57	22.73%
Fixed Expenses								
Occupancy Costs	32,049.00	2.75%	33,765.33	2.77%	31,827.00	2.69%	30,129.59	2.64%
Equipment Leases	2,794.80	0.24%	2,866.93	0.24%	2,934.26	0.25%	2,507.40	0.22%
Corporate Overhead		0.00%		0.00%		0.00%		0.00%
Total Fixed Expenses	34,843.80	2.99%	36,632.26	3.00%	34,761.26	2.94%	32,636.99	2.86%
EBITDA (Operating Income)	212,884.00	18.29%	266,440.80	21.83%	238,010.11	20.14%	227,221.58	19.89%
Depreciation & Amortization	1,896.00	0.16%	1,836.00	0.15%	2,143.00	0.18%	5,852.00	0.51%
Interest Expense		0.00%		0.00%		0.00%		0.00%
Other (Income)/Expense		0.00%		0.00%		0.00%		0.00%
Income Before Income Taxes	210,988.00	18.12%	264,604.80	21.68%	235,867.11	19.96%	221,369.58	19.57%
Royalties for a franchise unit	69,850.18	6.03%	73,239.94	6.00%	70,909.87	6.03%	68,586.37	6.03%
Marketing fee for a franchise unit	23,283.39	2.00%	24,413.31	2.00%	23,634.62	2.00%	22,862.12	2.00%
Adjusted Income for a franchise unit	117,854.42	10.12%	166,951.55	13.68%	141,328.62	11.96%	129,921.09	11.37%

* Waste Removal included in all in rent expense

Profit and Loss
G3X LLC d/b/a Greek Xpress
For the Period Ending December 31, 2021

Period Starting Period Ending		Period							
		12/31/2021		12/31/2020		12/31/2019		12/31/2018	
Summary									
Gross Sales									
Food	1,426,733.63	100.0%	1,240,289.36	100.0%	1,358,051.34	100.0%	1,269,499.29	100.0%	
Non-Alcoholic Beverage		0.0%		0.0%		0.0%		0.0%	
Liquor		0.0%		0.0%		0.0%		0.0%	
Bottled/Canned Beer		0.0%		0.0%		0.0%		0.0%	
Draft Beer		0.0%		0.0%		0.0%		0.0%	
Wine		0.0%		0.0%		0.0%		0.0%	
Retail Merchandise		0.0%		0.0%		0.0%		0.0%	
Other Operating Income		0.0%		0.0%		0.0%		0.0%	
Total Gross Sales	1,426,733.63	100.0%	1,240,289.36	100.0%	1,358,051.34	100.0%	1,269,499.29	100.0%	
Cost of Goods Sold:									
Food	478,354.05	33.5%	386,970.28	31.2%	440,421.62	32.4%	408,042.64	32.1%	
Non-Alcoholic Beverage		0.0%		0.0%		0.0%		0.0%	
Liquor		0.0%		0.0%		0.0%		0.0%	
Bottled/Canned Beer		0.0%		0.0%		0.0%		0.0%	
Draft Beer		0.0%		0.0%		0.0%		0.0%	
Wine		0.0%		0.0%		0.0%		0.0%	
Retail Merchandise		0.0%		0.0%		0.0%		0.0%	
Other Operating Income		0.0%		0.0%		0.0%		0.0%	
Total CoGS	478,354.05	33.5%	386,970.28	31.2%	440,421.62	32.4%	408,042.64	32.1%	
Labor									
Management	115,000.00	8.1%	105,000.00	8.5%	105,000.00	7.7%	102,500.00	8.1%	
Hourly Staff	306,498.31	21.5%	239,645.07	19.3%	319,392.02	23.5%	285,193.54	22.5%	
Employee Benefits	-	0.0%	-	0.0%	-	0.0%	-	0.0%	
Total Labor	421,498.31	29.5%	344,645.07	27.8%	424,392.02	31.2%	387,693.54	30.5%	
Prime Cost	899,852.36	62.07%	731,615.35	58.99%	864,813.64	63.68%	795,736.18	62.68%	
Gross Margin	526,881.27	36.92%	508,674.01	41.01%	493,237.70	36.32%	473,763.11	37.32%	
Other Variable Expenses									
Accounting/Payroll Processing	3,124.65	0.22%	3,328.38	0.27%	3,540.55	0.26%	2,653.75	0.21%	
Business Licenses/Permits	1,620.00	0.11%	1,620.00	0.13%	1,670.00	0.12%	1,122.00	0.09%	
Uniforms/Work Gear	2,334.22	0.16%	1,629.56	0.13%	1,844.36	0.14%	2,071.16	0.16%	
Waste Removal	6,273.49	0.44%	3,788.91	0.31%	4,245.26	0.31%	3,027.27	0.24%	
Insurance	13,667.81	0.96%	12,006.24	0.97%	11,572.47	0.85%	10,260.65	0.81%	
Internet/Telephone	1,970.61	0.14%	1,821.63	0.15%	1,711.66	0.13%	1,655.11	0.13%	
POS Hardware & Support	3,048.06	0.21%	2,603.57	0.21%	1,500.00	0.11%	1,500.00	0.12%	
Marketing	6,487.76	0.45%	4,458.98	0.36%	10,042.40	0.74%	12,330.90	0.97%	
Utilities (Gas/Electric/Water)	35,472.22	2.49%	36,611.85	2.95%	37,909.97	2.79%	35,003.57	2.76%	
Office Supplies	2,647.38	0.19%	855.96	0.07%	1,410.63	0.10%	1,023.74	0.08%	
Employer Payroll Tax Expense	38,671.51	2.71%	30,466.62	2.46%	37,558.69	2.77%	34,310.88	2.70%	
Third-party fees/delivery	59,471.24	4.17%	68,948.73	5.56%	65,548.62	4.80%	38,399.00	3.02%	
Credit Card Processing Fees	23,684.19	1.65%	21,084.92	1.70%	22,879.85	1.68%	21,228.22	1.67%	
Repairs & Maintenance, Extermination	8,467.29	0.59%	3,864.18	0.31%	5,309.77	0.39%	4,811.84	0.38%	
Total Other Variable Expenses	199,861.56	14.01%	186,511.59	15.04%	199,689.32	14.70%	163,551.18	12.89%	
Total Controllable Costs	1,099,713.92	77.08%	918,126.94	74.08%	1,064,502.96	78.38%	959,287.36	75.56%	
Controllable Income	327,019.71	22.92%	322,162.42	25.97%	293,548.38	21.62%	310,211.93	24.44%	
Fixed Expenses									
Occupancy Costs	60,000.00	4.21%	67,421.38	5.44%	80,783.16	5.95%	79,832.00	6.29%	
Equipment Leases	3,339.04	0.23%	2,109.68	0.17%	3,478.14	0.26%	3,172.25	0.25%	
Corporate Overhead		0.00%		0.00%		0.00%		0.00%	
Total Fixed Expenses	63,339.04	4.44%	69,531.06	5.61%	84,261.30	6.20%	83,004.25	6.54%	
EBITDA (Operating Income)	263,680.67	18.48%	252,631.36	20.37%	209,287.08	15.41%	227,207.68	17.90%	
Depreciation & Amortization	14,378.00	1.01%	19,599.75	1.58%	26,133.00	1.92%	15,512.00	1.22%	
Interest Expense		0.00%		0.00%		0.00%		0.00%	
Other (Income)/Expense		0.00%		0.00%		0.00%		0.00%	
Income Before Income Taxes	249,302.67	17.47%	233,031.61	18.79%	183,154.08	13.49%	211,695.68	16.68%	
Royalties for a franchise unit	85,604.02	6.02%	74,417.36	6.02%	81,483.08	6.02%	76,169.96	6.02%	
Marketing fee for a franchise unit	28,534.67	2.02%	24,805.79	2.02%	27,161.03	2.02%	25,389.99	2.02%	
Adjusted Income for a franchise unit	135,163.98	9.47%	133,808.46	10.79%	74,509.97	5.49%	110,135.74	8.68%	

Profit and Loss
G6X LLC d/b/a Greek Xpress
For the Period Ending December 31, 2021

12/31/2021

Period Starting
Period Ending

Summary

Gross Sales

Food	1,148,930.00	100.0%
Non-Alcoholic Beverage		0.0%
Liquor		0.0%
Bottled/Canned Beer		0.0%
Draft Beer		0.0%
Wine		0.0%
Retail Merchandise		0.0%
Other Operating Income		0.0%
Total Gross Sales	1,148,930.00	100.0%

Cost of Goods Sold:

Food	374,302.84	32.6%
Non-Alcoholic Beverage		0.0%
Liquor		0.0%
Bottled/Canned Beer		0.0%
Draft Beer		0.0%
Wine		0.0%
Retail Merchandise		0.0%
Other Operating Income		0.0%
Total CoGS	374,302.84	32.6%

Labor

Management	94,000.00	8.2%
Hourly Staff	275,612.84	24.0%
Employee Benefits	-	0.0%
Total Labor	369,612.84	32.2%

Prime Cost	743,915.68	64.75%
Gross Margin	405,014.32	35.25%

Other Variable Expenses

Accounting/Payroll Processing	2,974.61	0.26%
Business Licenses/Permits	990.00	0.09%
Uniforms/Work Gear	5,999.00	0.52%
Waste Removal	3,286.00	0.29%
Insurance	13,670.00	1.19%
Internet/Telephone	1,970.61	0.17%
POS Hardware & Support	1,799.00	0.16%
Marketing	4,328.59	0.38%
Utilities (Gas/Electric/Water)	39,063.00	3.40%
Office Supplies	2,881.00	0.25%
Employer Payroll Tax Expense	29,873.32	2.60%
Third-party fees/delivery	24,463.55	2.13%
Credit Card Processing Fees	3,822.00	0.33%
Repairs & Maintenance, Extermination	4,934.40	0.43%
Total Other Variable Expenses	130,091.47	11.32%

Total Controllable Costs	874,007.15	76.07%
Controllable Income	274,922.85	23.93%

Fixed Expenses

Occupancy Costs	110,976.00	9.66%
Equipment Leases	2,665.58	0.23%
Corporate Overhead		0.00%
Total Fixed Expenses	113,641.58	9.86%

EBITDA (Operating Income)	161,281.27	14.04%
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Depreciation & Amortization	20,392.00	1.77%
Interest Expense		0.00%
Other (Income)/Expense		0.00%
Income Before Income Taxes	140,889.27	12.26%

Royalties for a franchise unit	68,935.80	6.02%
Marketing fee for a franchise unit	22,978.60	2.02%

Adjusted Income for a franchise unit	48,974.87	4.26%
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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years 2019, 2020, 2021

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2019	0	0	0
	2020	0	0	0
	2021	0	0	0
Company-Owned*	2019	4	5	+1
	2020	5	7	+2
	2021	7	7	0
Total Outlets	2019	4	5	+1
	2020	5	7	+2
	2021	7	7	0

* The company-owned outlets in the above table are owned and operated by our affiliates.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2019, 2020, 2021

Column 1 State	Column 2 Year	Column 3 Number of Transfers
None	2019	0
	2020	0
	2021	0
Total	2019	0
	2020	0
	2021	0

Table No. 3
Status of Franchised Outlets
For years 2019, 2020, 2021

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlet s Open ed	Col 5 Termina -tions	Col 6 Non- Renewal s	Col 7 Reacquire d by Franchisor	Col 8 Ceased Operation s – Other Reasons	Col 9 Outlet s at End of the Year
None	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Total	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0

Table No. 4
Status of Company-Owned Outlets*
For years 2019, 2020, 2021

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Outlets Reacquired from Franchisee	Col 6 Outlets Closed	Col 7 Outlets Sold to Franchisee	Col 8 Outlets at End of the Year
New York	2019	4	1	0	0	0	5
	2020	5	2	0	0	0	7
	2021	7	0	0	0	0	7
Total	2019	4	1	0	0	0	5
	2020	5	2	0	0	0	7
	2021	7	0	0	0	0	7

* The company-owned outlets in the above table are owned and operated by our affiliates.

Table No. 5
Projected Openings as of December 31, 2021

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlet Not Open	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company-Owned Outlets In The Next Fiscal Year
New York	0	0	1
Total	0	0	1

A list of the names of all franchisees and multi-unit operators the addresses and telephones numbers of the franchises will be provided in Exhibit D to this disclosure document when applicable.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee and multi-unit operator who had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the applicable Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit E to this disclosure document when applicable. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

During the last three fiscal years, we have not had any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with GX Greek Xpress System.

There are no trademark-specific organizations formed by our franchisees that are associated with GX Greek Xpress System.

ITEM 21 **FINANCIAL STATEMENTS**

Attached to this Disclosure Document as Exhibit A are our audited financial statements from October 7, 2020 (inception) to December 31, 2020 and December 31, 2021. Also attached are our unaudited financial statements as of May 31, 2022.

We have not been in business for three years or more and cannot include all financial statements required for Item 21.

Our fiscal year end is December 31st.

ITEM 22 **CONTRACTS**

Attached as Exhibits to this Disclosure Document are the following contracts and their attachments:

- | | | |
|----|-------------------------------|-----------|
| 1. | Franchise Agreement | Exhibit B |
| 2. | Multi-Unit Operator Agreement | Exhibit C |

ITEM 23
RECEIPTS

Exhibit I contains two copies of an acknowledgment of your receipt of this Disclosure Document. Please return one signed copy to us and retain the other for your records.

**GREEK XPRESS FRANCHISING LLC
EXHIBIT A TO THE DISCLOSURE DOCUMENT**

FINANCIAL STATEMENTS

**THESE FINANCIAL STATEMENTS ARE PREPARED
WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES
OR SELLERS OF FRANCHISES SHOULD BE ADVISED
THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS
AUDITED THESE FIGURES OR EXPRESSED AN
OPINION WITH REGARD TO THE CONTENT OR FORM.**

8:56 AM

06/24/22

Accrual Basis

Greek Xpress Franchising LLC

Balance Sheet

As of May 31, 2022

	May 31, 22
ASSETS	
Current Assets	
Checking/Savings	
Checking - TD Bank 1781	107,450.35
Total Checking/Savings	107,450.35
Total Current Assets	107,450.35
Other Assets	
Printer	3,257.12
Total Other Assets	3,257.12
TOTAL ASSETS	110,707.47
LIABILITIES & EQUITY	
Equity	
Members Equity	150,000.00
Retained Earnings	-21,292.53
Net Income	-18,000.00
Total Equity	110,707.47
TOTAL LIABILITIES & EQUITY	110,707.47

8:56 AM

06/24/22

Accrual Basis

Greek Xpress Franchising LLC

Profit & Loss

January through May 2022

	Jan - May 22
Ordinary Income/Expense	
Expense	
Franchising Filing Fee	250.00
Professional Fees	
Accounting	2,000.00
Legal	15,750.00
Total Professional Fees	17,750.00
Total Expense	18,000.00
Net Ordinary Income	-18,000.00
Net Income	-18,000.00

GREEK XPRESS FRANCHISING LLC

Audited Financial Statements

For the period ended December 31, 2021

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MARIA NIKOLOUDAKIS, CPA, P.C.

2080 East 24th Street | Brooklyn, NY 11229
Tel: (718) 934-7500 | Email: maria@mncpany.com

INDEPENDENT AUDITOR'S REPORT

To the Members of:
Greek Xpress Franchising LLC
59 Main Street
East Rockaway, NY 11518

Report on the Financial Statements

I have audited the accompanying balance sheet of Greek Xpress Franchising LLC as of December 31st, 2021 and the related statements of income, retained earnings, and cash flow for the period 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 representation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair representation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on this audit. I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require me to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by managements, as well as evaluating the overall presentation of the financial statement.

I believe the audit evidence obtained is sufficient and appropriate to provide a reasonable basis for my audit opinion.

Opinion

In my opinion, financial statements referred to previously present fairly, in all material respects, the financial position of Greek Xpress Franchising LLC as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Maria Nikoloudakis, CPA, P.C.
April 4, 2022

GREEK XPRESS FRANCHISING LLC
BALANCE SHEET
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	<u>133,707</u>
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TOTAL ASSETS	<u>\$ 133,707</u>
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LIABILITIES AND STOCKHOLDER'S EQUITY

EQUITY

Members' Equity	150,000
Retained Earnings	(5,400)
Net Income	<u>(10,893)</u>
	<u>133,707</u>

TOTAL LIABILITIES EQUITY	<u>\$ 133,707</u>
---------------------------------	--------------------------

See independent accountant's audit report and notes to financial statements

GREEK XPRESS FRANCHISING LLC
STATEMENT OF INCOME AND MEMBERS' EQUITY
For the calendar year ending December 31, 2021

INCOME:

Revenues, net	\$ 0
---------------	------

EXPENSES:

Marketing Expense	1,158
Legal Fees	<u>9,735</u>

Total Expenses	<u>10,893</u>
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Net Income	<u><u>(10,893)</u></u>
-------------------	-------------------------------

Members' Equity at January 1, 2021	144,600
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Members' Equity at December 31, 2021	\$ <u><u>133,707</u></u>
--------------------------------------	--------------------------

See independent accountant's audit report and notes to financial statements

GREEK XPRESS FRANCHISING LLC
STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

Cash flows from Operating activities

Net Income/(Loss)	(10,893)
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Net cash decrease for period	<u>(10,893)</u>
-------------------------------------	------------------------

Cash at beginning	144,600
--------------------------	----------------

Cash at end	<u><u>133,707</u></u>
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See independent accountant's audit report and notes to financial statements

GREEK XPRESS FRANCHISING LLC
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Greek Xpress Franchising LLC (The Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Business Activity

Greek Xpress Franchising LLC (The Company) was organized under the laws of New York on October 7, 2020. The Company's main activity is franchising. The company provides franchise opportunities for various business locations. The Company is responsible for the development of and franchising of retail stores which sell core products of Greek food items.

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States. The financial statements have been prepared on the accrual basis of accounting. The financial statements include the operations, assets, and equity of the Company. In the opinion of the Company's management, the accompanying financial statements contain all adjustments necessary to fairly present the accompanying financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks and all higher liquid investments with maturity of three months or less at the time of purchase. The Company maintains its cash balances at a financial institution located in New York.

Accounts Receivable

The Company uses the allowance method to account for uncollectible accounts. As of December 31, 2021, the Company did not have any accounts receivable and/or allowance for doubtful accounts.

Revenue Recognition

Revenue is recognized when services are rendered to the customers and payment from the customers is realizable.

On May 28, 2014, the FASB issued the New Revenue Standard, also referred to as *Accounting Standards Codification 606, Revenue from Contracts with Customers* ("ASC 606"), that introduces a new five-step revenue recognition model in which an entity should recognize revenue to depict the transfer of promised 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. The ASC also requires disclosures about the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. On October 7, 2020 the Company adopted the ASC using the modified retrospective method. Since the Company has not yet commenced generating revenues, the adoption of this method has had no material impact to financial statements in the current or prior year.

GREEK XPRESS FRANCHISING LLC
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

The Company, as a franchisor, has developed a business practice to undertake activities such as analyzing the consumer's changing preferences and implementing product improvements, pricing strategies, marketing campaigns, and operational efficiencies to support the franchise name. Although these activities do not directly transfer goods or services to the customer, the Company's promise to grant a license and provide this organizational roadmap to a franchisee is distinct in accordance with paragraph 606-10-25-19.

Under the new standard, the Company recognizes initial franchise fees over the term of the franchise agreements. Such agreements for the Company to provide the franchisees with a right to access the Company's symbolic intellectual property and operational roadmap and the Company's performance obligation to transfer the license is satisfied over the terms of these agreements. The Company recognizes the fixed initial franchise fees as revenue allocable over the term of the agreements.

In addition, the consideration that is in the form of a sales-based royalty relates specifically to the franchise license is recognized as revenue. Consequently, the entity recognizes revenue from the sales-based royalty as and when the sales occur. Furthermore, the Company recognizes marketing fees charged to franchisees as franchise revenue; this revenue is recognized as the marketing benefits are provided to the franchisees.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company has elected to be taxed as a limited liability company under the Internal Revenue Code and related state statutes. Such elections allow income to be taxed directly to the members. Accordingly, no provision has been made for Federal and state income taxes.

Accounting for Uncertainty in Income Tax Position rules in FASB Accounting Standards Codification (ASC) Topic 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management does not believe any such positions exist, and therefore, no valuation allowances, deferred taxes, interest or penalties have been recorded.

GREEK XPRESS FRANCHISING LLC
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2021

NOTE 2: FAIR VALUE

The Company has adopted the provisions of ASC 820 with respect to its financial assets and liabilities. ASC 820 defines fair value, establishes a framework for measuring fair value under GAAP and enhances disclosures about fair value measurements. Fair value is defined under ASC 820 as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principle or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. This standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable, that may be used to measure fair value which are the following:

Level 1 – Quoted prices in active markets for identical assets or liabilities

Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quotes prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity that are significant to the fair value of the assets or liabilities.

Cash and cash equivalents are Level 1.

NOTE 3: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 31, 2021, the date on which the financial statements were available to be issued.

NOTE 4: ABSENSE OF INCOME

From January 1, 2021 through and including December 31, 2021, the Company generated no income. The Company incurred marketing and legal costs. The Company has not had any other income statement activity from business or franchising activities.

GREEK XPRESS FRANCHISING LLC

Audited Financial Statements

For the period ended December 31, 2020

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MARIA NIKOLOUDAKIS, CPA, P.C.

2080 East 24th Street | Brooklyn, NY 11229
Tel: (718) 934-7500 | Email: maria@mncpany.com

INDEPENDENT AUDITOR'S REPORT

To the Members of:
Greek Xpress Franchising LLC
59 Main Street
East Rockaway, NY 11518

Report on the Financial Statements

I have audited the accompanying balance sheet of Greek Xpress Franchising LLC as of December 31st, 2020 and the related statements of income, retained earnings, and cash flow for the period 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 representation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair representation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on this audit. I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require me to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by managements, as well as evaluating the overall presentation of the financial statement.

I believe the audit evidence obtained is sufficient and appropriate to provide a reasonable basis for my audit opinion.

Opinion

In my opinion, financial statements referred to previously present fairly, in all material respects, the financial position of Greek Xpress Franchising LLC as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Maria Nikoloudakis, CPA, P.C.
February 20, 2021

GREEK XPRESS FRANCHISING LLC
BALANCE SHEET
DECEMBER 31, 2020

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	<u>144,600</u>
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TOTAL ASSETS	<u>\$ 144,600</u>
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LIABILITIES AND STOCKHOLDER'S EQUITY

EQUITY

Members' Equity	150,000
Retained Earnings	<u>(5,400)</u>
	<u>144,600</u>

TOTAL LIABILITIES EQUITY	<u>\$ 144,600</u>
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See independent accountant's audit report and notes to financial statements

GREEK XPRESS FRANCHISING LLC
STATEMENT OF INCOME AND MEMBERS' EQUITY
For the period October 7, 2020 to December 31, 2020

INCOME:

Revenues, net	\$ 0
---------------	------

EXPENSES:

Professional Fees	
Accounting	400
Legal	<u>5,000</u>

Total Expenses	<u>5,400</u>
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Net Income	<u><u>(5,400)</u></u>
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Members' Equity at October 7, 2020	0
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Member Contributions	<u>150,000</u>
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Members' Equity at December 31, 2020	<u><u>\$ 144,600</u></u>
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See independent accountant's audit report and notes to financial statements

GREEK XPRESS FRANCHISING LLC
STATEMENT OF CASH FLOWS
For the year ended December 31, 2020

Cash flows from Operating activities

Net Income/(Loss)	(5,400)
-------------------	---------

Cash flows from financing activities

Contributions to Members' Equity	150,000
----------------------------------	---------

Net cash increase for period	<u>144,600</u>
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Cash at beginning	0
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Cash at end	<u><u>144,600</u></u>
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See independent accountant's audit report and notes to financial statements

GREEK XPRESS FRANCHISING LLC
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Greek Xpress Franchising LLC (The Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Business Activity

Greek Xpress Franchising LLC (The Company) was organized under the laws of New York on October 7, 2020. The Company's main activity is franchising. The company provides franchise opportunities for various business locations. The Company is responsible for the development of and franchising of retail stores which sell core products of Greek food items.

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States. The financial statements have been prepared on the accrual basis of accounting. The financial statements include the operations, assets, and equity of the Company. In the opinion of the Company's management, the accompanying financial statements contain all adjustments necessary to fairly present the accompanying financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks and all higher liquid investments with maturity of three months or less at the time of purchase. The Company maintains its cash balances at a financial institution located in New York.

Accounts Receivable

The Company uses the allowance method to account for uncollectible accounts. As of December 31, 2020, the Company did not have any accounts receivable and/or allowance for doubtful accounts.

Revenue Recognition

Revenue is recognized when services are rendered to the customers and payment from the customers is realizable.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company has elected to be taxed as a limited liability company under the Internal Revenue Code and related state statutes. Such elections allow income to be taxed directly to the members. Accordingly, no provision has been made for Federal and state income taxes.

GREEK XPRESS FRANCHISING LLC
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes (continued)

Accounting for Uncertainty in Income Tax Position rules in FASB Accounting Standards Codification (ASC) Topic 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management does not believe any such positions exist, and therefore, no valuation allowances, deferred taxes, interest or penalties have been recorded.

NOTE 2: FAIR VALUE

The Company has adopted the provisions of ASC 820 with respect to its financial assets and liabilities. ASC 820 defines fair value, establishes a framework for measuring fair value under GAAP and enhances disclosures about fair value measurements. Fair value is defined under ASC 820 as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principle or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. This standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable, that may be used to measure fair value which are the following:

Level 1 – Quoted prices in active markets for identical assets or liabilities

Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quotes prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity that are significant to the fair value of the assets or liabilities.

Cash and cash equivalents are Level 1.

NOTE 3: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 31, 2020, the date on which the financial statements were available to be issued.

NOTE 4: ABSENSE OF INCOME

From the Company's inception on October 7, 2020 through and including December 31, 2020, the Company generated no income. The Company incurred professional fee costs for initial formation of the entity. The Company has not had any other income statement activity from business or franchising activities.

**GREEK XPRESS FRANCHISING LLC
EXHIBIT B TO THE DISCLOSURE DOCUMENT**

FRANCHISE AGREEMENT

GREEK XPRESS FRANCHISING LLC

FRANCHISE AGREEMENT

FRANCHISEE

EFFECTIVE DATE

RESTAURANT ADDRESS

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GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into by and between GREEK XPRESS FRANCHISING LLC, a New York limited liability company having its principal address at 59 Main Street, East Rockaway, New York 11518 ("Franchisor", "we", "us" or "our") and _____, a(n) _____, with its principal place of business located at _____ and _____'s principals _____, an individual residing at _____ and _____, an individual residing at _____ ("Principal(s)"). _____ and Principal(s) shall be collectively referred to in this Agreement as "Franchisee".

W I T N E S S E T H:

WHEREAS, as the result of the expenditure of time, skill, effort and money, we and our affiliates have developed and own a unique and distinctive system (hereinafter "System") relating to the establishment of a fast casual "GX Greek Xpress" restaurant, offering traditional Greek gyros, pitas, platters, salads, burgers, appetizers, sides and smoothies. Restaurants operate using the franchisor's proprietary recipes, formulae, techniques, trade dress, trademarks and logos.

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, décor, color scheme, and furnishings; proprietary products and ingredients; proprietary recipes and special menu items, uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; materials and supplies incorporated in or used in the preparation, serving and packaging of products; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs, all of which may be changed, improved, and further developed by us from time to time, and;

WHEREAS, we identify the System by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "GX Greek Xpress" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks" or "Proprietary Marks"), and;

WHEREAS, we and our affiliates continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service, and;

WHEREAS, you understand and acknowledge the importance of our high standards of quality, cleanliness, appearance and service and the necessity of operating the business franchised hereunder in conformity with our standards and specifications; and

WHEREAS, you desire to use the System in connection with the operation of a Restaurant at an Accepted Location, as hereinafter defined, as well as to receive the training and other assistance provided by us in connection therewith.

NOW, THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

ARTICLE 1

GRANT

1.1 Grant of Franchise

In reliance on the representations and warranties of you and your Controlling Principals (as defined in Section 19.17) hereunder, we hereby grant to you, upon the terms and conditions in this Agreement, the right and license, and you hereby accept the right and obligation, to operate one (1) Restaurant under the Marks and the System in accordance with this Agreement. You and the Controlling Principals have represented to us that you have entered into this Agreement with the intention of complying fully with the obligations to construct a Restaurant hereunder and not for the purpose of reselling the rights to develop the Restaurant hereunder. You and the Controlling Principal understand and acknowledge that we have granted such rights in reliance on the business skill, financial capacity, personal character of, and expectations of performance hereunder, by you and the Controlling Principals and that this Agreement and the rights and obligations hereunder may not be transferred until after the Restaurant is open for business to the public in accordance with Section 2.6, and then only in accordance with Article 14 hereof.

1.2 Accepted Location

The specific street address of the Restaurant submitted by you and which request we have accepted, shall be set forth in Attachment A ("Location" or "Accepted Location"). You shall not relocate the Restaurant without our express prior written consent, which consent shall not be unreasonably withheld. This Agreement does not grant to you the right or license to operate the Restaurant or to offer or sell any products or services described under this Agreement at or from any other location.

1.3 Relocation

If you are unable to continue the operation of the Restaurant at the Accepted Location because of the occurrence of a force majeure event (as described in Section 17.1.3(e)), then you may request our approval to relocate the Restaurant to another location in the Designated Territory, as that term is defined below, which approval shall not be unreasonably withheld. You must submit your relocation request to us with a non-refundable relocation fee in the amount of Two Thousand Five Hundred Dollars (\$2,500), in addition to any On-Site Location Evaluation Fee we charge. The Restaurant may not be relocated without first obtaining our written consent. Any other relocation outside the Designated Territory or a relocation of the Restaurant not caused by force majeure shall also be subject to our prior approval. If we elect to grant you the right to relocate the Restaurant, then you shall comply with the site selection and construction procedures set forth in Article 2 as it relates to the new location for the Restaurant.

1.4 Designated Territory

1.4.1 Upon the determination of an Accepted Location, you will be assigned a designated geographical area (the "Designated Territory") that will be described in Attachment A hereto. You understand and acknowledge that if your Accepted Location is a Non-Traditional Site (as described in Section 1.5 below), you will not receive a Designated Territory. You further understand and acknowledge that the Designated Territory is not exclusive to you, and we may choose to exercise the rights reserved to us in Section 1.5 below. Except as provided in this Agreement, and subject to your, and the Controlling Principals' material compliance with this Agreement, any other agreement among you or any of your affiliates (defined for the purposes hereof as any entity that is controlled by, controlling or under common control with such other entity) and us, we shall not establish or authorize any other person or entity, other than you, to establish a Restaurant in the Designated Territory during the Term of this Agreement, so long as you are not in default under this Agreement or this Agreement has not been terminated. You further agree and acknowledge that the license granted hereby is for the operation of a single Store at a location accepted by us and from within the Designated Territory. Except as set forth in this Agreement, you are prohibited from serving and soliciting customers outside of the Designated Territory and from using alternative methods of distribution as more fully specified herein. You acknowledge and agree that our parents and/or affiliates may currently operate, or may in the future operate, food service businesses under

different marks and with operating systems that are the same as or similar to the System, and that any such businesses might compete with your Restaurant. You further agree and acknowledge that the license granted hereby is only for the operation of one (1) Restaurant and only at the Accepted Location, as hereinafter defined.

1.4.2 The Designated Territory cannot overlap or interfere with existing trade areas, designated territories or development areas granted to other franchisees or multi-unit operators. We reserve the right to provide a two (2) mile buffer between trade areas, designated territories and development areas to prevent any overlapping of areas. We reserve the right to adjust the boundaries of the designated territory at any time if we believe it conflicts with another trade area, designated territory or development area. The Restaurant's premises will be located within the adjusted Designated Territory.

1.5 Our Reserved Rights

1.5.1 Nothing in this Agreement will prohibit us from: (a) operating and/or franchising others to operate restaurants identified in whole or in part by the Proprietary Marks and/or utilizing the System in the Designated Territory that are located in gas stations or convenience stores; transportation facilities, including airports, train stations, subways and rail and bus stations; military bases and government offices; sports facilities, including stadiums and arenas; amusement parks, zoos and convention centers; car and truck rest stops and travel centers; educational facilities; recreational theme parks; hospitals; business or industrial foodservice venues; venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider; Indian reservations; casinos; or any similar captive market location ("Non-Traditional Site"); (b) awarding national, regional or local licenses to third parties to sell products under the Proprietary Marks in foodservice facilities primarily identified by the third party's trademark; (c) merchandising and distributing products identified by the Proprietary Marks and other trade names and trademarks in the Designated Territory through any method or channel of distribution other than through the operation of a Restaurant; (d) selling and distributing products identified by the Proprietary Marks in the Designated Territory to restaurants other than restaurants identified by the Proprietary Marks, provided those restaurants are not licensed to use the Proprietary Marks in connection with their retail sales; (e) selling and soliciting products and services through other channels of distribution, including but not limited to the Internet, wholesale, mail order, catalog sales, grocery stores, ghost kitchens, club stores, telemarketing or other direct or indirect marketing sales; (f) developing and/or owning other franchise systems for the same or similar products and services using trade names and trademarks other than the Proprietary Marks; and (g) purchasing, being purchased by, merging or combining with, businesses that we deem to offer direct competition to GX Greek Xpress Restaurants. You understand and acknowledge that we are not required to pay you any consideration if we exercise any right specified above in the Designated Territory.

1.5.2 You understand and acknowledge that if any Non-Traditional Site (as described above) is located within the physical boundaries of your Designated Territory, then the premises of this Non-Traditional Site will not be included in your Designated Territory and you will have no rights to this Non-Traditional Site.

1.5.3 This Section 1.5 does not prohibit us or our affiliates from: (a) operating and franchising others to operate, during the Term of this Agreement, GX Greek Xpress Restaurants at any locations outside of the Designated Territory; (b) operating and franchising others to operate, after this Agreement terminates or expires, GX Greek Xpress Restaurants at any location, including locations inside the Designated Territory; (c) operating and franchising others to operate at any location, during or after the Initial Term or Renewal Term, any type of restaurant other than a GX Greek Xpress Restaurant; and (d) operating and franchising others to operate, during the Initial Term or Renewal Term, GX Greek Xpress Restaurants at any Non-Traditional locations inside and outside of the Designated Territory.

1.5.4 The restrictions contained in this Section do not apply to GX Greek Xpress Restaurants in operation, under lease or construction or other commitment to open in the Designated Territory as of the Effective Date.

1.5.5 Except as expressly limited by this Section 1.5, we and our affiliates have the right to conduct any business activities, under any name, in any geographic area and at any location, regardless of the proximity to the Restaurant or the economic effect on the Restaurant or activities under this Agreement.

1.6 Forms of Agreement

You acknowledge that, over time, we have entered, and will continue to enter, into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that we and other franchisees may have different rights and obligations does not affect our or your duties to comply with the terms of this Agreement.

1.7 Negotiated Changes

If we mutually agree to certain negotiated changes during Initial Term or Renewal Term, then you acknowledge and agree to sign an addendum in the form attached hereto as Attachment J or any form we may require in the future, and that the revisions contained in this form are added terms to this Agreement and no other changes shall be made to the form of addendum itself.

ARTICLE 2

SITE SELECTION, PLANS AND CONSTRUCTION

2.1 Your Responsibility to Locate a Site

2.1.1 You assume all cost, liability, expense and responsibility for locating, obtaining and developing a site for the Restaurant within the Designated Territory, and for constructing and equipping the Restaurant at the Accepted Location. We and you will agree upon a general area in which you will use your best efforts to locate the site for your Franchised Business. You shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Restaurant until we have accepted your request as set forth below. You acknowledge that the location, selection, procurement and development of a site for the Restaurant is your responsibility; that in discharging such responsibility you shall consult with real estate, general contractors and other professionals of your choosing; and that our approval of your request for a site and the rendering of any location assistance does not constitute a representation, promise, warranty or guarantee, express or implied, by us that the Restaurant operated at that site will be profitable or otherwise successful. You further acknowledge and agree that your selected site for the Restaurant is based on your own independent investigation of the suitability of the site. It is your responsibility to perform market and prospective site analysis, traffic, demographics and/or other factors included in or excluded from the site and market testing criteria could change, altering the potential of a site. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if the site fails to meet your expectations. You further agree to indemnify and hold us harmless, pay or reimburse us, upon demand, for all reasonable costs and expenses (including reasonable attorney costs) we may incur in connection with any claims brought by you against us based upon the foregoing or by other services we performed, including reasonable attorneys' fees incurred by us in defending against any such claims.

2.1.2 You understand the costs to purchase, equip and make the site operational as the Restaurant may exceed the estimate provided for in our Franchise Disclosure Document. It shall be your responsibility to work with real estate, general contractors and other professionals to understand these

overages and how best to accommodate for them. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if the site fails to meet your expectations. You will know all costs and timetables prior to forming your opinion and sending us your request for approval.

2.1.3 You, individually, and on behalf of your heirs, legal representatives, successors and assigns, hereby forever releases and discharges us and our officers, directors, employees, agents and servants, including our subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements between the parties including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, or antitrust laws of the United States, or of any state or territory thereof.

2.2 Site Selection

2.2.1 Prior to acquiring by lease or purchasing a site for the Franchised Business, but within sixty (60) days of the Effective Date of this Agreement, you shall locate a site for the Franchised Business. You must submit to us your written request of a site and include the forms and information we may request ("Site Selection Request"). We shall have thirty (30) days after receipt of this information to approve or disapprove your request. No site may be used for the location of the Franchised Business unless we have first accepted the site request in writing, and as outlined above. You acknowledge and agree that our approval of your request is not a warranty or guaranty, express or implied, that you will achieve any particular level of success at the site or that your Franchised Business will be profitable. If you are unable to locate a site for your Franchised Business within sixty (60) days after the Effective Date, we have the right to terminate this Agreement or we may provide you with an extension of this timeframe.

2.2.2 If you elect to purchase the premises for the Franchised Business, you shall submit a copy of the proposed contract of sale to us for our written approval prior to its execution. We shall have ten (10) days after receipt of the proposed contract of sale to either approve or disapprove such documentation prior to its execution. You will furnish us with a copy of the executed contract of sale within ten (10) days after its execution.

2.2.3 If you will occupy the premises of the Franchised Business under a lease or sublease, then you shall submit a copy of the lease or sublease to us for written approval prior to its execution. We shall have ten (10) days after receipt of the lease or sublease to either approve or disapprove such documentation prior to its execution. No lease or sublease for the premises shall be accepted by us unless a Collateral Assignment of Lease, in substantially the form attached as Attachment B, is executed by us, you and the lessor or sublessor and is attached to the lease and incorporated therein. You shall furnish to us a copy of the executed lease or sublease within ten (10) days after execution.

2.2.4 After we have accepted your request for a location and that Accepted Location is acquired by you pursuant to this Section, the Accepted Location and your Designated Territory shall be described in Attachment A.

2.3 Zoning Clearances, Permits and Licenses

2.3.1 You shall be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which may be necessary as a result of any restrictive covenants relating to the Restaurant premises. Prior to beginning the construction of the Restaurant, you shall (i) obtain all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Restaurant, and (ii) certify in writing to us that the insurance coverage specified in Article 12 is in full force and effect and that all required approvals, clearances, permits and certifications have been obtained. Upon written request, you shall provide to us additional copies of

your insurance policies or certificates of insurance and copies of all such approvals, clearances, permits and certifications.

2.3.2 You shall 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 the Restaurant. In the event you receive any complaint, claim, other notice alleging a failure to comply with the Americans with Disabilities Act, you shall provide us with a copy of such notice within five (5) days after receipt thereof.

2.4 Design of Restaurant

You must obtain architectural, engineering and design services for the construction of the Restaurant from a licensed architect and general contractor at your own expense. The architect and general contractor must meet our approval. You shall have the prototypical plans and specifications for the building and furnishing for a standard Restaurant, which we provided to you in accordance with Section 5.3, adapted as necessary by the architect and general contractor for the construction of the Accepted Location. Such plans must comply with all applicable laws, rules, regulations, ordinances and building codes including any relating to accommodations for disabled persons (the Americans with Disabilities Act), for the city and state in which the Restaurant will be located. Prior to their use, you shall submit such adapted plans, specifications and blueprints to us for our review. If we determine, in our reasonable discretion, that any such plans, specifications and blueprints are not consistent with the best interests of the System, we may prohibit the implementation of such plans, specifications and blueprints, and in this event will notify you of any objection(s) within fourteen (14) business days of receiving such plans, specifications and blueprints. If we fail to notify you of an objection to the plans, specifications and blueprints within this time period, you may use such plans, specifications and blueprints. If we object to any such plans, specifications and blueprints, we shall provide you with a reasonably detailed list of changes necessary to make the plans, specifications and blueprints acceptable. We shall, upon your re-submission of the plans, specifications and blueprints with such changes, notify you within fourteen (14) business days of receiving the resubmitted plans, specifications and blueprints whether the plans, specifications and blueprints are acceptable. If we fail to notify you in writing of any objection within such time period, you may use the resubmitted plans. You acknowledge that our review of such plans, specifications and blueprints relates only to compliance with the System, specifications, prototype plans and presentation of the Marks, and that acceptance by us of such plans, specifications and blueprints does not constitute a representation, warranty, or guarantee, express or implied, by us that such plans, specifications and blueprints are accurate or free of error concerning their design or structural application, or that such plans comply with any laws, rules, regulations, ordinances and building codes applicable to the Accepted Location.

2.5 Build-Out of Restaurant

You shall commence and diligently pursue construction or remodeling (as applicable) of the Restaurant. Commencement of construction shall be defined as the time at which any site work is initiated by you or on your behalf at the location accepted for the Restaurant. Site work includes, without limitation, paving of parking areas, installing outdoor lighting and sidewalks, extending utilities, demising of interior walls and demolishing of any existing premises. During the time of construction or remodeling, you shall provide us with such periodic reports regarding the progress of the construction or remodeling as may be reasonably requested by us. In addition, we may make such on-site inspections as we may deem reasonably necessary to evaluate such progress. You shall notify us of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to the projected opening date of the Franchised Business. Within a reasonable time after the date of completion of construction or remodeling, we may, at our option, conduct an inspection of the completed Restaurant.

2.6 Opening Date; Time is of the Essence

2.6.1 You acknowledge that time is of the essence. Subject to your compliance with this Agreement, you shall open the Restaurant and commence business within twelve (12) months of the Effective Date. However, if this unit is developed pursuant to a multi-unit operator agreement, then the Restaurant must be open and in operation by the date provided in the minimum performance schedule. The date the Restaurant actually opens for business to the public is herein called the "Opening Date". Thirty days (30) prior to the scheduled Opening Date, you must send to us a written request to open the Restaurant for business. You acknowledge that you are not permitted open the Restaurant for operation without our prior written authorization and that authorization to open shall be conditioned upon your strict compliance with this Agreement and our, or our designees, satisfactory inspection of the Restaurant. Additionally, prior to the Opening Date of the Franchised Business, you shall complete all exterior and interior preparations for the Restaurant, including installation of equipment, fixtures, furnishings and signs, pursuant to the plans and specifications reasonably approved by us, and shall comply with all of your other pre-opening obligations, including, but not limited to, those obligations described in Sections 6.2 through 6.11, to our reasonable satisfaction. You shall confirm that the Franchised Business, and all proposed renovations, comply with the Americans with Disabilities Act. If you fail to reasonably comply with any of such obligations, except for delay caused by a force majeure act as described in Section 17.1.3(e), we shall have the right to prohibit you from commencing business. Your failure to open the Restaurant and commence business in accordance with the foregoing shall be deemed an event of material default under this Agreement.

2.6.2 Notwithstanding the foregoing, if you fail to open your Restaurant within the timeframe required herein, subject to force majeure, you agree to pay to us a non-refundable delayed opening fee in the amount of One Hundred Dollars (\$100) per day for each day that the Opening Date is delayed, up to a maximum of ninety (90) days. You understand and acknowledge that such fee shall be in addition to our other rights and remedies hereunder or at law. If your Restaurant is not open and operating within this additional timeframe, we have the right, exercisable in our sole discretion, to terminate this Agreement without providing you with a refund or to permit you to continue paying the delayed opening fee described herein until your Restaurant opens.

2.7 Financial Information

You agree and acknowledge that upon executing this Agreement, we have not provided to you any financial information relative to the performance of any prospective or existing GX Greek Xpress Restaurants, except as may have been stated in Item 19 of the Franchise Disclosure Document provided to you. Upon signing this Agreement, should you desire for us to provide to you such financial information, you will make your request at least ninety (90) days after the Effective Date by submitting to us a Request for Financial Information (Attachment K). You agree that the financial information we may provide to you is in no way a projection or promise, and that you shall use the data only as informational. You acknowledge that any financial information we may share with you pursuant to this request is not and will not be considered a representation or warranty of performance for your Restaurant and any financial information we may share with you pursuant to this request shall be deemed to be a permissible disclosure since you have entered into this Agreement prior to any such disclosure, and you agree to a full release and hold harmless of us and our agents and representatives and you agree that you shall not seek any legal action whatsoever based upon any financial information you receive from us pursuant to this request.

ARTICLE 3
TERM AND SUCCESSOR OPTION

3.1 Term

Unless sooner terminated as provided in Article 17 hereof, the term of this Agreement shall continue for a period of ten (10) years from the Effective Date (the “Initial Term”).

3.2 Successor Option

Subject to the provisions of this Section, you shall have an option (exercisable only by written notice delivered to us less than nine (9) months, but more than six (6) months, prior to the end of the Initial Term of this Agreement) to sign a successor franchise agreement hereunder for one (1) additional period of ten (10) years (the “Successor Term”), if the following conditions are met:

3.2.1 you have been, throughout the Initial Term of this Agreement, in substantial compliance, and at the expiration of such Initial Term are in full compliance, with this Agreement, the lease and all other agreements between you and us or companies associated or affiliated with us;

3.2.2 you enter into our then-current franchise agreement (the “Successor Franchise Agreement”) and all other ancillary agreements, instruments and documents then customarily used by us in the granting of franchises (the terms of which may materially differ from this Agreement, including higher fees, different methods of calculating fees due, and different payment methods);

3.2.3 you are able to maintain possession of the premises for the Franchised Business (or at relocated premises pursuant to Section 1.3 hereof) pursuant to a lease reasonably acceptable to us;

3.2.4 you refurbish, upgrade and/or renovate your Restaurant as we require in order that your Restaurant will meet our then-current standards and image for GX Greek Xpress Restaurants and that the Franchised Business, and all renovations, comply with the Americans with Disabilities Act;

3.2.5 the landlord of the premises for the Franchised Business consents to a renewal or extension of the lease;

3.2.6 at the time the successor option is exercised and at the time such Successor Franchise Agreement commences, all monetary obligations to us and any affiliate of ours must be current and must have been current at all times during the preceding twelve (12) months;

3.2.7 you execute a general release in the form attached hereto as Attachment G, running in favor of us, our affiliates and our respective officers, directors and shareholders releasing all claims against us, our officers, directors and shareholders, except in respect of those claims which cannot be released at law; and

3.2.8 you pay to us a successor agreement fee equal to Five Thousand Dollars (\$5,000).

3.3 Refusal to Renew Franchise Agreement

We can refuse to renew your franchise if your lease, sublease or other document by which you have the right to occupy the Store premises is not extended before your Successor Franchise Agreement is to take effect to cover the period or if you do not have a written commitment from your landlord to renew the lease or sublease for a period at least equal to the Successor Term. We reserve the right not to enter into a successor franchise agreement for your franchise as a result of a decision to withdraw from a marketing area or the Designated Territory in which your Franchised Business is located. We may also refuse to enter

a Successor Franchise Agreement under other circumstances, including, but not limited to, your failure to substantially comply with the terms of this Agreement, your failure to pay amounts owed to us when due, or your failure to cure any defaults incurred during the Initial Term of this Agreement, if applicable.

3.4 Successor Franchise Agreement Under Law

Even though we decline to enter a Successor Franchise Agreement, it is possible that we can be required to enter it under a law, rule, regulation, statute, ordinance, or legal order that is applicable at the time. If that happens, to the extent it is allowed by the concerned law, rule, regulation, statute, ordinance or order, your Successor Franchise Agreement will be subject to the conditions of the then-current Franchise Agreement being used at the time the Successor Term begins. If we are not then offering new franchises, the Successor Term will be subject to the terms in the Franchise Agreement that we indicate. If for any reason that is not permitted, the Successor Term will be governed by the terms of this Agreement.

3.5 Your Election Not to Enter into a Successor Franchise Agreement

For the purposes hereof, you shall be deemed to have irrevocably elected not to renew the franchise hereunder (and the option to do so shall thereupon terminate) if you fail to execute and return to us our Successor Franchise Agreement and other ancillary documents required by us for a renewal franchise, together with payment of our Successor Agreement Fee, within thirty (30) days after we have delivered them to you.

ARTICLE 4

FEES

4.1 Initial Franchise Fee

4.1.1 You shall pay to us an initial franchise fee of Thirty Thousand Dollars (\$30,000) which shall be paid upon the execution of this Agreement ("Initial Franchise Fee"). The amount of the Initial Franchise Fee when so paid shall be deemed fully earned in consideration of the administrative and other expenses incurred by us in granting the franchise hereunder and for our lost or deferred opportunity to grant such franchise to any other party, and shall not be refundable.

4.1.2 In the event this Agreement is for a Restaurant being developed pursuant to a multi-unit operator agreement, then the Initial Franchise Fee shall be reduced by any amount applied by us from the development fee paid by you pursuant to the terms of such multi-unit operator agreement. Any remaining portion of the Initial Franchise Fee due shall be paid ninety (90) days before the scheduled opening of the Restaurant or the date you sign the lease for the Accepted Location, whichever occurs first.

4.2 Royalty Fees

4.2.1 During the term of this Agreement, you shall pay to us, in partial consideration for the rights herein granted, a continuing weekly royalty fee ("Royalty Fee") equal to six percent (6%) of Gross Sales. Such Royalty Fee shall be due and payable each week based on the Gross Sales for the preceding week ending Sunday so that it is received by us by electronic funds transfer ("EFT") on or before Monday of each week, provided that such day is a business day. If the date on which such payments would otherwise be due is not a business day, then payment shall be due on the next business day.

4.2.2 Each such Royalty Fee shall be preceded by a royalty report itemizing the Gross Sales for the preceding week ending Sunday ("Royalty Report") and any other reports required hereunder. Notwithstanding the foregoing, you shall provide us with such Gross Sales information by Monday of each week (or next business day if such day is not a business day) by email or, if not reasonably available, by facsimile transmission or such other method of delivery as we may reasonably direct.

4.2.3 If any state imposes a sales or other tax on the Royalty Fees, then we have the right to collect this tax from you.

4.2.4 If a state or local law in which the Restaurant is located prohibits or restricts in any way your ability to pay and our ability to collect Royalty Fees or other amounts based on Gross Sales derived from the sale of alcoholic beverages at the Restaurant then we and you shall increase the percentage rate for calculating Royalty Fees, and change the definition of Gross Sales to exclude sales of alcoholic beverages, in a manner such that the Royalty Fees to be paid by you, and received by us, shall be equal to such amounts as you would have been required to pay, and we would have received, if sales from alcoholic beverages were included in Gross Sales.

4.3 Worldwide Creative Marketing Fee

In addition to the Royalty Fee described in Section 4.2 above, you agree to pay to us a worldwide creative marketing fee in an amount equal to two percent (2%) of the Restaurant's Gross Sales ("Worldwide Creative Marketing Fee"). Such Worldwide Creative Marketing Fee shall be contributed to a Worldwide Creative Marketing Fund maintained by us, as described in Section 8.3 below. The Worldwide Creative Marketing Fee is payable to us at the same time and in the same manner as the Royalty Fee. If we elect to contribute any allowances, rebates or other payments to the Worldwide Creative Marketing Fund, it shall not diminish or eliminate your obligation to pay the Worldwide Creative Marketing Fee.

4.4 Technology Fee

We reserve the right to impose a technology fee ("Technology Fee") in an amount not to exceed Two Hundred Dollars (\$200) per month for the development, adoption and/or use of new or improved technology for the benefit of the System and Franchised Business, including but not limited to, assigned phone numbers and email addresses required for use in the Franchised Business, a franchise portal, benchmarking platform, online operations manual or other operations or communications systems ("Technology Fee"). In our sole discretion, we may (i) increase the amount of the technology fees or (ii) replace the technology with different technology, developed by us or a third-party, and you shall pay the then-current fees for the replacement technology and for continuous access thereto. Payment of the Technology Fee will be made in the manner and frequency as reasonably determined by us.

4.5 Payments to Us

By executing this Agreement, you agree that we shall have the right to withdraw funds from your designated bank account by EFT in the amount of the Royalty Fee, Worldwide Creative Marketing Fee and any other payments due to us and/or our affiliates. If you do not report the Restaurant's Gross Sales, we may debit your account for one hundred twenty percent (120%) of the last Royalty Fee and Worldwide Creative Marketing Fee that we debited. If the Royalty Fee and Worldwide Creative Marketing Fee we debit are less than the Royalty Fee and Worldwide Creative Marketing Fee you actually owe to us, once we have been able to determine the Restaurant's true and correct Gross Sales, we will debit your account for the balance on a day we specify. If the Royalty Fee and Worldwide Creative Marketing Fee we debit are greater than the Royalty Fee and Worldwide Creative Marketing Fee you actually owe, we will credit the excess against the amount we otherwise would debit from your account for the next payment due. You shall, upon execution of this Agreement or at any time thereafter at our request, execute such documents or forms as we or your bank determine are necessary for us to process EFTs from your designated bank account for the payments due hereunder, including, without limitation, Attachment E hereto. If payments are not received when due, interest may be charged by us in accordance with Section 4.5 below. Upon written notice to you, you may be required to pay such fees directly to us in lieu of EFT, at our sole discretion. If you make any changes to the EFT Account information, you must provide us with a newly signed EFT Form at soon as possible before these changes become effective with your banking institution.

You understand and acknowledge that we have the right, at our sole option upon thirty (30) days prior written notice to you, to change periodically the timing and terms for payment of Royalty Fees, Worldwide Creative Marketing Fees and other amounts payable to us under this Agreement.

4.6 Interest on Overdue Amounts

You shall not be entitled to withhold payments due us under this Agreement on grounds of alleged non-performance by us hereunder. Any payment or report not actually received by us on or before its due date shall be deemed overdue. Time is of the essence with respect to all payments to be made by you to us. All unpaid obligations under this Agreement shall bear interest from the date due until paid at the lesser of (i) eighteen percent (18%) per annum of balance due or (ii) the maximum rate allowed by applicable law, but not less than One Hundred Dollars (\$100) per occurrence. Notwithstanding anything to the contrary contained herein, no provision of this Agreement shall require the payment or permit the collection of interest in excess of the maximum rate allowed by applicable law. If any excess of interest is provided for herein, or shall be adjudicated to be so provided in this Agreement, the provisions of this paragraph shall govern and prevail, and neither you nor your Controlling Principals shall be obligated to pay the excess amount of such interest. If for any reason interest in excess of the maximum rate allowed by applicable law shall be deemed charged, required or permitted, any such excess shall be applied as a payment and reduction of any other amounts which may be due and owing hereunder, and if no such amounts are due and owing hereunder then such excess shall be repaid to the party that paid such interest.

4.7 Definition of Gross Sales

4.7.1 “Gross Sales” shall mean the total revenue from the sale of services and products and all income of every other kind and nature related to the Franchised Business (including, without limitation, income related to delivery service and catering activities (if we have authorized you to provide such activities), and any sales or orders of food products or food preparation services, beverages and alcoholic beverages provided from or related to the Restaurant), whether for cash or credit and regardless of collection in the case of credit. In the event of a cash shortage, the amount of Gross Sales shall be determined based on the records of the point-of-sale system and any cash shortage shall not be considered in the determination. Gross Sales expressly excludes taxes collected from your customers and are to be paid directly to the appropriate taxing authority.

4.7.2 If a state or local law in which the Franchised Restaurant is located prohibits or restricts in any way your ability to pay and our ability to collect the Royalty Fees or other amounts based on Gross Sales derived from the sale of alcoholic beverages at the Franchised Restaurant then we and you shall increase the percentage rate for calculating Royalty Fees or other amounts based on Gross Sales, and change the definition of Gross Sales to exclude sales of alcoholic beverages, in a manner such that the Royalty Fees or other amounts based on Gross Sales to be paid by you, and received by us, shall be equal to such amounts as you would have been required to pay, and we would have received, if sales from alcoholic beverages were included in Gross Sales.

4.8 Insufficient Funds Fee

You agree to maintain a balance in your operating account that is sufficient to meet your financial obligations when they become due. For any amounts payable to us and/or our affiliates when they are due, if there are not sufficient funds in your operating account to pay such amounts then, in addition to paying any amounts owed plus applicable interest, you agree to pay to us an insufficient funds fee in the amount of One Hundred Dollars (\$100) per occurrence. Such insufficient funds fee shall be payable to us each time you do not have sufficient funds in your operating account to pay amounts owed to us and/or our affiliates when they become due.

4.9 Payment of Additional Fees

You shall pay such other fees or amounts described in this Agreement.

ARTICLE 5

OUR OBLIGATIONS

We agree to provide the services described below with regard to the Restaurant:

5.1 Site Selection

We will provide you with written materials on how to analyze potential sites and markets.

5.2 On-Site Location Evaluation

If you request that we conduct an on-site location evaluation of any of your proposed site(s) for the Franchised Business, you shall pay to us our then-current non-refundable per diem fee, plus the cost of our representative's travel, lodging and meals. We shall not be required to conduct such evaluation until we receive the Site Selection Request concerning such site prepared pursuant to Article 2, together with other information and materials that we may reasonably request, including a letter of intent or other evidence that confirms your favorable prospects for obtaining the site.

5.3 Prototype Design Plans

We will provide to you, on loan, with one (1) set of prototype plans and specifications for build-out of the Restaurant. You shall independently, and at your expense, have such prototype plans adapted for construction of the Restaurant in accordance with Article 2.

5.4 Confidential Operations Manual

We will provide, on loan, one (1) set of Confidential Operations Manuals and such other manuals and written materials as we shall have developed for use in the Franchised Business (as the same may be revised by us from time to time, the "Manuals"), as more fully described in Section 10.1. The Manuals may, in our discretion, be provided electronically or via an intranet website for all Restaurants in the System.

5.5 Premise Inspections and Evaluations

We will perform inspections of the Restaurant to provide evaluations of the Restaurant premises (including any separate storage areas), products and services rendered therein from time to time as reasonably determined by us, as more fully described in Section 7.5.6.

5.6 Advertising and Promotional Materials

We shall have the right to review and approve or disapprove all advertising and promotional materials that you propose to use, pursuant to Article 8.

5.7 Management and Operations Advice

We shall provide advice and written materials (including updates to the Manuals) concerning techniques of managing and operating the Restaurant from time to time developed by us, including new developments and improvements in equipment, food products, recipes, packaging and preparation and menu items.

5.8 Products for Resale

From time to time and at our reasonable discretion, at a reasonable cost, we may make available for resale to your customers certain merchandise identifying the System, such as logoed merchandise, memorabilia and proprietary products, in sufficient amounts to meet customer demand. We may specify that you must purchase such merchandise and/or proprietary products that we and/or our affiliates develop from us, our affiliate, or another designated supplier.

5.9 Approved Suppliers

We shall provide a list of approved suppliers as described in Section 7.4 from time to time as we deem appropriate.

5.10 HQ Initial Training and Meetings

We shall provide a headquarter initial training program ("HQ Initial Training"), as well as other programs and meetings, in accordance with the provisions of Article 6.

5.11 Advertising Cooperatives

We may establish and administer advertising cooperatives in accordance with Article 8.

ARTICLE 6

YOUR AGREEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Use Commercially Reasonable Efforts

Each of you and the Controlling Principals covenants and agrees that they shall make all commercially reasonable efforts to operate the Restaurant so as to achieve optimum sales.

6.2 Representations of Corporate Entity

If you are a corporation, limited liability company, or partnership, you and the Controlling Principals represent, warrant and covenant that:

6.2.1 You are duly organized and validly existing under the state law of your formation;

6.2.2 You are duly qualified and are authorized to do business in each jurisdiction in which your business activities or the nature of the properties owned by you require such qualification;

6.2.3 Your corporate charter, operating agreement, or written partnership agreement shall at all times provide that your activities are confined exclusively to the operation of the Restaurant, unless otherwise consented to in writing by us;

6.2.4 The execution of this Agreement and the consummation of the transactions contemplated hereby are within your corporate power, if you are a corporation, or if you are a limited liability company, permitted under your operating agreement, or if you are a partnership, permitted under your written partnership agreement and have been duly authorized by you;

6.2.5 If you are a corporation or a limited liability company, copies of your articles of incorporation, bylaws, operating agreement, other governing documents, any amendments thereto, resolutions of the Board of Directors authorizing entry into and performance of this Agreement, and any certificates, buy-sell agreements or other documents restricting the sale or transfer of stock of the corporation, and any other documents as may be reasonably required by us shall be furnished to us prior to the execution of this Agreement; or, if you are a partnership, copies of your written partnership agreement,

other governing documents and any amendments thereto shall be furnished to us prior to the execution of this Agreement, including evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if such approval or consent is required by your written partnership agreement;

6.2.6 If you are a corporation, partnership or other form of legal entity other than an individual, the ownership interests in you are accurately and completely described in Attachment C. Further, if you are a corporation, you shall maintain at all times a current list of all owners of record and all beneficial owners of any class of voting securities in you or, if you are a partnership or other form of legal entity, you shall maintain at all times a current list of all owners of an interest in the partnership or entity. You shall immediately provide a copy of the updated list of all owners to us upon the occurrence of any change of ownership and otherwise make your list of owners available to us upon reasonable written request;

6.2.7 If you are a corporation, you shall maintain stop-transfer instructions against the transfer on your records of any of equity securities and each stock certificate representing stock of the corporation shall have conspicuously endorsed upon it a statement in a form satisfactory to us that it is held subject to all restrictions imposed upon assignments by this Agreement; provided, however, that the requirements of this Section shall not apply to the transfer of equity securities of a publicly held corporation (as defined in Section 19.17). If you are a partnership or limited liability company, your written agreement shall provide that ownership of an interest in the entity is held subject to all restrictions imposed upon assignments by this Agreement;

6.2.8 You must have provided us with your most recent financial statements. Such financial statements present fairly your financial position, at the dates indicated therein and with respect to you, the results of your operations and your cash flow for the years then ended. You agree that you shall maintain at all times, during the term of this Agreement, sufficient working capital to fulfill your obligations under this Agreement. Each of the financial statements mentioned above shall be certified as true, complete and correct and shall have been prepared in conformity with generally accepted accounting principles applicable to the respective periods involved and, except as expressly described in the applicable notes, applied on a consistent basis. No material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise, which are not reflected as liabilities on your financial statements;

6.2.9 If, after the execution of this Agreement, any person ceases to qualify as one of your Principals (defined in Section 19.17) or if any individual succeeds to or otherwise comes to occupy a position which would, upon designation by us, qualify him as one of your Principals, you shall notify us within ten (10) days after any such change and, upon designation of such person by us as one of your Principals or as a Controlling Principal, as the case may be, such person shall execute such documents and instruments (including, as applicable, this Agreement) as may be required by us to be executed by others in such positions;

6.2.10 Your Principals shall each execute and bind themselves to the confidentiality and non-competition covenants set forth in the Confidentiality and Non-Competition Agreement which forms Attachment D to this Agreement (see Sections 10.2.2 and 10.3.4). The Controlling Principals shall, jointly and severally, guarantee your performance of all of your obligations, covenants and agreements hereunder pursuant to the terms and conditions of the guaranty contained herein, and shall otherwise bind themselves to the terms of this Agreement as stated herein, in the form attached hereto as Attachment I; and

6.2.11 You and the Controlling Principals acknowledge and agree that the representations, warranties and covenants set forth above in Sections 6.2.1 through 6.2.10 are continuing obligations of you and the Controlling Principals, as applicable, and that any failure to comply with such

representations, warranties and covenants shall constitute a material event of default under this Agreement. You and the Controlling Principals will cooperate with us in any efforts made by us to verify compliance with such representations, warranties and covenants.

6.3 General Manager and Managers

You shall designate and retain at all times a minimum of one (1) general manager (“General Manager”) and two (2) managers (“Managers”) to direct the operation and management of the Restaurant. The General Manager and Managers shall be responsible for the daily operation of the Restaurant and may be one of the Principals, if that Principal has at minimum of three (3) years of restaurant management or restaurant ownership experience. However, the Designated Controlling Principal is not permitted to be a General Manager or Manager. The General Managers and Managers shall, during the entire period each serves as such, meet the following qualifications:

6.3.1 Each General Manager and Manager shall satisfy our educational and business experience criteria as set forth in the Manuals as defined herein or otherwise in writing by us;

6.3.2 Each General Manager and Manager shall devote their full time and commercially reasonable efforts to the day-to-day supervision and management of the Restaurant;

6.3.3 Each General Manager and Manager shall be an individual acceptable to us; and

6.3.4 Each General Manager and Manager shall satisfy the training requirements set forth in Section 6.4 and 6.7. If, during the term of this Agreement, a General Manager or Manager is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section, you shall promptly notify us and designate a replacement within sixty (60) days after that General Manager or Manager ceases to serve, such replacement being subject to the same qualifications listed above. You shall provide for interim management of the Restaurant until such replacement is so designated, such interim management to be conducted in accordance with the terms of this Agreement. Any failure to materially comply with the requirements of this Section 6.3 shall be deemed a material event of default under Section 17.1.3(o) hereof.

6.4 HQ Initial Training, Management/Leadership Training

You agree that it is necessary to the continued operation of the System and the Restaurant that your personnel receive such training as we may reasonably require, and accordingly agree as follows:

6.4.1 Not later than sixty (60) days prior to the Opening Date, the Designated Controlling Principal, General Manager and two (2) Managers (that meet our qualifications set forth in Section 6.3), must have attended and completed, to our reasonable satisfaction, the mandatory HQ Initial Training, and graduate from the Franchisor approved third party management/leadership training programs. The attendance of three (3) trainees to our HQ Initial Training is included in the Initial Franchise Fee. You shall pay to us the then-current per person training fee for the fourth (4th) and each additional trainee that attends our HQ Initial Training Program. The program fees for all trainees attending the third party management/leadership training programs shall be your sole responsibility. Additionally, you shall be responsible for any and all expenses incurred by you and your Restaurant personnel in connection with the HQ Initial Training and the third party management/leadership training programs, including, without limitation, costs of travel, lodging, meals and applicable wages.

6.4.2 You shall not eligible to schedule the HQ Initial Training for you or your Restaurant personnel until you evidence that: (a) the bank account for EFT payments due hereunder is active and any steps you are responsible for to set up payments are completed; (b) all of the grand opening advertising campaign advertising vendors and suppliers have been pre-paid; and (c) you have received our

approval of the grand opening advertising campaign for the Restaurant, or in the event that we elect to conduct the grand opening advertising campaign on your behalf, you have submitted to us the fee to conduct the grand opening advertising on your behalf, in accordance with Section 8.8.

6.4.3 Each trainee shall request our approval to graduate from the HQ Initial Training program and we shall determine, in our reasonable discretion, whether each trainee has satisfactorily completed the HQ Initial Training program. If the HQ Initial Training program is (a) not completed within the timeframe required by us, (b) not satisfactorily completed by the General Manager or Managers, or (c) if we in our reasonable business judgment, based upon the performance of the General Manager and Managers, determine that the HQ Initial Training program cannot be satisfactorily completed by any such person, you shall designate a replacement to satisfactorily complete such training. The replacement General Manager and Managers must satisfactorily complete the training before you will be permitted to receive Pre-Opening Assistance and Training (if applicable) and be permitted to open the Restaurant, as set forth in Section 6.5 below.

6.4.4 If new or replacement trainees do not complete our HQ Initial Training program to our satisfaction, the training fee will be applied to another trainee you send to us. If you wish to send additional employees to our HQ Initial Training program, whether before your Restaurant opens or while your Restaurant is operating, you shall pay to us our then-current training fee for each additional trainee. Any Designated Controlling Principal, General Manager or Manager subsequently designated by you shall also receive and complete such HQ Initial Training. You shall be responsible for any and all expenses incurred by you, your General Manager, Managers and other Restaurant personnel in connection with any HQ Initial Training program, including, without limitation, third party management/leadership training fees, costs of travel, lodging, meals and wages. Any Designated Controlling Principal designated by you shall satisfactorily complete the third party management/leadership training program in a timely manner and the associated costs shall be your sole responsibility

6.4.5 You acknowledge and agree that you will submit to us a completed HQ Initial Training Acknowledgment form (Attachment N) for each trainee to request to graduate from the HQ Initial Training program. You will represent and warrant that we have satisfactorily completed all of our obligations pursuant to this Article 6, including but not limited to the following: providing the HQ Initial Training program, and confirmation that you have been trained to the point that you are completely satisfied that you and your employees are fully capable of opening and operating the Restaurant. By acknowledging this, you individually, and on behalf of your heirs, legal representatives, successors and assigns, hereby forever release and discharge us and our officers, directors, employees, agents and servants, including our subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements between the parties executed prior to the date of this acknowledgment.

6.4.6 You further agree to indemnify and hold harmless, pay or reimburse us, upon demand, for all reasonable costs and expenses (including reasonable attorney costs) incurred by us in connection with any claims brought by you or on your behalf against us based on any alleged failure to provide adequate training or to provide any other services performed by us, including reasonable attorneys' fees incurred by us in defending against any such claims.

6.4.7 You, individually, and on behalf of your heirs, legal representatives, successors and assigns, hereby forever release and discharge us and our officers, directors, employees, agents and servants, including our subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements between the parties executed prior to submission to complete training, including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, or antitrust laws of the United States, or of any state or territory thereof.

6.5 Pre-Opening Assistance and Training

6.5.1 We shall provide you with one (1) of our representatives for a period of up to fourteen (14) days around the Opening Date (“Pre-Opening Assistance and Training”). You shall pay to us a non-refundable fee of Seven Thousand Five Hundred Dollars (\$7,500) for such Pre-Opening Assistance and Training, which shall be due and payable to us not later than thirty (30) days prior to the Opening Date. If you wish to extend the fourteen (14) days training we provide, then based upon representative availability, you will provide you this service and you shall pay to us our then-current per diem On-Site Training Fee for each representative providing the training, as well as reimburse us for each representative’s travel, lodging and meals.

6.5.2 If this Agreement is for your second (2nd) or later Restaurant, we reserve the right not to provide Pre-Opening Assistance and Training. If we do comply with your request to provide this assistance and training, then you shall pay to us our then-current per diem On-Site Training Fee for each representative providing the training, as well as reimburse us for each representative’s travel, lodging and meals.

6.6 Additional On-Site Assistance and Training

Upon your reasonable request or if we determine it is necessary, we shall, during the term hereof, subject to the availability of personnel, provide you with additional representatives who shall provide on-site training to your Restaurant personnel. For this additional training, you shall pay the then-current per diem fee for each representative, as well as each representative’s expenses, such as travel, lodging and meals.

6.7 Refresher Training and Certifications

6.7.1 We reserve the right to conduct refresher training programs, including seminars and other related activities regarding the operation of the Restaurant. Such refresher training programs may be offered to you and other Restaurant personnel generally, and we may designate that such refresher training programs are mandatory specifically for certain Restaurant personnel. You must pay our then-current fee for each trainee, as well as each trainee’s expenses, such as travel, lodging, meals and applicable wages.

6.7.2 It is your responsibility to maintain at least of one (1) General Manager and two (2) Managers who retain current System Certifications with us. We certify management based on, but not limited to, their individual ability to perform certain tasks and their ability to cross train their staff in these tasks. Our requirements to certify management staff will be applied System-wide. We reserve the right to modify our certification requirements at any time and at our own discretion. Our requirements for these certifications will be in the Manuals.

6.7.3 In addition to our System Certification requirements, we require the General Manager, Managers and additional employees we designate to maintain “Industry Certifications” from: (i) a Franchisor approved food safety and handling program (ServSafe or a similar program) and (ii) a Franchisor approved alcohol training program (TIPs or similar program) if the Restaurant will offer and serve alcohol. These certification programs will be at your sole expense, including program fees, travel, lodging, meals and applicable wages. Recertification may be necessary based on the specific requirements of each industry certification program. We reserve the right to modify our certification requirements at any time and at our own discretion. Our requirements for these certifications will be in the Manuals.

6.8 Franchisee Meetings

We reserve the right to hold meetings for all franchisees and other GX Greek Xpress Restaurant operators on a regional or national basis annually. We shall not be required to hold such meetings unless we believe it is prudent to do so. These meetings may be used to provide additional training, introduce new products or changes to the System, or for any other reason. Such meeting may be offered to you, the General Manager or other Restaurant personnel generally, and we may designate that such meetings are mandatory for you, your General Manager and other Restaurant personnel. If we provide these meetings, we reserve the right to charge a per person fee to attend each meeting, and you must pay for each attendee's expenses, including travel, lodging, meals and applicable wages.

6.9 Hiring Practices

You alone are solely responsible for the acts and omissions of your employees and agents, including, without limitation, your General Manager, and for the hiring, firing, setting hours for and supervising all of your employees and establishing employment policies applicable to your employees, and understand and agree that this Agreement does not impose any controls, or otherwise impinge on your sole discretion to make all employment-related decisions. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever, and nothing in any aspect of the System or the Marks in any way shifts employee or employment-related responsibility from you to us.

6.10 Compliance with Laws

You and your Principals agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws and the RICO Act (defined below). In connection with that compliance, you and your Principals certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your Principals otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your Principals, or any blocking of your or your Principals' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement. The Racketeer Influenced and Corrupt Organizations Act, also known as the "RICO Act", under Section 901(a) of the Organized Crime Control Act, is any racketeering activity as defined in 18 U.S.C. § 1961, as amended, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to such racketeering activities. Any violation of the RICO laws by you or your Principals, or any blocking of your or your Principals' assets under the RICO laws, shall constitute good cause for immediate termination of this Agreement.

6.11 Sale of Alcoholic Beverages

Unless prohibited by applicable law, the Restaurant may serve beer and wine, and you must maintain the appropriate permits and licenses to do so. If you choose to do so, you will provide us with written notification and abide by our System standards. You are not permitted to offer specialty drinks, alcoholic mixed drinks, cocktails or similar drinks. You shall be solely responsible for obtaining and maintaining all required state and local permits and licensing for the sale of alcoholic beverages prior to the offering or selling alcoholic beverages. It will be a default under this Agreement if you fail to maintain such licensing and continue to sell alcoholic beverages from the Restaurant. You shall obtain at minimum, the additional insurance coverages we require. You, your management staff and the employees we designate must maintain current Industry Certifications related to the offer and sale of alcohol beverages (Section 6.7), which shall be at your expense. We reserve the right to require you to participate in additional training or consulting, which shall be at your expense.

6.12 Compliance with All Other Obligations

You shall comply with all other requirements and perform such other obligations as provided hereunder.

ARTICLE 7

FRANCHISE OPERATIONS

7.1 Compliance with Standards

You understand the importance of maintaining uniformity among all of the Restaurants and the importance of complying with all of our standards and specifications relating to the operation of the Restaurant.

7.2 Maintenance of Restaurant

7.2.1 You shall maintain the Restaurant in a high degree of sanitation, repair and condition, and in connection therewith shall make such additions, alterations, repairs and replacements thereto (but no others without our prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment (including, but not limited to, point-of-sale or computer hardware and software systems), and décor as we may reasonably direct in order to maintain System-wide integrity and uniformity. You shall also obtain, at your cost and expense, any new or additional equipment (including point-of-sale or computer hardware and software systems), fixtures, supplies and other products and materials which may be reasonably required by us for you to offer and sell new menu items from the Restaurant or to provide the Restaurant services by alternative means, such as through catering or delivery arrangements. Except as may be expressly provided in the Manuals, no material alterations or improvements or changes of any kind in design, equipment, signs, interior or exterior décor items, fixtures or furnishings shall be made in or about the Restaurant or its premises without our prior written approval, which shall not be unreasonably withheld.

7.2.2 In the event we notify you of any additions, alterations, repairs and replacements required to be made to your Restaurant or the Accepted Location and you fail to make such additions, alterations, repairs and replacements within the timeframe we require, we shall have the right, without liability for trespass or tort, to enter the Accepted Location and make the additions, alterations, repairs and replacements, and you agree to promptly reimburse us for our expenses in so acting.

7.3 Remodeling and Redecorating

To assure the continued success of the Restaurant, you shall, upon our request, remodel and/or redecorate the Restaurant premises, equipment (including point-of-sale or computer hardware and software systems), signs, interior and exterior décor items, fixtures, furnishings, supplies and other products and materials required for the operation of the Restaurant to our then-current System-wide standards and specifications. We agree that we shall not request such remodeling and/or redecorating more frequently than every five (5) years during the term of this Agreement, except that if the Restaurant franchise is transferred pursuant to Article 14, we may request that the transferee remodel and/or redecorate the Restaurant premises as described herein.

7.4 Approved Suppliers

7.4.1 You shall comply with all of our standards and specifications relating to the purchase of all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including point-of-sale and computer hardware and software systems) and other products used or offered for sale at the Restaurant. Except as provided in Sections 7.6 and 7.7 with respect to certain materials

bearing the Marks and proprietary products, you shall obtain such items from suppliers (including manufacturers, distributors and other sources) who continue to demonstrate the ability to meet our then-current standards and specifications for food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment and other items used or offered for sale at Restaurants and who possess adequate quality controls and capacity to supply your needs promptly and reliably; and who have been approved in writing by us prior to any purchases by you from any such supplier; and who have not thereafter been disapproved by us. We reserve the right to direct that any supplier rebates, refunds, advertising allowances or other consideration payable or paid as a result of your purchases of non-proprietary goods, services or equipment be paid to us or any affiliate that we may designate, or we may contribute such consideration to the Worldwide Creative Marketing Fund. You understand and acknowledge that if we elect to contribute any such consideration to the Worldwide Creative Marketing Fund, it does not in any manner reduce or negate your obligation to pay the Worldwide Creative Marketing Fee, and you further acknowledge that you will not assert any interest in such monies.

7.4.2 You understand and acknowledge that we may periodically receive payments from approved suppliers, such as in the form of rebates, based on such approved suppliers' sales of products and services to our franchisees. We reserve the right to direct that any supplier rebates, refunds, advertising allowances or other consideration payable or paid as a result of your purchases of non-proprietary goods, services or equipment be paid to us or any affiliate that we may designate. If we do so, then you hereby acknowledge that you will not assert any interest in such monies.

7.4.3 If you desire to purchase, lease or use any unapproved products or other items, or you desire to purchase from an unapproved supplier, you shall submit to us a written request for such approval, or shall request the supplier itself to do so. We reserve the right to require you or the supplier to reimburse our costs related to evaluation and testing, but not more than Two Thousand Five Hundred Dollars (\$2,500). You shall not purchase or lease a product from any supplier until and unless such product or supplier has been approved in writing by us. We shall have the right to require that our representatives be permitted to inspect the proposed supplier's facilities, and that samples from the supplier be delivered, either to us or to an independent laboratory designated by us, for testing. We reserve the right, at our option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke our approval upon the supplier's failure to continue to meet any of our then-current criteria. Nothing herein shall be construed to require us to approve any particular supplier.

7.5 Operation of Restaurant in Compliance with Our Standards

To ensure that the highest degree of quality and service is maintained, you shall operate the Restaurant in strict conformity with such of our methods, standards and specifications set forth in the Manuals and as may from time to time otherwise be prescribed in writing. In particular, you also agree:

7.5.1 To sell or offer for sale all menu items, proprietary products, other products and services required by us and in the method, manner and style of distribution prescribed by us, including, but not limited to, dine-in, take-out, catering, and delivery services, only as expressly authorized by us in writing in the Manuals or otherwise in writing. You are permitted to offer delivery and catering services only to customers located within your Designated Territory. You may not provide delivery and catering services to any customer outside of your Designated Territory, unless that customer is in an area is not occupied by a GX Greek Xpress Restaurant. You understand and acknowledge that the rights granted to you herein do not include the right to sell any products at wholesale.

7.5.2 To sell and offer for sale only the menu items, proprietary products, other products and services that have been expressly approved for sale in writing by us; to refrain from deviating from our standards and specifications without our prior written consent; and to discontinue selling and offering for sale any menu items, proprietary products, other products or services which we may, in our sole discretion, disapprove in writing at any time.

7.5.3 To maintain in sufficient supply and to use and sell at all times only such food and beverage items, ingredients, proprietary products, other products, materials, supplies and paper goods that conform to our standards and specifications; to prepare all menu items in accordance with our recipes and procedures for preparation contained in the Manuals or other written directives, including, but not limited to, the prescribed measurements of ingredients; and to refrain from deviating from our standards and specifications by the use or offer of non-conforming items or differing amounts of any items, without our prior written consent. We reserve the right to designate the minimum levels of inventory that you must maintain.

7.5.4 To permit us or our agents, during normal business hours, to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant, without payment therefor, in amounts reasonably necessary for testing by us or an independent laboratory to determine whether such samples meet our then-current standards and specifications. In addition to any other remedies we may have under this Agreement, we may require you to bear the cost of such testing if the supplier of the item has not previously been approved by us or if the sample fails to conform with our reasonable specifications.

7.5.5 To purchase or lease and install, at your expense, all fixtures, furnishings, equipment, computer system (including point-of-sale, computer hardware and computer software systems), décor items, signs, and related items as we may reasonably direct from time to time in the Manuals or otherwise in writing; and to refrain from installing or permitting to be installed on or about the Restaurant premises, without our prior written consent, any fixtures, furnishings, equipment, décor items, signs, games, vending machines or other items not previously approved as meeting our standards and specifications. If any of the property described above is leased by you from a third party, such lease shall be approved by us, in writing, prior to execution. Our approval shall be conditioned upon such lease containing a provision which permits any interest of yours in the lease to be assigned to us upon the termination or expiration of this Agreement and which prohibits the lessor from imposing an assignment or related fee upon us in connection with such assignment.

7.5.6 To grant us and our agents the right to enter upon the Restaurant premises, including any separate storage areas, during normal business hours for the purpose of conducting inspections; to cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from us or our agents and without limiting our other rights under this Agreement, to take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Should you, for any reason, fail to correct such deficiencies within a reasonable time as determined by us, we shall have the right and authority (without, however, any obligation to do so) to correct such deficiencies and charge you a reasonable fee for our expenses in so acting, payable by you immediately upon demand.

7.5.7 To maintain a competent, conscientious, trained staff and to take such steps as are necessary to ensure that your employees preserve good customer relations and comply with such dress code as we may reasonably prescribe from time to time.

7.5.8 To install and maintain the communications equipment and software necessary to permit us to electronically access your computer system in accordance with our specifications, thereby permitting us to inspect and monitor electronically information concerning the Restaurant, inventory, Gross Sales, and such other information as may be contained or stored in the computer system and such other information as may be contained or stored in such hardware, equipment and software. You shall obtain and maintain high speed Internet access or other means of electronic communications, at all times and in the manner specified by us from time to time. It shall be a material default under this Agreement if you fail to maintain such equipment, lines and communication methods in operation and accessible to us at all times

throughout the term of this Agreement. We shall have access as provided herein at all times and in such manner as we shall from time to time specify.

7.5.9 To honor all credit, charge, courtesy or cash cards or other credit devices required or approved by us. You must obtain our written approval prior to honoring any previously unapproved credit, charge, courtesy or cash cards or other credit devices.

7.5.10 To sell or otherwise issue gift cards or certificates (together “Gift Cards”) that have been prepared utilizing the standard form of Gift Card provided or designated by us, and only in the manner specified by us in the Manuals or otherwise in writing. You shall fully honor all Gift Cards that are in the form provided or approved by us regardless of whether a Gift Card was issued by you or another Restaurant in the System. You shall sell, issue, and redeem (without any offset against any Royalty Fees) Gift Cards in accordance with procedures and policies specified by us in the Manuals or otherwise in writing, including those relating to procedures by which you shall request reimbursement for Gift Cards issued by other Restaurants and for making timely payment to us, other operators of Restaurants, or a third-party service provider for Gift Cards issued from the Restaurant that are honored by us or other Restaurant operators. We reserve the right to alter the terms and conditions of any gift card programs, including reserving the right to apply changes retroactively to benefits already accrued under such programs.

7.5.11 We anticipate that your employees will use their personal motor vehicles to provide any delivery and/or catering services (if your Restaurant is permitted to provide these services). We reserve the right to require you to have temporary signage placed on each motor vehicle. We expect that all motor vehicles will be kept clean, in good working order and properly registered and insured. You must have each person providing those services to comply with all laws, regulations and rules of the road, including complying with all hands-free and no-texting laws, and to use due care and caution operating and maintaining the motor vehicles. Except as described in this paragraph, we do not have any standards or exercise control over any motor vehicle that you use.

7.6 Proprietary Products

We and our affiliates reserve the right to develop a line of proprietary products that are manufactured according to our specifications. Because of the importance of quality and uniformity of production and the significance of such products in the System, it is to the mutual benefit of the parties that we closely control the production and distribution of such products. Accordingly, you agree that if such products become a part of the System, you shall use only our secret recipes and offer for sale only our proprietary products and shall purchase all of your requirements for such proprietary products solely from us, our affiliates, or from a source designated by us. You further agree to purchase from us, our affiliates or our designated supplier for resale to your customers certain merchandise identifying the System as we shall require, such as logoed merchandise, memorabilia and promotional products, in amounts sufficient to satisfy your customer demand.

7.7 Advertising and Promotional Materials

You shall require all advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Franchised Business), and other items which may be designated by us to bear the Marks in the form, color, location and manner prescribed by us, including, without limitation, notations about the ownership of the Marks. We reserve the right to develop or for our affiliates to develop advertising and promotional materials and we or our affiliates may charge you a fee for these items.

7.8 Complaints

You shall process and handle all consumer complaints connected with or relating to the Restaurant, and shall promptly notify us by telephone and in writing of all of the following complaints: (i) food related

illnesses, (ii) environmental, safety or health violations, (iii) claims exceeding Five Hundred Dollars (\$500), and (iv) any other material claims against or losses suffered by you. You shall maintain for our inspection any governmental or trade association inspection reports affecting the Restaurant or equipment located in the Restaurant during the term of this Agreement and for thirty (30) days after the expiration or earlier termination hereof.

7.9 Assignment of Numbers and Listings.

At Franchisor's request, Franchisee shall execute such forms and documents as Franchisor deems necessary to appoint Franchisor as its true and lawful attorney-in-fact, with full power and authority, for the sole purpose of assigning to Franchisor, Franchisee's telephone numbers and listings. Franchisee shall provide Franchisor with passwords and administrator rights for all email, software, social media or other such accounts used or created by Franchisee in order to operate the Franchised Business. Upon the expiration or termination of this Agreement, Franchisor may exercise its authority, pursuant to such documents, to obtain any and all of Franchisee's rights to the telephone numbers of the Franchised Business and all related telephone directory listings and other business listings, and all Internet listings, domain names, Internet advertising, websites, listings with search engines, electronic mail addresses, social media, or any other similar listing or usages related to the Franchised Business. Franchisee agrees that it shall have no authority to and shall not establish any website or listing on the internet or world wide web without Franchisor's express written consent, which consent may be denied without reason

7.10 Unapproved Products and Services

In the event you sell any product or perform any services that we have not prescribed, approved or authorized, you shall immediately upon notice from us: (i) cease and desist offering or providing the unauthorized or unapproved product or service (ii) pay to us, on demand, a prohibited product or service fine equal to Two Hundred Fifty Dollars (\$250) per day for each day such unauthorized or unapproved product or service is offered or provided by you after written notice from us. The prohibited product or service fine shall be in addition to all other remedies available to us under this Agreement or at law.

7.11 Customer Surveys; Mystery Shopper

7.11.1 You shall participate in all customer surveys and satisfaction audits, which may require that you provide discounted or complimentary products, provided that such discounted or complimentary sales shall not be included in the Gross Sales of the Restaurant. Additionally, you shall participate in any complaint resolution and other programs as we may reasonably establish for the System, which programs may include, without limitation, providing discounts or refunds to customers.

7.11.2 We may designate an independent evaluation service to conduct a "mystery shopper" quality control and evaluation program with respect to Franchised Businesses. You agree that the Franchised Business will participate in such mystery shopper program, as prescribed and required by us, provided that Restaurants owned by us, our affiliates and our franchisees also will participate in such program to the extent we have the right to require such participation, and you further agree to pay all fees related to such mystery shopper program.

7.12 Pricing

Where permitted by applicable law, we may provide you written notice regarding the maximum prices which you must charge your customers for menu items, products and services provided or sold under the System. Any such notice, if given at all, will be binding on you and you agree to comply with our pricing guidelines. Nothing contained herein shall be deemed a representation by us that if you follow such guidelines you will, in fact, generate a profit. You are obligated to inform us of all prices charged for products sold by you and to inform us of any modifications of your prices. We may exercise rights with respect to pricing programs and products to the fullest extent permitted by then-applicable law. These rights

may include (without limitation) establishing the maximum retail prices which you may charge customers for the programs or products offered and sold at your Restaurant; recommending retail prices; advertising specific retail prices for some or all programs, products or sold by your Franchised Business, which prices you agree to observe (sometimes known as “price point advertising campaigns”); engaging in advertising, promotional programs and related programs which you must participate in and which may directly or indirectly impact your retail prices (such as “buy one, get one free”); and otherwise mandating, directly or indirectly, the maximum retail prices which your Restaurant may charge the public for the programs, products and services it offers. We may engage in any such activity at any time throughout the term of this Agreement. Further, we may engage in such activity only in certain geographic areas (towns, cities, states, regions) and not others, or with regard to certain subsets of franchisees and not others. You acknowledge and agree that any maximum prices we establish or suggest may or may not optimize the revenues or profitability of your Restaurant. You entirely waive any and all claims related to our establishment of prices charged at your Restaurant.

7.13 On-line Orders

We reserve the right to require you to participate in an on-line ordering program, whereby your customers are able to submit food orders through the Internet. You agree to pay any then-current fees to our approved supplier for participation in the on-line ordering program, and to comply with all rules and procedures applicable to such program(s).

ARTICLE 8

ADVERTISING AND RELATED FEES

Recognizing the value of advertising and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

8.1 Participation in Advertising

8.1.1 We may from time to time develop and create advertising and sales promotion programs designed to promote and enhance the collective success of all Restaurants operating under the System. You shall participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by us for each program, which programs may be in addition to your participation in other advertising programs described in this Article 8, including Local Advertising, Cooperative advertising, and the Worldwide Creative Marketing Fund. In all aspects of these programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by us shall be final and binding upon you. Any promotional program you elect to conduct must be pre-approved by us in the manner described in Section 8.5 below, unless we have devised the promotional program. You shall bear all costs related to any promotional programs we require, including without limitation labor, marketing materials, furniture, equipment, food costs and services by creative advertising vendors. The cost of any promotional program we devise for you to participate in shall not exceed Six Hundred Dollars (\$600) per each day of the promotional program.

8.1.2 We may, from time to time, incorporate into the System programs, products or services which we either develop or otherwise obtain rights to, which are offered and sold under names, trademarks and/or service marks other than the Marks and which your Franchised Business, along with other Restaurants, will be required to offer and sell. This activity, referred to as “cobranding”, may involve changes to the Marks and may require you to make modifications to your premises and the furniture, fixtures, equipment, signs and trade dress of your Franchised Business. If you receive written notice that we are instituting a cobranding program, you agree promptly to implement that program at your Franchised Business at the earliest commercially reasonable time and to execute any and all instruments required to do

so. Under no circumstance will any cobranding program increase your Royalty Fees, Worldwide Creative Marketing Fee or local advertising expenditure obligations under this Agreement.

8.2 Local Advertising Expenditures

8.2.1 In addition to the ongoing advertising contributions set forth herein, and subject to any allocation of your expenditures for local advertising to a Cooperative as described in Section 8.4, you shall spend, throughout the term of this Agreement, a minimum of one percent (1%) of Gross Sales each month on advertising for the Restaurant in your Designated Territory (“Local Advertising”). You shall submit to us a monthly update to your marketing plan before the end of every month including an expenditure report and verification copies of all advertising to show that you have complied with your Local Advertising requirement for the previous calendar month, and any other information that we require. You shall also provide to us for our review and approval, not later than the week before Thanksgiving Day of each year, a proposed advertising budget and plan for the next calendar year.

8.2.2 In addition to your monthly Local Advertising requirement, you agree to participate in any other advertising, promotional or marketing programs to advertise the Restaurants. The cost for participation in promotional programs will vary depending on the length and type of promotion. The costs will include labor, marketing materials, furniture, equipment and/or food. The cost of promotional programs varies, depending on length and type of promotion. These promotions, if not designated by us, must first be approved by us as described in Section 8.5 below.

8.3 Worldwide Creative Marketing Fund

We may, in our discretion, administer a Worldwide Creative Marketing Fund for the purpose of advertising the System on a regional or national basis (the “Worldwide Creative Marketing Fund”). You agree to contribute to the Worldwide Creative Marketing Fund as described in Section 4.3 above. You agree that the Worldwide Creative Marketing Fund shall be maintained and administered by us or our designee as follows:

8.3.1 We shall direct all advertising programs and shall have sole discretion to approve or disapprove the creative concepts, materials and media used in such programs and the placement and allocation thereof. You agree and acknowledge that the Worldwide Creative Marketing Fund is intended to maximize general public recognition and acceptance of the Marks and enhance the collective success of all Restaurants operating under the System. We may use monies from the Worldwide Creative Marketing Fund to offset the cost of refresher training programs and our annual meeting of our franchisees, to conduct mystery shopper programs, and to ensure 4 Walls Marketing. We and our affiliates shall, with respect to Restaurants operated by us, contribute to the Worldwide Creative Marketing Fund generally on the same basis as you. In administering the Worldwide Creative Marketing Fund, we and our designees undertake no obligation to make expenditures for you which are equivalent or proportionate to your contribution or to ensure that any particular franchisee benefits directly or *pro rata* from the placement of advertising. We shall be entitled to reimbursement from the Worldwide Creative Marketing Fund for our reasonable expenses in managing the Worldwide Creative Marketing Fund; provided, however, that our reimbursements will not exceed twenty percent (20%) of the Worldwide Creative Marketing Fund.

8.3.2 You agree that the Worldwide Creative Marketing Fund may be used to satisfy any and all costs of maintaining, administering, directing and preparing advertising (including, without limitation, the cost of preparing and conducting digital, television, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; Internet marketing; public relations activities; employing advertising agencies to assist therein; employing mystery shopper services; social media initiatives; and costs of our personnel and other departmental costs for advertising that is internally administered or prepared by us). All sums paid by you to the Worldwide Creative Marketing Fund shall be maintained in a separate account from our general funds and may be used to defray our expenses, if any,

as we may incur in activities reasonably related to the administration or direction of the Worldwide Creative Marketing Fund, such as salaries and overhead costs, and advertising programs for franchisees and the System, as described above. The Worldwide Creative Marketing Fund and its earnings shall not otherwise inure to our benefit. The Worldwide Creative Marketing Fund is operated solely as a conduit for collecting and expending the Worldwide Creative Marketing Fees as outlined above. The Worldwide Creative Marketing Fund and its earnings shall not otherwise inure to our benefit except that any resulting technology and intellectual property shall be deemed our property.

8.3.3 A statement of the operations of the Worldwide Creative Marketing Fund shall be prepared annually by us and shall be made available to you upon request. This statement of operations may be unaudited.

8.3.4 Any monies remaining in the Worldwide Creative Marketing Fund at the end of any year will carry over to the next year. Although the Worldwide Creative Marketing Fund is intended to be of perpetual duration, we may terminate the Worldwide Creative Marketing Fund at any time. The Worldwide Creative Marketing Fund shall not be terminated, however, until all monies in the Worldwide Creative Marketing Fund have been expended for advertising or promotional purposes or returned to contributing Franchised Businesses, including those operated by us, without interest, on the basis of their respective contributions.

8.3.5 If we elect to terminate the Worldwide Creative Marketing Fund, we may, in our sole discretion, reinstate the Worldwide Creative Marketing Fund at any time. If we so choose to reinstate the Worldwide Creative Marketing Fund, said reinstated Worldwide Creative Marketing Fund shall be maintained as described herein.

8.3.6 No money in the Worldwide Creative Marketing Fund will be used to create and place advertising that is primarily a solicitation of franchise sales.

8.4 Advertising Cooperative Funds

We may, in our discretion, create a regional advertising cooperative (“Cooperative”) in any area, or we may approve the creation of such a Cooperative by franchisees in the System, and establish the rules and regulations therefor. Immediately upon our request, you must become a member of the Cooperative for the area where your Restaurant is located. In no event may the Restaurant be required to be a member of more than one Cooperative. The Cooperative must be governed in the manner we prescribe. The Cooperative may require each of its members to make contributions thereto. You shall contribute such amounts at the times and in the manner as determined by the Cooperative members. Any funds contributed to a Cooperative will be credited against your obligation to pay for Local Advertising as set forth in Section 8.2 above; provided, however, that if your contributions to a Cooperative are less than your Local Advertising requirement, you shall nevertheless spend the difference locally. The following provisions apply to each Cooperative:

8.4.1 the Cooperative must be organized and governed in a form and manner, and commence operation on a date, that we approve in advance in writing;

8.4.2 the Cooperative must be organized for the exclusive purpose of administering advertising programs and developing, subject to our approval, standardized promotional materials for the members’ use in Local Advertising within the Cooperative’s area;

8.4.3 the Cooperative must have written governing documents of its rules and procedures, but such rules or procedures must be approved by us and must not restrict or expand your rights or obligations under this Agreement;

8.4.4 except as otherwise provided in this Agreement, and subject to our approval, any lawful action of the Cooperative (including, without limitation, imposing assessments for Local Advertising) at a meeting attended by members possessing more than fifty percent (50%) of the total voting power in the Cooperative is binding upon you if approved by members possessing more than fifty percent (50%) of the total voting power possessed by members in attendance, with each Restaurant having one (1) vote, but no franchisee (or commonly controlled group of franchisees) may have more than twenty-five percent (25%) of the vote in the Cooperative regardless of the number of Restaurants owned;

8.4.5 without our prior written approval, the Cooperative may not use, nor furnish to its members, any advertising or promotional plans or materials; all such plans and materials must be submitted to us in accordance with the procedure set forth in Section 8.5;

8.4.6 the Cooperative may require its members to contribute to it quarterly and in such amounts as it determines; provided, however, that in no event may contributions to the Cooperative exceed one-half of one percent (0.5%) of Gross Sales;

8.4.7 no later than the fifteenth (15th) day following the close of each quarter, each member/franchisee must submit its contribution under Section 8.4.6 for the preceding quarter to the Cooperative, together with such other statements or reports as we or the Cooperative may require, with our prior written approval; and

8.4.8 if an impasse occurs because of a Cooperative members' inability or failure, within forty-five (45) days, to resolve any issue affecting the Cooperative's establishment or effective functioning, upon request of any Cooperative member, that issue must be submitted to us for consideration, and our resolution of such issue is final and binding on all Cooperative members.

8.5 Conduct of Advertising; Our Approval

All advertising and promotion by you in any medium shall be conducted in a professional manner and shall conform to our standards and requirements as set forth in the Manuals or otherwise. You shall obtain our approval of all advertising and promotional plans and materials prior to use if such plans and materials have not been prepared by us or previously approved by us during the twelve (12) months prior to their proposed use. You shall submit such unapproved plans and materials to us, and we shall have fifteen (15) days to notify you of our approval or disapproval of such plans or materials. If we do not provide our specific approval of the proposed plans or materials within this fifteen (15) day period, the proposed plans or materials are deemed to be not approved. Any plans and materials that you submit to us for our review will become our property and there will be no restriction on our use or dissemination of such plans and materials. We reserve the right to require you to include certain language on all advertising to be used locally by you or to be used by a Cooperative, including, but not limited to, "Franchises Available" and reference to our telephone number and/or website.

8.6 Websites and Social Media

8.6.1 We alone may establish, maintain, modify or discontinue all Internet, worldwide web and electronic commerce activities pertaining to the System. We may establish one or more websites accessible through one or more uniform resource locators ("URLs") and, if we do, we may design and provide for the benefit of your Restaurant a "click through" subpage at our website for the promotion of your Restaurant. If we establish one or more websites or other modes of electronic commerce and if we provide a "click through" subpage at the website(s) for the promotion of your Restaurant, you must routinely provide us with updated copy, photographs and news stories about your Restaurant suitable for posting on your "click through" subpage. We reserve the right to specify the content, frequency and procedure you must follow for updating your "click through" subpage.

8.6.2 Any websites or other modes of electronic commerce that we establish or maintain, including, but not limited to, any mobile applications (“Apps”) that we may introduce, may, in addition to advertising and promoting the products, programs or services available at the Restaurants, be devoted in part to offering GX Greek Xpress franchises for sale and be used by us to exploit the electronic commerce rights which we alone reserve.

8.6.3 You may not maintain your own website; otherwise maintain a presence or advertise on the internet or any other mode of electronic commerce in connection with your Restaurant; establish a link to any website we establish at or from any other website or page; or at any time establish any other website, electronic commerce presence or URL which in whole or in part incorporates the “GX Greek Xpress” name or any name confusingly similar to the Proprietary Marks.

8.6.4 You are not permitted to promote your Franchised Business or use any of the Proprietary Marks in any manner on any social or networking websites, such as Facebook, LinkedIn or Twitter, without our prior written consent. We will control all social media initiatives. You must comply with our System standards regarding the use of social media in your Franchised Business’s operation, including prohibitions on your and the Franchised Business’s employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us (“social media” includes personal blogs, common social networks like Facebook, YouTube, FourSquare Tumblr, and Instagram, professional networks like LinkedIn, live-blogging tools like Twitter, Snapchat, TikTok, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). If we provide you with access to branded social media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local social media on your behalf.

8.6.5 We will have the right to establish a website or other electronic system providing private and secure communications (such as an intranet) between us, our franchisees, and other persons and entities that we decide are appropriate. If we require, you must establish and maintain access to the intranet in the manner we designate. Additionally, we may periodically prepare agreements and policies concerning the use of the intranet that you must acknowledge and/or sign.

8.6.6 We alone will be, and at all times will remain, the sole owner of the copyrights to all material which appears on any website we establish and maintain, including any and all material you may furnish to us for your “click through” subpage.

8.7 Advisory Council

We reserve the right to establish an advisory council to work with us to improve various aspects of our System, including advertising, merchandising, food products, and other items. If we choose to establish an advisory council, its members will include franchisee representatives and our representatives. The franchisee representatives may be chosen by us or elected by other franchisees in the System. If established, the advisory council will act in an advisory capacity only and will not have decision making authority. We have the right to form, change, merge or dissolve any advisory council at any time. You understand and agree that if you participate in an advisory council, you shall pay any expenses you incur related to such participation, such as travel and living expenses to attend meetings.

8.8 Grand Opening Advertising Campaign

You agree to expend Ten Thousand Dollars (\$10,000) on a grand opening advertising campaign to promote the opening of the Restaurant (“Grand Opening Advertising Campaign”). You may not use a Grand Opening Advertising Campaign until it has received our approval. Any alterations made to the Grand Opening Advertising Campaign after we have approved it must be submitted to us for approval. We shall have sixty (60) days after receipt of your proposed Grand Opening Advertising Campaign to complete

our review. We reserve the right to: (i) create a grand opening advertising campaign for you to conduct, or (ii) collect a non-refundable fee of Ten Thousand Dollars (\$10,000) and conduct the grand opening advertising campaign on your behalf. You agree to render such assistance to us as necessary to finalize the Grand Opening Advertising Campaign. The grand opening advertising campaign must include the elements that we require including, but not limited to, food and merchandise giveaways.

ARTICLE 9

MARKS

9.1 Use of Marks

We grant you the right to use the Marks during the term of this Agreement in accordance with the System and related standards and specifications.

9.2 Ownership of Marks; Limited License

You expressly understand and acknowledge that:

9.2.1 We are the owner or the licensee of the owner of all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them. All references herein to our right, title and interest in and to the Marks shall be deemed to include the owner's right, title and interest in and to the Marks.

9.2.2 Neither you nor any Controlling Principal shall take any action that would prejudice or interfere with the validity of our rights with respect to the Marks. Nothing in this Agreement shall give you any right, title, or interest in or to any of the Marks or any service marks, trademarks, trade names, trade dress, logos, copyrights or proprietary materials, except the right to use the Marks and the System in accordance with the terms and conditions of this Agreement for the operation of the Restaurant and only at or from its Accepted Location or in approved advertising related to the Restaurant.

9.2.3 You understand and agree that the limited license to use the Marks granted hereby applies only to such Marks as are designated by us, and which are not subsequently designated by us as being withdrawn from use, together with those which may hereafter be designated by us in writing. You expressly understand and agree that you are bound not to represent in any manner that you have acquired any ownership or equitable rights in any of the Marks by virtue of the limited license granted hereunder, or by virtue of your use of any of the Marks.

9.2.4 You understand and agree that any and all goodwill arising from your use of the Marks and the System shall inure solely and exclusively to our benefit, and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with your use of the Marks.

9.2.5 You shall not contest the validity of or our interest in the Marks or assist others to contest the validity of or our interest in the Marks.

9.2.6 You acknowledge that any unauthorized use of the Marks shall constitute an infringement of our rights in the Marks and a material event of default hereunder. You agree that you shall provide us with all assignments, affidavits, documents, information and assistance we reasonably request to fully vest in us all such rights, title and interest in and to the Marks, including all such items as are reasonably requested by us to register, maintain and enforce such rights in the Marks.

9.2.7 If it becomes advisable at any time, in our discretion, to modify or discontinue use of any Mark and/or to adopt or use one or more additional or substitute proprietary marks, then you shall

be obligated to comply with any such instruction by us. We shall not have any obligation in such event to reimburse you for your documented expenses of compliance. You waive any claim arising from or relating to any Mark change, modification or substitution. We will not be liable to you for any expenses, losses or damages sustained by you as a result of any Mark addition, modification, substitution or discontinuation. You covenant not to commence or join in any litigation or other proceeding against us for any of these expenses, losses or damages.

9.3 Limitation on Use of Marks

With respect to your licensed use of the Marks pursuant to this Agreement, you further agree that:

9.3.1 Unless otherwise authorized or required by us, you shall operate and advertise the Restaurant only under the name “GX Greek Xpress” without prefix or suffix. You shall not use the Marks, or any portions, variations, or derivatives thereof, as part of your corporate or other legal name, and shall obtain our approval of such corporate or other legal name prior to filing it with the applicable state authority.

9.3.2 During the term of this Agreement and any successor term, you shall identify yourself as the independent owner of the Restaurant in conjunction with any use of the Marks, including, but not limited to, uses on invoices, order forms, receipts and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Restaurant or any delivery and/or catering motor vehicle as we may designate in writing.

9.3.3 You shall not use the Marks to incur any obligation or indebtedness on our behalf;

9.3.4 You shall comply with our instructions in filing and maintaining the requisite trade name or fictitious name registrations, and shall execute any documents deemed necessary by us or our counsel to obtain protection of the Marks or to maintain their continued validity and enforceability.

9.4 Notification of Infringement or Claim

You shall notify us immediately by telephone and thereafter in writing of any apparent infringement of or challenge to your use of any Mark, of any claim by any person of any rights in any Mark, and you and the Controlling Principals shall not communicate with any person other than us, our counsel and your counsel in connection with any such infringement, challenge or claim. We shall have complete discretion to take such action as we deem appropriate in connection with the foregoing, and the right to control exclusively, any settlement, litigation or Patent and Trademark Office or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Mark. You agree to execute any and all instruments and documents, render such assistance, and do such acts or things as may, in our opinion, reasonably be necessary or advisable to protect and maintain our interests in any litigation or other proceeding or to otherwise protect and maintain the interests of us or any other interested party in the Marks. We will indemnify you and hold you harmless from and against any and all claims, liabilities, costs, damages and reasonable expenses for which you are held liable in any proceeding arising out of your use of any of the Marks (including settlement amounts), provided that the conduct of you and the Controlling Principals with respect to such proceeding and use of the Marks is in full compliance with the terms of this Agreement.

9.5 Retention of Rights by Us

The right and license of the Marks granted hereunder to you is non-exclusive and we thus have and retain the following rights, among others, subject only to the limitations of Article 1:

9.5.1 To grant other licenses for use of the Marks, in addition to those licenses already granted to existing franchisees;

9.5.2 To develop and establish other systems using the Marks or other names or marks and to grant licenses thereto without providing any rights to you; and

9.5.3 To engage, directly or indirectly, through our employees, representatives, licensees, assigns, agents and others, at wholesale, retail or otherwise, in (a) the production, distribution, license and sale of products and services, and (b) the use in connection with such production, distribution and sale, of the Marks and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by us.

9.6 No Registration

You acknowledge that we do not make any representation or warranty to you that any of the Marks are registered or registerable, that we have the right or exclusive right to use any of the Marks, or that the Marks do not infringe any intellectual property, proprietary or other right of any person.

ARTICLE 10

CONFIDENTIALITY AND NON-COMPETITION COVENANTS

10.1 Confidential Operations Manuals

10.1.1 To protect our reputation and goodwill and to maintain high standards of operation under the Marks, you shall conduct your business in accordance with the Manuals, other written directives which we may reasonably issue to you from time to time whether or not such directives are included in the Manuals, and any other manuals and materials created or approved for use in the operation of the Franchised Business.

10.1.2 You and the Controlling Principals shall at all times treat the Manuals, any of our written directives, and any other manuals and materials, and the information contained therein as confidential and shall maintain such information as trade secret and confidential in accordance with this Article 10. You and the Controlling Principals shall divulge and make such materials available only to such of your employees as must have access to it in order to operate the Restaurant. You and the Controlling Principals shall not at any time copy, duplicate, record or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any person other than those authorized above.

10.1.3 The Manuals, written directives, other manuals and materials and any other confidential communications provided or approved by us shall at all times remain our sole property, shall at all times be kept in a secure place on the Restaurant premises, and shall be returned to us immediately upon request or upon termination or expiration of this Agreement.

10.1.4 The Manuals, any written directives, and any other manuals and materials issued by us and any modifications to such materials shall supplement and be deemed part of this Agreement.

10.1.5 We may from time to time revise the contents of the Manual and the contents of any other manuals and materials created or approved for use in the operation of the Franchised Business. If we provided a hard copy of the Manual to you, then you shall remove and return to us all pages of the Manual that have been replaced or updated by us. You expressly agree to comply with each new or changed standard.

10.1.6 You shall at all times ensure that the Manuals are kept current and up to date. In the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by us at our headquarters shall control.

10.2 Confidential Information

10.2.1 Neither you nor any Principals shall, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, persons, partnership, association or corporation and, following the expiration or termination of this Agreement, they shall not use for their own benefit any confidential information, knowledge or know-how concerning the methods of operation of the Franchised Business which may be communicated to them or of which they may be apprised in connection with the operation of the Restaurant under the terms of this Agreement. You and the Controlling Principals shall divulge such confidential information only to such of your employees as must have access to it in order to operate the Restaurant. Any and all information, knowledge, know-how, techniques and any materials used in or related to the System which we provide to you in connection with this Agreement shall be deemed confidential for purposes of this Agreement. Neither you nor the Controlling Principals shall at any time, without our prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person. The covenants in this Section shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon you and each of the Controlling Principals.

10.2.2 You shall require and obtain the execution of covenants similar to those set forth in Section 10.2.1 from your General Manager, Managers and all other of your personnel who have received or will have access to confidential information. Such covenants shall be substantially in the form set forth in Attachment D. Principals that we do not designate to execute this Agreement as Controlling Principals, shall be required to execute the above referenced covenants.

10.2.3 If you, the Principals, the General Manager, Managers or any of your employees develop any new concept, process, product, recipe, or improvement in the operation or promotion of the Restaurant, you are required to promptly notify us and provide us with all necessary related information, without compensation. You and the Controlling Principals acknowledge that any such concept, process product, recipe, or improvement will become our property, and we may use or disclose such information to other franchisees as we determine to be appropriate.

10.3 Non-Competition

10.3.1 You and the Controlling Principals specifically acknowledge that, pursuant to this Agreement, you and the Controlling Principals will receive valuable training, trade secrets and confidential information, including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of us and the System which are beyond the present skills and experience of you and the Controlling Principals and your managers and employees. You and the Controlling Principals acknowledge that such specialized training, trade secrets and confidential information provide a competitive advantage and will be valuable to them in the development and operation of the Restaurant, and that gaining access to such specialized training, trade secrets and confidential information is, therefore, a primary reason why they are entering into this Agreement. In consideration for such specialized training, trade secrets and confidential information (including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of us and the System which are beyond the present skills and experience of you and the Controlling Principals and your managers and employees), you and the Controlling Principals covenant that with respect to you, during the term of this Agreement (or with respect to each of the Controlling Principals, during the term of this Agreement for so long as such individual or entity satisfies the definition of "Controlling Principals" as described in Section 19.17 of this Agreement), except as otherwise approved in writing by us, which approval may be withheld or denied in our sole and absolute discretion, neither you nor any of the Controlling Principals shall, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person(s), partnership or corporation:

(a) Divert, or attempt to divert, any business or customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Own, maintain, operate, engage in, or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to, any business located within the United States, its territories, states or commonwealths, or any other country, province, state or geographic area in which we have used, sought registration of or registered the same or similar Marks or operates or licenses others to operate a business under the same or similar Marks, which business is of a character and concept similar to the Restaurant, including a food service business which offers and sells the same or substantially similar food products (a “Competitive Business”).

10.3.2 With respect to you, and for a continuous uninterrupted period commencing upon the expiration, termination of, or transfer of all of your interest in, this Agreement (or, with respect to each of the Controlling Principals, commencing upon the earlier of: (i) the expiration, termination of, or transfer of all of your interest in, this Agreement or (ii) the time such individual or entity ceases to satisfy the definition of “Controlling Principals” as described in Section 19.17 of this Agreement) and continuing for two (2) years thereafter, except as otherwise approved in our sole and absolute discretion, neither you, nor any of the Controlling Principals shall, directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, persons, partnership, or corporation:

(a) Divert, or attempt to divert, any business or customer of the Franchised Business hereunder to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Own, maintain, operate, engage in, or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to any Competitive Business, which business is, or is intended to be, located within a twenty (20) mile radius of the location of any Restaurant in the System.

10.3.3 The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect our goodwill or other business interests. The parties agree that each of the covenants herein shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, you and the Controlling Principals expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section.

(a) You and the Controlling Principals understand and acknowledge that we shall have the right, in our sole and absolute discretion, to reduce the scope of any covenant set forth in this Section 10.3, or any portion thereof, without their consent, effective immediately upon notice to you; and you and the Controlling Principals agree that they shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 19.2 hereof.

(b) You and the Controlling Principals expressly agree that the existence of any claims they may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section.

(c) Sections 10.3.1(b) and 10.3.2(b) shall not apply to ownership of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held company.

10.3.4 You shall require and obtain execution of covenants similar to those set forth in this Section 10.3 (including covenants applicable upon the termination of a person's employment with you) from your General Manager, Managers and all other of your personnel who have received or will have access to training from us. Such covenants shall be substantially in the form set forth in Attachment D. Principals that we do not designate to execute this Agreement as Controlling Principals shall be required to execute the above referenced covenants. Notwithstanding the foregoing, we reserve the right, in our sole discretion, to decrease the period of time or geographic scope of the non-competition covenant set forth in Attachment D or eliminate such non-competition covenant altogether for any party that is required to execute such agreement under this Section 10.3.4.

10.4 Failure to Comply

You and the Controlling Principals acknowledge that any failure to comply with the requirements of this Section shall constitute a material event of default under Article 17 hereof. You and the Controlling Principals acknowledge that a violation of the terms of this Section would result in irreparable injury to us for which no adequate remedy at law may be available, and you and the Controlling Principals accordingly consent to the issuance of an injunction prohibiting any conduct by you or the Controlling Principals in violation of the terms of this Section. You and the Controlling Principals agree to pay all court costs and reasonable attorneys' fees incurred by us in connection with the enforcement of this Section, including payment of all costs and expenses for obtaining specific performance of, or an injunction against violation of, the requirements of such Section.

Notwithstanding the generality of the foregoing, you further understand and agree that if you fail to comply with a non-competition covenant stated herein, you agree to pay to us Five Hundred Dollars (\$500) per week for each week such failure to comply continues. The non-compliance fine shall be in addition to all other remedies available to us under this Agreement or at law.

ARTICLE 11

BOOKS AND RECORDS

11.1 Books and Records

You shall maintain during the term of this Agreement, and shall preserve for at least three (3) years from the dates of their preparation, full, complete and accurate books, records and accounts, including, but not limited to, sales slips, coupons, purchase orders, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers, records of EFT transactions, and backup or archived records of information maintained on any computer system in accordance with generally accepted accounting principles and in the form and manner prescribed by us from time to time in the Manuals or otherwise in writing.

11.2 Reports

In addition to the Royalty Report required by Article 4 hereof, you shall comply with the following reporting obligations:

11.2.1 You shall, at your expense, submit to us, in the form prescribed by us, a profit and loss statement of the Franchised Business for each month (which may be unaudited) within fifteen (15) days after the end of each month during the term hereof. Each such statement shall be signed by your treasurer or chief financial officer or comparable officer attesting that it is true, complete and correct;

11.2.2 You shall, at your expense, provide to us a complete annual financial statement (which shall be reviewed) for the Franchised Business prepared by an independent certified public accountant, within ninety (90) days after the end of each fiscal year during the term hereof, showing the results of your operations during such fiscal year; we reserve the right to require such financial statements to be audited by an independent certified public accountant satisfactory to us at your cost and expense if an inspection discloses an understatement of Gross Sales or payments due to us of two percent (2%) or more in any report, pursuant to Section 11.3; and

11.2.3 You shall also submit to us, for review or auditing, such other forms, reports, records, information and data as we may reasonably designate, and which pertain to the Franchised Business, in the form and at the times and places reasonably required by us, upon request and as specified from time to time in writing.

11.3 Audits

We or our designees shall have the right, during normal business hours, to review, audit, examine and copy any or all of your books, reports and records as we may require at the Restaurant. You shall make such books, reports and records available to us or our designees immediately upon request. If any required Royalty Fee or other payments due to us are delinquent, or if an inspection should reveal that such payments have been understated in any report to us, then you shall immediately pay to us the amount overdue or understated upon demand with late fees and interest determined in accordance with the provisions of Section 4.5. If an inspection discloses an understatement in any report of two percent (2%) or more, you shall, in addition, reimburse us for all costs and expenses connected with the inspection (including, without limitation, reasonable accounting, auditors' and attorneys' fees and expenses). These remedies shall be in addition to any other remedies we may have at law or in equity.

11.4 Correction of Errors

You understand and agree that our receipt or acceptance of any of the statements furnished or Royalty Fees and other fees paid to us (or the cashing of any checks or processing of any EFTs) shall not preclude us from questioning the correctness thereof at any time and, in the event that any inconsistencies or mistakes are discovered in such statements or payments, they shall immediately be rectified by you and the appropriate payment shall be made by you.

11.5 Authorization of Us

You hereby authorize (and agree to execute any other documents deemed necessary to effect such authorization) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other persons or entities with which you do business to disclose to us any requested financial information in their possession relating to you or the Restaurant. You authorize us to disclose data from your reports if we determine, in our sole and absolute discretion, that such disclosure is necessary or advisable, which disclosure may include disclosure to prospective or existing franchisees or other third parties, and you acknowledge and agree that such disclosure may include publishing of the financial performance of your Franchised Business in franchise disclosure document(s) issued by us following the Effective Date hereof.

11.6 We are Attorney-in-Fact

You hereby appoint us as your true and lawful attorney-in-fact with full power and authority, for the sole purpose of obtaining any and all returns and reports filed by you with any state and/or federal taxing authority pertaining to the Franchised Business. This power of attorney shall survive the expiration or termination of this Agreement.

ARTICLE 12

INSURANCE

12.1 You shall procure prior to beginning construction of the Restaurant and maintain in full force and effect at all times during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required hereunder for events having occurred during the term of this Agreement) at your expense, an insurance policy or policies protecting you and us, our successors and assigns, our officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of each of them against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Restaurant.

12.2 Such policy or policies shall be written by a responsible, duly licensed carrier or carriers reasonably acceptable to us, shall be written on an “occurrence” basis, and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by us from time to time), in accordance with standards and specifications set forth in writing, the following: We currently require our franchisees to have the following insurance coverages: (1) comprehensive general liability, including broad form contractual liability, employment practices coverage, broad form property damage, personal injury, facilities, completed operations, products liability, automobile (covering all vehicles used in the delivery of catering and products from the Restaurant, including owned, hired and non-owned vehicles), fire legal liability and alcoholic beverage liability in the amount of Two Million Dollars (\$2,000,000), however, in the event you offer alcoholic beverages from the Restaurant, you must include liquor liability and the amount of comprehensive general liability will increase to Five Million Dollars (\$5,000,000); (2) all risks coverage for full repair and replacement value of all of the equipment, fixtures and supplies used in your Restaurant with an agreed amount endorsement equal to 100% of the property’s value; (3) employer’s liability, workers’ compensation, errors and omissions (E&O), directors and officers general liability (D&O), and any other insurance that may be required by statute or rule of the state or locality in which the Restaurant is located and operated; (4) business interruption insurance of at least 50% of your annual gross sales excluding payroll, including naming us as an additional insured and loss payee for royalties that would have been paid by you based on the Restaurant’s Gross Sales during the preceding 12 month period; (5) any insurance coverages required by the terms of the lease for the Restaurant premises; and (6) any other insurance coverages we may require in the future. Such policies shall include a waiver of subrogation in favor of us, our affiliates, and our respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees.

12.3 In connection with any construction, renovation, refurbishment or remodeling of the Restaurant, you shall maintain builders’ risks insurance and performance and completion bonds in forms and amounts, and written by duly licensed carrier or carriers, reasonably satisfactory to us.

12.4 Your obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by us, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Article 15 of this Agreement.

12.5 All policies, including general liability and property damage policies shall contain a provision that we, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, although named as insureds, shall nevertheless be entitled to recover under such policies on any loss occasioned to us or our servants, agents or employees by reason of the negligence of you or your servants, agents or employees.

12.6 Not later than thirty (30) days before the Opening Date, and thereafter thirty (30) days prior to the expiration of any such policy, you shall deliver to us Certificates of Insurance evidencing the existence and continuation of proper coverage with limits not less than those required hereunder. In

addition, if requested by us, you shall deliver to us a copy of the insurance policy or policies required hereunder. All insurance policies required hereunder, with the exception of workers' compensation, shall name us, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional named insureds, and shall expressly provide that any interest of same therein shall not be affected by any breach by you of any policy provisions. Further, all insurance policies required hereunder shall expressly provide that no less than thirty (30) days' prior written notice shall be given to us in the event of a material alteration to or cancellation of the policies.

12.7 Should you, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by us in writing, we shall have the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge same to you, which charges shall be payable by you immediately upon notice together with a ten percent (10%) administrative fee. The foregoing remedies shall be in addition to any other remedies we may have at law or in equity.

12.8 Upon written request by us, you shall procure from your insurance carrier or carriers a report of claims made and reserves set against your insurance policies.

12.9 We reserve the right to modify the types of insurance coverages and amounts of coverage that you are required to maintain for the Restaurant, and you agree to comply with any such changes, at your expense.

ARTICLE 13

DEBTS AND TAXES

13.1 Taxes

13.1.1 You shall promptly pay when due all Taxes (as defined below), levied or assessed, and all accounts and other indebtedness of every kind incurred by you in the conduct of the Franchised Business under this Agreement. Without limiting the provisions of Article 15, you shall be solely liable for the payment of all Taxes and shall indemnify us for the full amount of all such Taxes and for any liability (including penalties, interest and expenses) arising from or concerning the payment of Taxes, whether such Taxes were correctly or legally asserted or not. You shall submit a copy of all tax filings sent to federal, state and local tax authorities to us within ten (10) business days after such filing has been made with the appropriate taxing authority.

13.1.2 If any amounts payable by you to us are subject to any Taxes that you are required to deduct from the payments, you shall promptly deliver to us at the time of payment all receipts of applicable governmental authorities for all such Taxes withheld or paid. If you or any other person is required by any law or regulation to make any deduction or withholding (on account of Tax or otherwise) from any payment for our or our affiliate's account, you shall, at our option, either: (a) together with the payment, pay such additional amount as will ensure that we or our affiliate receives (free and clear of any Tax or other deductions or withholding) the full amount which we would have received if no such deduction or withholding had been required; or (b) make such payment having taken into account the relevant deduction or withholding (on account of Tax or otherwise).

13.1.3 You shall ensure that any Taxes that you are required to deduct from amounts payable by you to us or our affiliates under this Agreement are paid to the relevant taxation authority on the same date as the amounts payable by you to us under this Agreement are paid to us.

13.1.4 You are responsible for and shall indemnify and hold us and our affiliates harmless against any penalties, interest and expenses incurred by or assessed against us or our affiliates as a result of your failure to withhold such Taxes or to timely remit them to the appropriate taxing authority. You shall fully and promptly cooperate with and assist us to provide all information and records we may request in connection with any application by us to any taxing authority with respect to Tax credits, exemptions or refunds available for any withholding or other Taxes paid or payable by you.

13.1.5 If we or our affiliates are required to refund to you any amounts paid hereunder, we and our affiliate(s) will not be required to refund that portion of those amounts that were withheld by you in order to comply with any applicable Tax law unless and until we or our affiliate receives a refund of those amounts from the applicable government or agency thereof, which is directly attributable to those amounts on our or our affiliate's income or with respect to which the period within which the credit may be reduced or disallowed has expired.

13.1.5 The term "Taxes" means any present or future taxes, levies, imposts, duties or other charges of whatever nature, including any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the Franchised Business, the payment of monies, taxes imposed on the Royalty Fees paid to us, or the exercise of rights granted pursuant to this Agreement, whether imposed upon you or us.

13.2 Payments to Us

Each payment to be made to us hereunder shall be free and clear and without deduction for any Taxes.

13.3 Tax Disputes

In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with the procedures of the taxing authority or applicable law. However, in no event shall you permit a tax sale or seizure by levy of execution or similar writ or warrant or attachment by a creditor to occur against the premises of the Franchised Business or any improvements thereon.

13.4 Compliance with Laws

You shall comply with all federal, state and local laws, rules and regulations and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the Franchised Business, including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, fire clearances, health permits, certificates of occupancy and any permits, certificates or licenses required by any environmental law, rule or regulation.

13.5 Notification of Action or Proceeding

You shall notify and deliver to us, in writing within five (5) days of the commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business. If you receive any notice, report, fine, test results or the like from the applicable provincial or local department of health (or other similar governmental authority), you shall promptly forward a copy of such document to our attention.

ARTICLE 14
TRANSFER OF INTEREST

14.1 Transfer by Us

We shall have the right to assign this Agreement and all of our attendant rights and privileges to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our functions: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing our obligations; and (ii) the assignee shall expressly assume and agree to perform such obligations.

You expressly affirm and agree that we may sell our assets, our rights to the Proprietary Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of said Proprietary Marks (or any variation thereof) and/or the loss of association with or identification of “Greek Xpress Franchising LLC” as Franchisor. Nothing contained in this Agreement shall require us to remain in the same business or to offer the same products and services, whether or not bearing the Proprietary Marks, in the event that we exercise our right to assign our rights in this Agreement.

14.2 Transfer by You

14.2.1 You understand and acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have granted rights under this Agreement in reliance on the business skill, financial capacity and personal character of you and the Controlling Principals. Accordingly, neither you nor any Controlling Principal, nor any successor or assignee of you or any Controlling Principal, shall sell, assign (including but not limited to by operation of law, such as an assignment under bankruptcy or insolvency laws, in connection with a merger, divorce or otherwise), transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in this Agreement, in the Restaurant and/or any of the Restaurant’s material assets (other than in connection with replacing, upgrading or otherwise dealing with such assets as required or permitted by this Agreement), in you or in any Controlling Principal that is an entity, in each case without our prior written consent. Any purported assignment or transfer, by operation of law or otherwise, made in violation of this Agreement shall be null and void and shall constitute a material event of default under this Agreement.

14.2.2 If you wish to transfer all or part of your interest in the Restaurant, any of the Restaurant’s material assets (except as provided in Section 14.2.1 above) or this Agreement, or if you or a Controlling Principal wishes to transfer or permit a transfer of any ownership interest in you or in a Controlling Principal that is an entity, then in each such case (any or all of which are referred to in this Article 14 as a “Restricted Transfer”), transferor and the proposed transferee shall apply to us for our consent. We shall not unreasonably withhold our consent to a Restricted Transfer. We may, in our sole discretion, require any or all of the following as conditions of our approval:

(a) All of the accrued monetary obligations of you or any of your affiliates and all other outstanding obligations to us arising under this Agreement or any other agreement shall have been satisfied in a timely manner and you shall have satisfied all trade accounts and other debts, of whatever nature or kind, in a timely manner;

(b) You and your affiliates shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between you or any of your affiliates and us or any of our affiliates at the time of transaction;

(c) The transferor and its principals (if applicable) shall have executed a general release, in a form reasonably satisfactory to us, of any and all claims against us, our officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement and federal, state and local laws, rules and regulations, except in respect of those claims which cannot be released by law;

(d) The transferee shall demonstrate to our reasonable satisfaction that transferee meets the criteria considered by us when reviewing a prospective franchisee's application for a franchise, including, but not limited to, our educational, managerial and business standards; transferee's good moral character, business reputation and credit rating; transferee's aptitude and ability to conduct the business franchised herein (as may be evidenced by prior related business experience or otherwise); transferee's financial resources and capital for operation of the business; and the geographic proximity and number of other Restaurants owned or operated by transferee;

(e) The transferee shall enter into a written agreement, in a form reasonably satisfactory to us, assuming full, unconditional, joint and several liability for, and agreeing to perform from the date of the transfer, all obligations, covenants and agreements contained in this Agreement; and, if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall execute such agreement as transferee's principals and guarantee the performance of all such obligations, covenants and agreements;

(f) The transferee shall execute, for a term ending on the expiration date of this Agreement and with such successor options as may be provided by this Agreement, the standard form franchise agreement then being offered to new System franchisees and other ancillary agreements as we may require for the Restaurant, which agreements shall supersede this Agreement and its ancillary documents in all respects and the terms of which agreements may differ from the terms of this Agreement, including, without limitation, the then-current System-wide percentage Royalty Fee, Worldwide Creative Marketing Fee or advertising expenditure requirement; provided, however, that the transferee shall not be required to pay any initial franchise fee;

(g) The transferee, at its expense, shall renovate, modernize and otherwise upgrade the Restaurant and, if applicable, any motor vehicles used for delivery and/or catering services to conform to the then-current standards and specifications of the System, and shall complete the upgrading and other requirements which conform to the System-wide standards within the time period reasonably specified by us;

(h) The transferor shall remain liable for all of the obligations to us in connection with the Restaurant incurred prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by us to evidence such liability;

(i) At the transferee's expense, the transferee, the transferee's general manager, managers and/or any other applicable Restaurant personnel shall complete any training programs then in effect for franchisees of Restaurants upon such terms and conditions as we may reasonably require;

(j) You shall pay to us a transfer fee equal to Fifteen Thousand Dollars (\$15,000) to reimburse us for reviewing the application to transfer, including, without limitation, legal and accounting fees;

(k) If the transferee is a corporation, limited liability company or a partnership, the transferee shall make and will be bound by any or all of the representations, warranties and

covenants set forth at Article 6 as we request. Transferee shall provide to us evidence satisfactory to us that the terms of such Section have been satisfied and are true and correct on the date of transfer.

14.2.3 You shall not grant a security interest in the Restaurant or in any of your assets without our prior written consent, which shall not be unreasonably withheld. In connection therewith, the secured party will be required by us to agree that in the event of any default by you under any documents related to the security interest, we shall have the right and option to be substituted as obligor to the secured party and to cure any default of yours.

14.2.4 You acknowledge and agree that each condition which must be met by the transferee is reasonable and necessary to assure such transferee's full performance of the obligations hereunder.

14.3 Transfer to a Corporation or Limited Liability Company

In the event the proposed transfer is from one (1) or more individuals to a corporation or limited liability company formed solely for the convenience of ownership, our consent may be conditioned upon any of the requirements set forth at Section 14.2.2, except that the requirements set forth at Sections 14.2.2(c), 14.2.2(d), 14.2.2(f), 14.2.2(g), 14.2.2(i), 14.2.2(j) and 14.2.2(k) shall not apply. With respect to a transfer to a corporation formed for the convenience of ownership, you shall be the owner of all of the voting stock or interest of the corporation and if you are more than one (1) individual, each individual shall have the same proportionate ownership interest in the corporation as he had in you prior to the transfer. A transfer under this Section 14.3 may occur one (1) time only and no transfer fee shall be imposed.

14.4 Our Right of First Refusal

14.4.1 If you wish to transfer all or part of your interest in the Restaurant or this Agreement or if you or a Controlling Principal wish to transfer any ownership interest in you, pursuant to any bona fide offer received from a third party to purchase such interest, then such proposed seller shall promptly notify us in writing of each such offer, and shall provide such information and documentation relating to the offer as we may require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all documentation required by us describing such offer, to send written notice to the seller that we intend to purchase the seller's interest on the same terms and conditions offered by the third party. In the event that we elect to purchase the seller's interest, closing on such purchase must occur within the latest of (i) sixty (60) days from the date of notice to the seller of the election to purchase by us, (ii) sixty (60) days from the date we receive or obtain all necessary documentation, permits and approvals, or (iii) such other date as the parties agree upon in writing. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by us as in the case of an initial offer. Our failure or refusal to exercise the option afforded by this Section 14.4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Article 14, with respect to a proposed transfer.

(a) In the case of a Restricted Transfer involving a bona fide purchase offer, then such proposed seller shall promptly notify us in writing of each such offer, and shall provide such information and documentation relating to the offer as we may require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all documentation required by us describing such offer, to send written notice to the seller that we intend to purchase the interest proposed to be transferred in the Restricted Transfer on the same terms and conditions offered by the proposed purchaser (the "Offer Terms"). In the event that we elect to purchase the seller's interest, closing on such purchase must occur within the latest of (i) sixty (60) days from the date of notice to the seller of the election to purchase by us, (ii) sixty (60) days from the date we receive or obtain all necessary documentation, permits and approvals, or (iii) such other date as the parties agree upon in writing. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same

right of first refusal by us as in the case of an initial offer. Our failure or refusal to exercise the option afforded by this Section 14.4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Article 14 with respect to a proposed transfer.

(b) Notwithstanding the provisions of Section 14.4.1(a) above, where the Restricted Transfer (alone or together with any other Restricted Transfer or event effected within the prior twenty-four (24) month period) results in a “Change of Control”, we may elect, in our sole discretion, to treat the notice given pursuant to such Section 14.4.1(a) as an offer to assign to us all of your rights under this Agreement and to the Restaurant (including lease and contract rights and other assets of you and your affiliates used in connection with the Restaurant, excluding the assets of your benefit plans) (collectively, the “Restaurant Interests”). As used in this Section 14.4.1(b), Change of Control means any circumstance resulting in one or more of your Controlling Principals ceasing to be a Principal and/or the addition of any new Principal. In such case, we shall notify you of the special election provided for in this Section 14.4.1(b) at the time we exercise our option as provided in Section 14.4.1(a). The terms of such purchase shall be the same as the Offer Terms (subject to the other provisions of this Section 14.4), but the price shall be the lesser of (1) the Implied Market Price or (2) the fair market value of the Restaurant Interests, determined in a manner consistent with Section 18.12.1. As used herein, “Implied Market Price” shall mean an amount equal to the total price to be paid by the transferee under the Offer Terms, divided by the percentage (expressed as a decimal) of ownership of you proposed to be acquired (directly or indirectly) by the transferee, less the fair market value (determined as provided in Section 18.12.1) of any assets included in the Restricted Transfer that are not related to the Restaurant. If you have more than one (1) Restaurant, then the Implied Market Price shall, unless otherwise agreed by us and you, be allocated among all Restaurants equally.

(c) We may assign our rights under this Section 14.4 to any other person or entity, subject to Section 14.1 above.

(d) It shall be a material obligation of yours under this Agreement to cause any transferor and transferee described in this Article 14 to perform all of the obligations imposed on such persons under this Article 14.

14.4.2 In the event an offer from a third party provides for payment of consideration other than cash or involves certain intangible benefits, we may elect to purchase the interest proposed to be sold for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the reasonable cash equivalent of the non-cash part of the Offer Terms, then such amount shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and each shall pay one-half (1/2) of the appraisal fees. In the event that we exercise our right of first refusal herein provided, we shall have the right to set off against any payment therefor (i) all fees for any such independent appraiser due from you hereunder and (ii) all amounts due from you to us.

14.4.3 Failure to comply with the provisions of this Section prior to the transfer of any interest in you, the Restaurant or this Agreement shall constitute a material event of default under this Agreement.

14.5 Death or Disability

14.5.1 The grant of rights under this Agreement is personal to you, and on the death or permanent disability of you or any Controlling Principal, the executor, administrator, conservator or other personal representative of yours or of the deceased Controlling Principal, as the case may be, shall be required to transfer your or your Controlling Principal’s interest in this Agreement within six (6) months from the date of death or permanent disability to a third party approved by us. Failure to transfer in accordance with the forgoing will constitute a material default and the franchise granted by this Agreement

will terminate. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of the Franchised Business during the six (6) month period from its onset. Permanent disability shall be determined by a licensed practicing physician selected by us, upon examination of the person; or if the person refuses to submit to an examination, then such person automatically shall be deemed permanently disabled as of the date of such refusal for the purpose of this Section 14.5. The costs of any examination required by this Section shall be paid by us.

14.5.2 Upon the death or claim of permanent disability of you or any Controlling Principal, you or a representative of yours must notify us of such death or claim of permanent disability within ten (10) days of its occurrence. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in this Section for any *inter vivos* transfer. If an interest is not transferred upon death or permanent disability as required in this Section, then such failure shall constitute a material event of default under this Agreement.

14.5.3 Immediately after the death or permanent disability of such person, or while the Restaurant is owned by an executor, administrator, guardian, personal representative or trustee of that person, the Franchised Business shall be supervised by an interim successor manager satisfactory to us, or we, in our sole discretion, may provide interim management at a fee equal to five percent (5%) of the Gross Sales generated by the Franchised Business during our operation thereof, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by us, pending transfer of the Restaurant to the deceased or disabled individual's lawful heirs or successors. If we provide interim management pursuant to this Section 14.5, you agree to indemnify and hold us and any of our representatives harmless from any and all acts which we may perform.

14.6 No Waiver of Claims

Our consent to a transfer of any interest described herein shall not constitute a waiver of any claims which we may have against the transferring party, nor shall it be deemed a waiver of our right to demand material and full compliance with any of the terms of this Agreement by the transferee.

14.7 Transfer Among Owners

If any person holding an interest in you, this Agreement or the Restaurant (other than you or a Controlling Principal, which parties shall be subject to the provisions set forth above) transfers such interest, then you shall promptly notify us of such proposed transfer in writing and shall provide such information relative thereto as we may reasonably request prior to such transfer. Such transferee may not be a competitor of ours. Such transferee will be your Principal and as such will have to execute a confidentiality agreement and ancillary covenants not to compete in the form then required by us, which form shall be in substantially the same form attached hereto as Attachment D (see Sections 10.2.2 and 10.3.4). We also reserve the right to designate the transferee as one of the Controlling Principals. Notwithstanding the provisions contained in Section 14.2 to the contrary, the Controlling Principals may freely transfer their ownership interests in you among themselves and to their family members (or to trusts for the benefit of such family members), and our right of first refusal shall be inapplicable with respect to such transfers, provided you provide us with thirty (30) days prior written notice of such transfer, which notice shall include the names and percentages transferred.

14.8 Buy Back Option

14.8.1 At our election, at any time during the Initial Term or any Successor Franchise Agreements thereof (but not in the event of expiration or termination by us for cause, in which case we will have the right to purchase your Restaurant's assets in the manner described in Section 18.12), we will have the right (but not the obligation) to purchase the Restaurant, and its assets, at any time and for any reason

which may include, but not be limited to, all of the furnishings, equipment, computer system (including any point-of-sale and hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant (collectively, the “Restaurant Assets”), as well as the franchise granted under this Agreement. Our option shall be exercisable by providing you with ninety (90) days’ written notice of our intention to exercise the option. You must sign all documents relating to the assignment and transfer as are reasonably necessary for purchase of the Restaurant or its assets by us. The purchase price will be established by, and subject to, the following terms:

(a) If your Restaurant has been open and in operation for less than one (1) year, the purchase price will be an amount equal to two hundred percent (200%) of the cumulative cost to you for all of the Restaurant Assets.

(b) If your Restaurant has been open and in operation for one (1) year or longer, the purchase price will be an amount equal to six (6) times your Restaurant’s EBITDA. “EBITDA” means, in respect of any twelve (12) month period, your Restaurant’s earnings before interest on borrowed money, income tax, depreciation and amortization, as determined in accordance with U.S. generally accepted accounting principles (commonly referred to as “GAAP”).

(c) If we elect to exercise our option to purchase the Restaurant, we will have the right to set off all amounts due from you under this Agreement or any other agreements between the parties, and the cost of the appraisal, if any, against any payment to you.

(d) You understand that this may be a premium price above fair market value and does not vest any rights in you.

(e) The time for closing of the purchase and sale of the Restaurant as described in this Section 14.8 shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the determination of the appraisers, or such date we receive and obtain all necessary permits and approvals, whichever is later, unless the parties mutually agree to designate another date.

14.8.2 EBITDA shall be calculated based on your Restaurant’s net reported earnings as reported on your most recent income statement or balance sheet covering the preceding twelve (12) month period, plus, to the extent deducted in determining such net income and without duplication: (i) your interest expenses on borrowed money for such period; (ii) your current income taxes for such period; (iii) depreciation of the Restaurant Assets for such period; and (iv) amortization of your Restaurant for such period.

14.8.3 We reserve the right to adjust EBITDA for any expenses which we determine, in our discretion acting reasonably, are not customary or ordinary for the operation of the Restaurant, including, if you are a party to a multi-unit operator agreement for the operation of more than one Restaurant, expenses related to back office support, administration, bookkeeping and area supervision.

ARTICLE 15

INDEMNIFICATION

15.1 Indemnification by You

You and each of the Controlling Principals shall, at all times, indemnify and hold harmless to the fullest extent permitted by law us, our successors and assigns, their respective partners and affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them (“Indemnitees”), from all “losses and expenses” (as defined in Section 15.4 below) incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry

(formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon any of the following:

15.1.1 The infringement, alleged infringement, or any other violation or alleged violation by you or any of the Controlling Principals of any patent, trademark or copyright or other proprietary right owned or controlled by third parties (except as such may occur with respect to any right to use the Marks, any copyrights or other proprietary information granted hereunder pursuant to Article 10);

15.1.2 The violation, breach or asserted violation or breach by you or any of the Controlling Principals of any federal, state or local law, regulation, ruling, standard or directive or any industry standard;

15.1.3 Libel, slander or any other form of defamation of us, the System or any multi-unit operator or franchisee operating under the System, by you or by any of the Controlling Principals;

15.1.4 The violation or breach by you or by any of the Controlling Principals of any warranty, representation, agreement or obligation in this Agreement or in any other agreement between you or any of your affiliates and us and our Indemnitees; and

15.1.5 Acts, errors, or omissions of you, any of your affiliates and any of the Controlling Principals and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you and your affiliates in connection with the establishment and operation of the Restaurant, including, but not limited to, any acts, errors or omissions of any of the foregoing in the operation of any motor vehicle. The parties understand and agree that we cannot and do not exercise control over the manner of operation of any motor vehicles used by, or on behalf of, you or any employee, agent or independent contractor of yours and that the safe operation of any motor vehicle is, therefore, entirely your responsibility.

15.2 Notification of Action or Claim

You and each of the Controlling Principals agree to give us prompt notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. At the expense and risk of you and each of the Controlling Principals, we may elect to assume (but under no circumstance are we obligated to undertake) or appoint counsel of our own choosing with respect to, the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation. Such an undertaking by us shall, in no manner or form, diminish the obligation of you and each of the Controlling Principals to indemnify the Indemnitees and to hold them harmless.

15.3 We May Settle

In order to protect persons or property, or our reputation or goodwill, or the reputation or goodwill of others, we may, at any time and without notice, as we in our reasonable judgment deem appropriate, consent or agree to settlements or take such other remedial or corrective action as we deem expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in our reasonable judgment, there are reasonable grounds to believe that:

15.3.1 any of the acts or circumstances enumerated in Section 15.1.1 through 15.1.4 above have occurred; or

15.3.2 any act, error, or omission as described in Section 15.1.5 may result directly or indirectly in damage, injury, or harm to the System, any person or any property.

15.4 Losses and Expenses

All losses and expenses incurred under this Article 15 shall be chargeable to and paid by you or any of the Controlling Principals pursuant to your obligations of indemnity under this Section, regardless of any actions, activity or defense undertaken by us or the subsequent success or failure of such actions, activity, or defense.

As used in this Article 15, the phrase “losses and expenses” shall include, without limitation, all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, reasonable attorneys’ fees, court costs, settlement amounts, judgments, compensation for damages to our reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

15.5 Recovery from Third Parties

Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against you or any of the Controlling Principals. You and each of the Controlling Principals agree that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable from you or any of the Controlling Principals by the Indemnitees.

15.6 Survival of Terms

You and the Controlling Principals expressly agree that the terms of this Article 15 shall survive the termination, expiration or transfer of this Agreement or any interest herein.

ARTICLE 16

RELATIONSHIP OF THE PARTIES

16.1 Independent Licensee

16.1.1 You understand and agree that you are and will be our independent licensee under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment or fiduciary relationship of any kind. None of your employees will be considered to be our employees. You will execute the Employment Acknowledgment Form then required by us, which form shall be in substantially the same form attached hereto as Attachment M. You shall be responsible to affirm, attest and covenant your understanding that your employees are employed exclusively by you and in no fashion are any such employee employed, jointly employed or co-employed by us. Neither you nor any of your employees whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee for any purpose, most particularly with respect to any mandated or other insurance coverage as required in Article 12, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. We will not have the power to hire or fire your employees. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain employees for qualification to perform certain functions for the Franchised Business does not directly or indirectly vest in us the power to hire, fire or control any such employee.

16.1.2 You acknowledge and agree to responsible to obtain and maintain such insurance policies as outlined in Article 12, including but not limited to general liability, errors and omissions policy, directors and officers policy for your Restaurant and to cover and protect us against any possible lawsuits by employees.

16.1.3 You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of the Franchised Business and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which you are required to comply with under this Agreement, whether set forth in our Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of the Franchised Business, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of the Franchised Business.

16.1.4 You may not, without our prior written approval, have any power to obligate us for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement. Except as expressly provided in this Agreement, we may not control or have access to your funds or the expenditure of your funds or in any other way exercise dominion or control over the Franchised Business. Except as otherwise expressly authorized by this Agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between us and you is other than that of franchisor and franchisee. We do not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by you which are not expressly authorized under this Agreement. We will not be obligated for any damages to any person or property which directly or indirectly arise from or relate to your operation of the Franchised Business.

16.2 Sole and Exclusive Employer of Your Employees

16.2.1 You hereby irrevocably affirm, attest and covenant your understanding that your employees are employed exclusively by you and in no fashion are any such employee employed, jointly employed or co-employed by us. You further affirm and attest that each of your employees is under your exclusive dominion and control and never under our direct or indirect control in any fashion whatsoever. You alone hire each of your employees; set their schedules; establish their compensation rates; and pay all salaries, benefits and employment-related liabilities (such as workers' compensation insurance premiums/payroll taxes/Social Security contributions/unemployment insurance premiums). You alone have the ability to discipline or terminate your employees to the exclusion of us, and you acknowledge that we have no such authority or ability. You further attest and affirm that any minimum staffing requirements established by us are solely for the purpose of ensuring that the Franchised Business is at all times staffed at those levels necessary to operate the Franchised Business in conformity with the System and the products, services, standards of quality and efficiency, and other brand attributes known to and desired by the consuming public and associated with the Proprietary Marks. You affirm, warrant and understand that you may staff the Franchised Business with as many employees as you desire at any time so long as our minimal staffing levels are achieved. You also affirm and attest that any recommendations you may receive from us regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist you to efficiently operate your Franchised Business, and that you are entirely free to disregard our recommendations regarding such employee compensation. Moreover, you affirm and attest that any training provided by us for your employees is geared to impart to those employees, with your ultimate authority, the various procedures, protocols, systems and operations of the Restaurant and in no fashion reflects any employment relationship between us and such employees. Finally, should it ever be asserted that we are the employer, joint employer or co-employer of any of your employees in any private or government investigation, action, proceeding, arbitration or other setting, you irrevocably agree to assist us in defending said allegation, including (if necessary) appearing at any venue requested by us to testify on our behalf (and, as may be necessary, submitting yourself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that we are the employer, joint employer or co-employer of any of your employees). To the extent we are the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of you, should any such appearance by you be

required or requested by us, we will recompense you the reasonable costs associated with your appearing at any such venue.

16.2.2 Immediately upon their hire, you shall obtain from each and every management personnel, employee and any other personnel hired at the Restaurant the Employment Relationship Acknowledgment, which form shall be in substantially the same form attached hereto as Attachment L.

16.3 You are Not Authorized

You understand and agree that nothing in this Agreement authorizes you or any of the Controlling Principals to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, or for any act or omission of you or any of the Controlling Principals or any claim or judgment arising therefrom.

ARTICLE 17

TERMINATION

17.1 Automatic Termination – No Right to Cure

17.1.1 You acknowledge and agree that each of your obligations described in this Agreement is a material and essential obligation of yours; that non-performance of such obligations will adversely and substantially affect us and the System; and that our exercise of the rights and remedies set forth herein is appropriate and reasonable.

17.1.2 You shall be in default under this Agreement, and all rights granted to you herein shall automatically terminate without notice to you, if you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

17.1.3 You shall be deemed to be in material default and we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default (except as otherwise stated below) effective immediately upon notice to you, upon the occurrence of any of the following events:

(a) If you operate the Restaurant or sell any products or services authorized by us for sale at the Restaurant at a location which has not been approved by us;

(b) If you fail to acquire an accepted location for the Restaurant within the time and in the manner specified in Article 2;

(c) If you fail to construct or remodel the Restaurant in accordance with the plans and specifications provided to you under Section 5.3 as such plans may be adapted with our approval in accordance with Section 2.5;

(d) If you fail to open the Restaurant for business within the period specified in Section 2.6 hereof;

(e) If you at any time cease to operate or otherwise abandon the Restaurant, or lose the right to possession of the premises, or otherwise forfeit the right to do or transact business in the jurisdiction where the Restaurant is located; provided, however, that this provision shall not apply in cases of Force Majeure (acts of God, strikes, lockouts or other industrial disturbances, war, riot, epidemic, acts of terrorism, fire or other catastrophe or other forces beyond your control), if through no fault of yours the premises are damaged or destroyed by an event as described above, provided that you apply within thirty (30) days after such event, for our approval to relocate or reconstruct the premises (which approval shall not be unreasonably withheld) and you diligently pursue such reconstruction or relocation; such approval may be conditioned upon the payment of our relocation fee and an agreed minimum fee to us during the period in which the Restaurant is not in operation;

(f) If you or any of the Controlling Principals are convicted of, or have entered a plea of *nolo contendere* to, a felony, a crime involving moral turpitude, or other crime that we believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interests therein;

(g) If a threat or danger to public health or safety results from the construction, maintenance or operation of the Restaurant;

(h) If you or any of the Controlling Principals purport to transfer any rights or obligations under this Agreement or any interest in you or the Restaurant to any third party without our prior written consent or without offering us a right of first refusal with respect to such transfer, contrary to the terms of Article 14 of this Agreement;

(i) If you or any of your affiliates fail, refuse, or neglect promptly to pay any monies owing to us, or any of our affiliates or vendors, when due under this Agreement or any other agreement, or to submit the financial or other information required by us under this Agreement and do not cure such default within five (5) days following notice from us (or such other cure period specified in such other agreement, unless no cure period is stated or such period is less than five (5) days, in which case the five (5) day cure period shall apply);

(j) If you or any of the Controlling Principals fail to comply with the in-term covenants in Section 10.3 hereof or you fail to obtain execution of the covenants and related agreements required under Section 10.3.4 hereof within thirty (30) days following notice from us;

(k) If, contrary to the terms of Section 10.2.1 hereof, you or any of the Controlling Principals disclose or divulge any confidential information provided to you or the Controlling Principals by us, or fail to obtain execution of covenants and related agreements required under Section 10.2.2 hereof within thirty (30) days following notice from us;

(l) If a transfer upon death or permanent disability is not transferred in accordance with Article 14 and within the time periods therein;

(m) If you knowingly maintain false books or records, or submit any false reports to us;

(n) If you breach in any material respect any of the covenants in any material respect set forth in Article 6 or have falsely made any of the representations or warranties set forth in Article 6;

(o) If you fail to propose a qualified replacement or successor General Manager and/or Manager within the time required under Section 6.3.4 following ten (10) days' prior written notice;

(p) If you fail to procure and maintain the insurance policies required by Article 12 and you fail to cure such default within ten (10) days following notice from us;

(q) If you misuse or make any unauthorized use of the Marks or otherwise materially impair the goodwill associated therewith or our rights therein, and you fail to cure such default within twenty-four (24) hours of receiving notice of such default;

(r) If you or any of the Controlling Principals commit three (3) material events of default under this Agreement, within any twelve (12) month period, whether or not such defaults are of the same or different nature and whether or not such defaults have been cured by you after notice by us;

(s) If any General Manager and or Manager of yours is not able to complete our HQ Initial Training program to our satisfaction, after having given you the opportunity to designate a replacement General Manager and/or Managers; or

(t) If you fail to comply with all applicable laws and ordinances relating to the Restaurant, including Anti-Terrorism Laws and the RICO Act, or if your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, racketeering activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation.

17.2 Notice of Termination – 30 Days to Cure

Except as provided in Sections 17.1.2 and 17.1.3 of this Agreement, upon any default by you which is susceptible of being cured, we may terminate this Agreement by giving written notice of termination stating the nature of such default to you at least thirty (30) days prior to the effective date of termination. However, you may avoid termination by immediately initiating a remedy to cure such default and curing it to our reasonable satisfaction by making a bona fide attempt to cure to our reasonable satisfaction within the thirty (30) day period and by promptly providing proof thereof to us. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to you effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require. Defaults which are susceptible of cure hereunder may include, but are not limited to, the following illustrative events:

17.2.1 If you fail to comply with any of the requirements imposed by this Agreement, as it may from time to time be amended or reasonably be supplemented by us, or fail to carry out the terms of this Agreement in good faith.

17.2.2 If you fail to maintain or observe any of the standards, specifications or procedures prescribed by us in this Agreement or otherwise in writing.

17.2.3 If you fail, refuse, or neglect to obtain our prior written approval or consent as required by this Agreement.

17.3 Cross-Defaults, Non-Exclusive Remedies, etc.

Any default by you (or any person/company affiliated with you) under this Agreement may be regarded as a default under any other agreement between us (or any of our affiliates) and you (or any of your affiliates). Any default by you (or any person/company affiliated with you) under any other agreement, including, but not limited to, any lease and/or sublease, between us (or any of our affiliates) and you (or any person/company affiliated with you), and any default by you (or any person/company affiliated with you) under any obligation to us (or any of our affiliates) may be regarded as a default under this Agreement. Any default by you (or any person/company affiliated with you) under any lease, sublease, loan agreement, security interest or otherwise, whether with us, any of our affiliates and/or any third party may be regarded as a default under this Agreement and/or any other agreement between us (or any of our affiliates) and you (or any of your affiliates).

In each of the foregoing cases, we (and any of our affiliates) will have all remedies allowed at law, including termination of your rights (and/or those of any person/company affiliated with you) and our (and/or our affiliates') obligations. No right or remedy which we may have (including termination) is exclusive of any other right or remedy provided under law or equity and we may pursue any rights and/or remedies available.

17.4 Our Right to Discontinue Services to You

If you are in breach of any obligation under this Agreement, and we deliver to you a notice of termination pursuant to this Article 17, we have the right to suspend our performance of any of our obligations under this Agreement including, without limitation, the sale or supply of any services or products for which we or our affiliates are an approved supplier to you and/or suspension of your "click through" subpage on our website, until such time as you correct the breach.

17.5 Amendment Pursuant to Applicable Law

Notwithstanding anything to the contrary contained in this Article, if any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this franchise and the parties hereto shall limit our rights of termination under this Agreement or shall require longer notice periods than those set forth above, this Agreement is deemed amended to satisfy the minimum notice periods or restrictions upon such termination required by such laws and regulations; provided, however, that such constructive amendment shall not be deemed a concession by us that the grounds for termination set forth in this Agreement do not constitute "good cause" for termination within the meaning ascribed to that term by any applicable law or regulation. We shall not be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, hearing or proceeding relating to this Agreement or the termination of this Agreement.

ARTICLE 18

POST-TERMINATION

Upon termination or expiration of this Agreement, all rights granted hereunder to you shall forthwith terminate, and:

18.1 Cease Operations

You shall immediately cease to operate the Restaurant under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former franchisee of ours.

18.2 Stop Using the System

You shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, computer software, procedures, and techniques associated with the System; the mark “GX Greek Xpress”; and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, you shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms and any other articles which display the Marks, and shall immediately change all paint colors, remove all of our proprietary or non-proprietary design items.

18.3 Cancellation of Assumed Names

You shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the Mark “GX Greek Xpress” or any other service mark or trademark of ours, and you shall furnish us with evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement.

18.4 No Use of Similar Marks

You agree, in the event you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute our rights in and to the Marks, and further agree not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with us constituting unfair competition.

18.5 Payment of Sums Owed

You and your Controlling Principals shall promptly pay all sums owing to us. Such sums shall include all damages, costs and expenses, including reasonable attorneys’ fees, incurred by us as a result of any default by you, which obligation shall give rise to and remain, until paid in full, a lien in our favor against any and all of the personal property, furnishings, equipment, fixtures, and inventory owned by you and on the premises operated hereunder at the time of default.

18.6 Payment of Damages, Costs and Expenses

You and the Controlling Principals shall pay to us all damages, costs and expenses, including reasonable attorneys’ fees, incurred by us in connection with obtaining any remedy available to us for any violation of this Agreement and, subsequent to the termination or expiration of this Agreement, in obtaining injunctive or other relief for the enforcement of any provisions of this Article 18.

18.7 Delivery of Manuals and Materials

You shall immediately deliver to us all Manuals, software licensed by us, records, files, instructions, correspondence, all materials related to operating the Restaurant, including, without limitation, agreements, invoices, and any and all other materials relating to the operation of the Restaurant in your possession or control, and all copies thereof (all of which are acknowledged to be our property), and shall retain no copy or record of any of the foregoing, except your copy of this Agreement and of any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law.

18.8 Confidential Information

You and the Controlling Principals shall comply with the restrictions on confidential information contained in Article 10 of this Agreement and shall also comply with the non-competition covenants contained in Article 10. Any other person required to execute similar covenants pursuant to Article 10 shall also comply with such covenants.

18.9 Advertising and Promotional Materials

You shall immediately furnish us with an itemized list of all advertising and sales promotion materials bearing the Marks or any of our distinctive markings, designs, labels, or other marks thereon, whether located on your premises or under your control at any other location. We shall have the right to inspect these materials. We shall have the option, exercisable within thirty (30) days after such inspection, to purchase any or all of the materials at your cost, or to require you to destroy and properly dispose of such materials. Materials not purchased by us shall not be utilized by you or any other party for any purpose unless authorized in writing by us.

18.10 Signage

Upon execution of this Agreement, in partial consideration of the rights granted hereunder, you acknowledge and agree that all right, title and interest in the signs used at the Restaurant are hereby assigned to us, and that upon termination or expiration of this Agreement, neither you nor any lien holder of yours shall have any further interest therein.

18.11 Assignment of Lease

If you operate the Restaurant under a lease for the Restaurant premises with a third party or, with respect to any lease for equipment used in the operation of the Franchised Business, then you shall, at our option, assign to us any interest which we have in any lease or sublease for the premises of the Restaurant or any equipment related thereto. We may exercise such option at or within thirty (30) days after either termination or (subject to any existing right to a successor term) expiration of this Agreement. In the event we do not elect to exercise our option to acquire the lease or sublease for the Restaurant premises or do not have such option, you shall make such modifications or alterations to the Restaurant premises as are necessary to distinguish the appearance of the Restaurant from that of other Restaurants operating under the System and shall make such specific additional changes as we may reasonably request. If you fail or refuse to comply with the requirements of this Section 18.11, we shall have the right to enter upon the premises of the Franchised Business, without being guilty of trespass or any other crime or tort, to make or cause to be made such changes as may be required, at your expense, which expense you agree to pay upon demand. Notwithstanding the provisions of this Section 18.11 to the contrary, in the event the lease is assigned to us, we hereby indemnify and hold harmless you and any guarantors under said lease, for any breach by us or our successors or assigns from any liability arising out of the lease for the Restaurant premises from and after the date of the assignment of lease.

18.12 Our Right to Purchase

18.12.1 Except as provided in Sections 18.9, 18.10 and 18.13, we shall have the option, to be exercised within thirty (30) days after termination or expiration of this Agreement, to purchase at any time for any reason from you any or all of the furnishings, equipment (including any point-of-sale or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant, at fair market value. In no event, shall any amount be payable under this Section 18.12 for “goodwill” or “going concern” value. We shall be purchasing all of your assets or a portion of the assets of your Restaurant only and shall be assuming no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If the parties cannot agree on the fair market value within thirty (30) days of our exercise of this option, fair market value shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and each shall pay one-half (1/2) of the appraisal fees. If we elect to exercise any option to purchase herein provided, we shall have the right to set off (i) all fees for any such independent appraiser due from you, (ii) all amounts due from you to us, and (iii) any costs incurred in connection with any escrow arrangement (including reasonable legal fees), against any payment therefor and shall pay the remaining amount in cash.

18.12.2 In addition to the options described above and if you own the Restaurant premises, then we shall have the option, to be exercised at or within thirty (30) days after termination or expiration of this Agreement, to purchase the Restaurant premises including any building thereon, if applicable, for the fair market value of the land and building, and any or all of the furnishings, equipment, signs, fixtures, vehicles, supplies and inventory therein at fair market value. We shall purchase assets only and shall assume no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If you do not own the land on which the Restaurant is operated and we exercise our option for an assignment of the lease, we may exercise this option for the purpose of purchasing the building if owned by you and related assets as described above. If the parties cannot agree on fair market value within thirty (30) days of our exercise of this option, fair market value shall be determined in accordance with appraisal procedure described above.

18.12.3 With respect to the options described in Sections 18.11, 18.12.1 and 18.12.2, you shall deliver to us in a form satisfactory to us such warranties, deeds, releases of lien, bills of sale, assignments and such other documents and instruments which we deem necessary in order to perfect our title and possession in and to the properties being purchased or assigned and to meet the requirements of all tax and government authorities. If, at the time of closing, you have not obtained all of these certificates and other documents, we may, in our sole discretion, place the purchase price in escrow pending issuance of any required certificates or documents.

18.12.4 The time for closing of the purchase and sale of the properties described in Sections 18.12.1 and 18.12.2 shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the determination of the appraisers, or such date we receive and obtain all necessary permits and approvals, whichever is later, unless the parties mutually agree to designate another date. The time for closing on the assignment of the lease described in Section 18.11 shall be a date no later than ten (10) days after our exercise of the option thereunder unless we are exercising our options under either Section 18.12.1 or 18.12.2, in which case the date of the closing shall be on the same closing date prescribed for such option. Closing shall take place at our corporate offices or at such other location as the parties may agree.

18.13 Subleased Premises, Restaurant Assets

Notwithstanding anything to the contrary contained in Sections 18.11 and 18.12, if you operate the Restaurant from a premises that is subleased to you by us, upon termination (or expiration without a successor term) of this Agreement, we shall have the right to take immediate possession of all or a portion of the assets of the Restaurant, including any or all of the furnishings, equipment, computer system (including any point-of-sale hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant. We shall have a lien against all such assets in the amount of any amounts due to us under this Agreement or any other agreement. We shall have the right to have such assets appraised at the lower of cost or fair market value of the used assets, and to acquire all right, title and interest to such assets, without conducting any public sale, by paying to you (or to any lender of yours who has a lienholder interest in the assets) the difference between the appraised value and the amounts owed to us by you at the time of termination or expiration of this Agreement. If the lien on the assets from your lender has priority over any lien of ours, and the amount of the lien is in excess of the appraised value of such assets, we shall have the right to deal directly with your lienholder, and to pay any amounts due to you directly to the lienholder. You agree to provide all further assurances, and to execute all documents required by us or by law to lawfully effect such transfer, and to perfect our security interest. We shall have the right to take such action without the execution of any further documents by you if you fail or refuse to comply with these further assurances.

18.14 Assignment of Options by Us

We shall be entitled to assign any and all of our options in this Article to any other party, without your consent.

18.15 Telephone Numbers, Internet Listings, etc.

You, at our option, shall assign to us all rights to the telephone numbers of the Restaurant and any related phone number listing, trademark listing or other business listings and execute all forms and documents required by us and any telephone company at any time to transfer such service and numbers to us. Further, you shall assign to us all Internet listings, domain names, Internet accounts, advertising on the Internet or world wide web, websites, listings with search engines, email addresses or any other similar listing or usage related to the Franchised Business. Notwithstanding any forms and documents which may have been executed under Section 7.9, you hereby appoint us as your true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignment. This power of attorney shall survive the expiration or termination of this Agreement. You shall thereafter use different telephone numbers, email addresses or other listings or usages at or in connection with any subsequent business conducted by you.

18.16 Liquidated Damages

18.16.1 If we terminate this Agreement with cause, you must pay us within fifteen (15) days from the effective date of termination liquidated damages equal to the average value of the Royalty Fees you paid or owed (per month) to us during the twelve (12) months before the termination multiplied by (i) twenty-four (24), being the number of months in two (2) full years, or (ii) the number of months remaining during the term of this Agreement had it not been terminated, whichever is lower.

18.16.2 The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages we would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, we might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's remaining term. The parties herein recognize this liquidated damages provision as a reasonable, good faith pre-estimate of those damages.

18.16.3 The liquidated damages provision only covers our damages from the loss of cash flow from the Royalty Fees. It does not cover any other damages, including damages to our reputation with the public and landlords and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section. You and each of your owners agree that the liquidated damages provision does not give us an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Royalty Fee section.

ARTICLE 19

MISCELLANEOUS

19.1 Notices

Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally or by certified mail or courier, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as set forth in the introductory paragraph of this Agreement, or at such other address or addresses as the parties may from time to time designate in writing.

19.2 Entire Agreement

This Agreement, the documents referred to herein, and the Attachments hereto, constitute the entire, full and complete agreement between us and you and the Controlling Principals concerning the subject matter hereof and shall supersede all prior related agreements between us and you and the Controlling Principals; provided, however, that nothing in this or any related agreement is intended to disclaim the

representations made by us in the Disclosure Document that was furnished to you by us. Except for those permitted to be made unilaterally by us hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

19.3 No Waiver

No delay, waiver, omission or forbearance on our part to exercise any right, option, duty or power arising out of any breach or default by you or the Controlling Principals under this Agreement shall constitute a waiver by us to enforce any such right, option, duty or power against you or the Controlling Principals, or as to a subsequent breach or default by you or the Controlling Principals. Acceptance by us of any payments due to us hereunder subsequent to the time at which such payments are due shall not be deemed to be a waiver by us of any preceding breach by you or the Controlling Principals of any terms, provisions, covenants or conditions of this Agreement.

19.4 Our Prior Approval

Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us and such approval or consent shall be obtained in writing.

19.5 No Warranty or Guaranty

We make no warranties or guarantees upon which you may rely and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advice, consent or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

19.6 Continued Obligation to Pay Sums

If a Force Majeure event shall occur, then, in addition to payments required under Section 17.1.3(e), you shall continue to be obligated to pay to us any and all amounts that you shall have duly become obligated to pay in accordance with the terms of this Agreement prior to the occurrence of any Force Majeure event and the Indemnitees shall continue to be indemnified and held harmless by you in accordance with Article 15. Except as provided in Section 17.1.3(e) and the immediately preceding sentence herein, none of the parties hereto shall be held liable for a failure to comply with any terms and conditions of this Agreement when such failure is caused by an event of Force Majeure. Upon the occurrence of any event of the type referred to herein, the party affected thereby shall give prompt notice thereof to the other parties, together with a description of the event, the duration for which the party expects its ability to comply with the provisions of the Agreement to be affected thereby and a plan for resuming operation under the Agreement, which the party shall promptly undertake and maintain with due diligence. Such affected party shall be liable for failure to give timely notice only to the extent of damage actually caused.

19.7 Arbitration

Except to the extent we elect to enforce the provisions of this Agreement by judicial process and injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation will be settled by binding arbitration in East Rockaway, New York under the authority of the New York Statutes. The arbitrator(s) will have a minimum of five (5) years of experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the New York statutes. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent

such rules are not inconsistent with the provisions of this arbitration provision or New York Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or any non-extension or refusal of a successor term under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement.

19.8 Governing Law; Injunctive Relief

With respect to any claims, controversies or disputes which are not finally resolved through arbitration, or as otherwise provided above, you and the Controlling Principals hereby irrevocably submit themselves to the jurisdiction of the state courts of New York and the Federal District Court nearest to our headquarters. You and the Controlling Principals hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. You and the Controlling Principals hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by New York or federal law. You and the Controlling Principals further agree that venue for any proceeding relating to or arising out of this Agreement shall be in New York; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action in any State or Federal District Court which has jurisdiction. With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under New York law.

Notwithstanding anything to the contrary contained in Section 19.7 above, we and you each have the right, in a proper case, to seek injunctions, restraining orders and orders of specific performance from a court of competent jurisdiction, provided that we agree to contemporaneously submit its dispute for arbitration on the merits as provided herein.

You agree that we will not be required to post a bond to obtain any injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction if warranted upon due hearing. All claims for damages by reason of the wrongful issuance of such injunction are hereby expressly waived. If we secure any such injunction or order of specific performance, you agree to pay to us an amount equal to the aggregate of our costs of obtaining such relief including, without limitation, reasonable legal fees, costs and expenses as provided in this Section and any damages incurred by us as a result of the breach of any such provision.

19.9 Agreement Regarding Governing Law and Choice of Forum

You, the Controlling Principals and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Sections 19.7 and 19.8 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. Each of you, the Controlling Principals and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

19.10 Waiver of Punitive Damages; Waiver of Jury Trial

You, the Controlling Principals and we hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, either party shall

be limited to the recovery of any actual damages sustained by it. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect.

We and you irrevocably waive trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of us against the other. Any and all claims and actions arising out of or relating to this Agreement, the relationship of you and us, or your operation of the Restaurant, brought by either party hereto against the other, whether in arbitration, or a legal action, shall be commenced within two (2) years from the occurrence of the facts giving rise to such claim or action, or such claim or action shall be barred.

19.11 Execution in Multiple Counterparts

This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

19.12 Captions

The captions used in connection with the sections and subsections of this Agreement are inserted only for purpose of reference. Such captions shall not be deemed to govern, limit, modify or in any other manner affect the scope, meaning or intent of the provisions of this Agreement or any part thereof nor shall such captions otherwise be given any legal effect.

19.13 Survival of Terms

Any obligation of you or the Controlling Principals that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of you or the Controlling Principals therein, shall be deemed to survive such termination, expiration or transfer.

19.14 Severability of Provisions

Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable; and if, for any reason, any portion, section, part, term or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, this shall not impair the operation of, or have any other effect upon, the other portions, sections, parts, terms or provisions of this Agreement that may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties; the invalid portions, sections, parts, terms or provisions shall be deemed not to be part of this Agreement; and there shall be automatically added such portion, section, part, term or provision as similar as possible to that which was severed which shall be valid and not contrary to or in conflict with any law or regulation.

19.15 Joint and Several Obligations

All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable. Without limiting the obligations individually undertaken by the Controlling Principals under this Agreement, all acknowledgments, promises, covenants, agreements and obligations made or undertaken by you in this Agreement shall be deemed, jointly and severally, undertaken by all of the Controlling Principals.

19.16 Rights and Remedies Cumulative

All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or

default of any term, provision or condition of this Agreement or any other agreement between you or any of your affiliates and us. The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration, earlier termination or exercise of our rights pursuant to Article 17 of this Agreement shall not discharge or release you or any of the Controlling Principals from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination or the exercise of such rights under this Agreement.

19.17 Terminology

19.17.1 The term “your Principals” shall include, collectively and individually, (i) you, (ii) all officers, directors, managers and general partners (or persons holding comparable positions in non-corporate entities) of you and (iii) all officers, directors, managers and general partners (or persons holding comparable positions in non-corporate entities) of any Controlling Principal that itself is an entity, in each case whom we designate as your Principals and all holders of an ownership interest in you and of any entity directly or indirectly controlling you, and any other person or entity controlling, controlled by or under common control with you. As used in this Section 19.17, the terms “control” and “controlling” shall mean the power to influence the management decisions of the specified person and shall in any case be deemed to exist where the second person holds ten percent (10%) or more of the total ownership interest in the specified person, serves on any board of directors or comparable body of such specified person or acts as an officer, general partner or manager thereof (or holds a comparable position in a non-corporate entity). The initial Principals shall be listed on Attachment C. The term “Controlling Principals” shall include, collectively and individually, any Principal who has been designated by us as a Controlling Principal and designated on Attachment C. For purposes of this Agreement, a publicly held corporation is a corporation registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, or a corporation subject to the requirements of Section 15(d) of such Act.

19.17.2 Designated Controlling Principal. A Controlling Principal that holds a ten percent (10%) or more of the total ownership interest in you shall be held responsible, by us, for the general oversight and management of the Restaurant on your behalf (named hereafter as the “Designated Controlling Principal”). The Designated Controlling Principal, and any replacement Designated Controlling Principal, must be approved by us and meet our qualifications. We require the Designated Controlling Principal, and any replacement Designated Controlling Principals, to maintain the same level of restaurant management experience, training, System Certifications and Industry Certifications that are required of a General Manager. The Designated Controlling Principal shall sign Attachment A (if you are sole proprietors) or Attachment C (if you any entity) agreeing to undertake the above referenced responsibilities upon execution of this Agreement. Any replacement Designated Controlling Principals must agree in writing to the above referenced responsibilities within fourteen (14) days of accepting this responsibility.

19.18 References

Each reference in this Agreement to a corporation or partnership shall be deemed to also refer to a limited liability company and any other entity or organization similar thereto. Each reference to the organizational documents, equity owners, directors, and officers of a corporation in this Agreement shall be deemed to refer to the functional equivalents of such organizational documents, equity owners, directors, and officers, as applicable, in the case of a limited liability company or any other entity or organization similar thereto.

19.19 No Rights or Remedies Except to the Parties

Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than you, us, our officers, directors,

members and employees and such of your and our respective successors and assigns as may be contemplated (and, as to you, authorized by Article 14), any rights or remedies under or as a result of this Agreement.

19.20 Effective Date of Agreement

This Agreement shall be effective on the date it is executed by an authorized officer of ours.

19.21 Modification of the System

You understand and agree that the System must not remain static if it is to meet, without limitation, presently unforeseen changes in technology, competitive circumstances, demographics, populations, consumer trends, societal trends and other marketplace variables, and if it is to best serve the interests of us, you and all other franchisees. Accordingly, you expressly understand and agree that we may from time to time change the components of the System including, but not limited to, altering the products, programs, services, methods, standards, forms, policies and procedures of that System; abandoning the System altogether in favor of another system in connection with a merger, acquisition, other business combination or for other reasons; adding to, deleting from or modifying those products, programs and services which your Franchised Business is authorized and required to offer; modifying or substituting entirely the building, premises, equipment, signage, trade dress, décor, color schemes and uniform specifications and all other unit construction, design, appearance and operation attributes which you are required to observe hereunder; and changing, improving, modifying, or substituting other words or designs for the Marks. You expressly agree to comply with any such modifications, changes, additions, deletions, substitutions and alterations; provided, however, that such changes shall not materially and unreasonably increase your obligations hereunder.

You shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System as of the Effective Date of this Agreement.

We shall not be liable to you for any expenses, losses or damages sustained by you as a result of any of the modifications contemplated hereby. You hereby covenant not to commence or join in any litigation or other proceeding against us or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby. You expressly waive any claims, demands or damages arising from or related to the foregoing activities including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

19.22 Operation in the Event of Absence or Disability

In order to prevent any interruption of the Franchised Business operations which would cause harm to the Franchised Business, thereby depreciating the value thereof, you authorize us, who may, at our option, in the event that you are absent for any reason or are incapacitated by reason of illness and are unable, in our sole and reasonable judgment, to operate the Franchised Business, operate the Franchised Business for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement. All monies from the operation of the Franchised Business during such period of operation by us shall be kept in a separate account, and the expenses of the Franchised Business, including reasonable compensation and expenses for our representative, shall be charged to said account. If, as herein provided, we temporarily operate the Franchised Business franchised herein for you, you agree to indemnify and hold harmless us and any representative of ours who may act hereunder, from any and all acts which we may perform, as regards the interests of you or third parties.

19.23 Step-In Rights

If we determine in our sole judgment that the operation of your Franchised Business is in jeopardy, or if a default occurs, then in order to prevent an interruption of the Franchised Business which would cause

harm to the System and thereby lessen its value, you authorize us to operate your Franchised Business for as long as we deem necessary and practical, and without waiver of any other rights or remedies which we may have under this Agreement. In our sole judgment, we may deem you incapable of operating the Franchised Business if, without limitation, you are absent or incapacitated by reason of illness or death; you have failed to pay when due or have failed to remove any and all liens or encumbrances of every kind placed upon or against your Franchised Business; or we determine that operational problems require that we operate your Franchised Business for a period of time that we determine, in our sole discretion, to be necessary to maintain the operation of the Franchised Business as a going concern.

We shall keep in a separate account all monies generated by the operation of your Franchised Business, less the expenses of the Franchised Business, including a management fee of five percent (5%) of Gross Sales and any out-of-pocket expenses our representatives incurs including travel, meals and lodging. In the event of our exercise of the Step-In Rights, you agree to hold harmless us and our representatives for all actions occurring during the course of such temporary operation. You agree to pay our reasonable attorneys' fees and costs incurred as a consequence of our exercise of the Step-In Rights. Nothing contained herein shall prevent us from exercising any other right which we may have under this Agreement, including, without limitation, termination.

19.24 Costs and Legal Fees

If we are required to enforce this Agreement in a judicial or arbitration proceeding, you shall reimburse us for our costs and expenses, including, without limitation, 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 such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Agreement, you shall reimburse us for any of the above-listed costs and expenses incurred by us.

19.25 Consent to do Business Electronically

The parties to the Franchise Agreement hereby consent to do business electronically. Pursuant to the Uniform Electronic Transactions Act as adopted by the State of New Jersey, the parties hereby affirm to each other that they agree with the terms of the Franchise Agreement and its Addenda, and by attaching their signature electronically to the Franchise Agreement, they are executing the document and intending to attach their electronic signature to it. Furthermore, the parties acknowledge that the other parties to the Franchise Agreement can rely on an electronic signature as the respective party's signature.

ARTICLE 20

TECHNOLOGY

20.1 Computer Systems and Software

The following terms and conditions shall apply with respect to your computer system:

20.1.1 We shall have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, software, and hardware to be used by, between, or among Restaurants, including without limitation: (a) back office and point-of-sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Restaurants, between or among Restaurants, and between and among your Restaurant and us and/or you; (b) Point-of-Sale Systems; (c) physical, electronic, and other security systems; (d) printers and other peripheral devices; (e) archival back-up systems; and (f) Internet access mode and speed; and (g) on-line ordering program (collectively, the "Computer System").

20.1.2 We shall have the right, but not the obligation, to develop or have developed for us, or to designate: (a) computer software programs, data integration software and accounting system software that you must use in connection with the Computer System (“Required Software”), which you shall install; (b) updates, supplements, modifications, or enhancements to the Required Software, which you shall install; (c) the tangible media upon which you shall record data; and (d) the database file structure of your Computer System.

20.1.3 You shall record all sales on computer-based point-of-sale systems approved by us or on such other types of systems as may be designated by us in the Manual or otherwise in writing (“Point-of-sale Systems”), which shall be deemed part of your Computer System.

20.1.4 You shall make, from time to time, such upgrades and other changes to the Computer System and Required Software as we may request in writing (collectively, “Computer Upgrades”).

20.1.5 You shall comply with all specifications issued by us with respect to the Computer System and the Required Software, and with respect to Computer Upgrades. You shall purchase the Computer System and maintenance plans from approved suppliers, if we designated ones. You shall also afford us unimpeded access to your Computer System and Required Software as we may request, in the manner, form, and at the times requested by us.

20.1.6 In addition to the requirements of Section 4.4, you shall pay all fees, whether to us or to third party vendor(s), and expenses for technology required by this Agreement for operation of the Franchised Business, including but not limited to, all costs related to the Computer System, Required Software, and Computer Upgrades, digital menu displays, internet access, license fees, help desk fees, and licensing or user-based fees.

20.2 Data

We may, from time to time, specify in the Manual or otherwise in writing the information that you shall collect and maintain on the Computer System installed at the Restaurant, and you shall provide to us such reports as we may reasonably request from the data so collected and maintained. All data pertaining to the Restaurant, and all data created or collected by you in connection with the System, or in connection with your operation of the Restaurant (including without limitation data pertaining to or otherwise concerning the Restaurant’s customers) or otherwise provided by you (including, without limitation, data uploaded to, or downloaded from your Computer System) is and will be owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. Copies and/or originals of such data must be provided to us upon our request. We hereby license use of such data back to you for the term of this Agreement, at no additional cost, solely for your use in connection with the business franchised under this Agreement.

20.3 Privacy

You shall abide by all applicable laws pertaining to privacy of information collected or maintained regarding customers or other individuals (“Privacy”), and shall comply with our standards and policies pertaining to Privacy. If there is a conflict between our standards and policies pertaining to Privacy and applicable law, you shall: (a) comply with the requirements of applicable law; (b) immediately give us written notice of said conflict; and (c) promptly and fully cooperate with us and our counsel as we may request to assist us in our determination regarding the most effective way, if any, to meet our standards and policies pertaining to Privacy within the bounds of applicable law.

20.4 Telecommunications

You shall comply with our requirements (as set forth in the Manuals or otherwise in writing) with respect to establishing and maintaining telecommunications connections between your Computer System and our Intranet (as defined below), if any, and/or such other computer systems as we may reasonably require.

20.5 Intranet

We may establish a website providing private and secure communications between us, you, franchisees, licensees and other persons and entities as determined by us, in our sole discretion (an “Intranet”). You shall comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to connecting to the Intranet, and utilizing the Intranet in connection with the operation of the Restaurant. The Intranet may include, without limitation, the Manuals, training other assistance materials, and management reporting solutions (both upstream and downstream, as we may direct). You shall purchase and maintain such computer software and hardware as may be required to connect to and utilize the Intranet.

20.6 On-line Use of Proprietary Marks

You shall not use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any email address, domain name, and/or other identification of you in any electronic medium. You agree not to transmit or cause any other party to transmit advertisements or solicitations by email or other electronic media without our prior written consent as to your plan for transmitting such advertisements.

20.7 No Outsourcing Without Prior Written Consent

You shall not hire third party or outside vendors to perform any services or obligations in connection with the Computer System, Required Software, or any other of your obligations without our prior written approval therefor, unless we have designated an approved supplier to provide such services. Our consideration of any proposed outsourcing vendor(s) may be conditioned upon, among other things, such third party or outside vendor’s entry into a confidentiality agreement with us and you in a form that is reasonably provided by us.

20.8 Changes to Technology

You and we acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and you agree that you shall abide by those reasonable new standards established by us as if this Article 20 were periodically revised by us for that purpose. You acknowledge and understand that this Agreement does not place any limitations on either our right to require you to obtain Computer Upgrades or the cost of such Computer Upgrades.

ARTICLE 21

SECURITY INTERESTS

21.1 Collateral

You grant to us a security interest (“Security Interest”) in all of the furniture, fixtures, equipment, signage, and realty (including your interests under all real property and personal property leases) of the Restaurant, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with the Restaurant. All items in which a security interest is granted are referred to as the “Collateral”.

21.2 Indebtedness Secured

The Security Interest is to secure payment of the following (the “Indebtedness”):

21.2.1 All amounts due under this Agreement or otherwise by you;

21.2.2 All sums which we may, at our option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness;

21.2.3 All expenses, including reasonable attorneys’ fees, which we incur in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting our rights under the Security Interest and this Agreement; and

21.2.4 All other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of you to us or third parties under this Agreement, however created, and specifically including all or part of any successor term or extension of this Agreement, whether or not you execute any extension agreement or successor instruments.

21.2.5 Our security interest, as described herein, shall be subordinated to any financing related to your operation of the Restaurant, including, but not limited to, a real property mortgage and equipment leases.

21.3 Additional Documents

You will from time to time as required by us join with us in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to us.

21.4 Possession of Collateral

Upon default and termination of your rights under this Agreement, we shall have the immediate right to possession and use of the Collateral.

21.5 Our Remedies in Event of Default

You agree that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at our option and without notice, become due and payable immediately, and we shall then have the rights, options, duties, and remedies of a secured party under, and you shall have the rights and duties of a debtor under, the Uniform Commercial Code of New York (or other applicable law), including, without limitation, our right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral may be conducted by us in a commercially reasonable manner. Reasonable notification of the time and place of any sale shall be satisfied by mailing to you pursuant to the notice provisions set forth above.

21.6 Special Filing as Financing Statement

This Agreement shall be deemed a Security Agreement and a Financing Statement. This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a Financing Statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction.

ARTICLE 22
YOUR REPRESENTATIONS AND ACKNOWLEDGMENTS

22.1 Your Representations

You represent and warrant to us, with the intention that we are relying thereon in entering into this Agreement, that:

22.1.1 If you are a corporation, limited liability company, general partnership, partnership, or limited partnership, then you are organized under the laws of the state of your principal place of business (or another state which you have identified to us) and are in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Restaurant.

22.1.2 If you are a corporation, limited liability company, general partnership, partnership, or limited partnership, you have all corporate power and authority to execute, deliver, consummate and perform this Agreement, and it will be binding upon you and your successors and assigns when executed.

22.1.3 You do not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of your current financial statements, which you have furnished to us before the execution of this Agreement.

22.1.4 As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending or, to your knowledge or the knowledge any of your officers, directors, principal shareholders, proprietors, partners or principals (as applicable) after due inquiry, threatened, in any court or arbitral forum, or before any governmental agency or instrumentality, nor to the best of your knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of your assets, properties, rights or business; your right to operate and use your assets, properties or rights to carry on your business; and/or which affects or could affect your right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

22.1.5 Neither you nor any of your Principals is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with, or be breached by, the execution, delivery, consummation and/or performance of this Agreement.

22.1.6 All of your representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement.

22.2 Your Acknowledgments

You acknowledge, warrant and represent to us and we rely on such acknowledgments, warranties and representations that:

22.2.1 No representation has been made by us (or any of our employees, agents, salespersons, Fransmart, LLC, or any of its representatives) and relied on by you as to the future or past income, expenses, sales volume or potential profitability, earnings or income of the Restaurant, or any other Restaurant, whether owned by us, our affiliates or our franchisees. We make no guaranties, promises, representations, statements or warranties that you can or will achieve any level or range of sales, income or other measures of performance. You understand that this is a new business venture, and neither we, Fransmart, LLC, nor its representatives, makes any assurances as to your success. You acknowledge and agree that we have not provided you with any information not already set forth in the Franchise Disclosure Document, and you acknowledge that you have not received any information not already set forth in the Franchise Disclosure Document.

Initials

22.2.2 No representation or statement has been made by us (or any of our employees, agents or salespersons, Fransmart, LLC, or any of its representatives) and relied on by you regarding your anticipated income, earnings and growth or that of us or the System, or the viability of the business opportunity being offered under this Agreement.

Initials

22.2.3 Before executing this Agreement, you have had the opportunity to contact any and all of our existing franchisees.

Initials

22.2.4 You have had the opportunity to independently investigate, analyze and construe both the business opportunity being offered under this Agreement, and the terms and provisions of this Agreement, using the services of legal counsel, accountants or other advisers (if you so elect) of your choosing. You have been advised to consult with your advisors with respect to the legal, financial and other aspects of this Agreement, the Restaurant, and the prospects for the Restaurant. You have either consulted with these advisors or have deliberately declined to do so.

Initials

22.2.5 You have received from us a copy of our Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise at least fourteen (14) calendar days before the execution of this Agreement or at least fourteen (14) calendar days before the payment by

you to us, or any of our affiliates, of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

Initials

22.2.6 No representation or statement has been made by us (or any of our employees, agents or salespersons, Fransmart, LLC, or any of its representatives) and relied on by you regarding your ability to procure any required license or permit that may be necessary to the operation of the Restaurant.

Initials

22.2.7 You affirm that all information set forth in all applications, financial statements and submissions to us are true, complete and accurate in all respects, and you expressly acknowledge that we are relying on the truthfulness, completeness and accuracy of this information.

Initials

22.2.8 Attached hereto as Attachment H is a Franchisee Disclosure Acknowledgment Statement. You shall have received and answer the questions thereon, relating to representations that have or have not been made to you. You have executed the Statement voluntarily and attached it hereto.

Initials

22.2.9 You understand and agree that we may manage and change the System and our business in any manner that is not expressly prohibited by this Agreement. Whenever we have the right within this Agreement to take or withhold action or to grant or decline to you the right to take or withhold action, we may make such a decision on the basis of our business judgment of what is in our best interests and those of the System and the franchise network, without regard to whether other reasonable alternative decisions exist or whether our decision adversely affects you. Absent applicable statute, we shall have no liability for such a decision and you agree that our decision will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, you agree that such a covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants to us the right to make decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations hereunder.

Initials

22.2.10 Although we retain the right to establish and periodically modify System standards, which you have agreed to maintain in the operation of the Restaurant, you retain the right and sole responsibility for the day-to-day management and operation of the Restaurant and the implementation and maintenance of System standards at the Restaurant.

Initials

22.2.11 You acknowledge and agree that we may modify the offer of our franchises to other franchisees in any manner and at any time, which offers and agreements have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement.

Initials

22.2.12 You acknowledge that the success of the business venture contemplated under this Agreement is speculative and depends, to a large extent, upon your ability as an independent business person, your active participation in the daily affairs of the business, market conditions, area competition, availability of product, quality of services provided as well as other factors. We do not make any representation or warranty express or implied as to the potential success of the business venture contemplated hereby.

Initials

22.2.13 You acknowledge and agree that any advice we furnish regarding site selection and our proposal, inspection and/or approval of any proposed site for your Restaurant location will not constitute, and will not be deemed to constitute, our express or implied representation, warranty, guarantee or any other indication of the prospective profitability, viability or merit of the location, and you hereby forever waive any claim to the contrary.

Initials

THE PARTIES HERETO have duly executed this Agreement below.

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL:

Name: _____

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____
Name: Dimitrios Soursos
Title: C.E.O.
Accepted On: _____
(the "Effective Date")

**ATTACHMENT A TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

ACCEPTED LOCATION AND DESIGNATED TERRITORY

1. ACCEPTED LOCATION

Pursuant to Section 1.2 of the Franchise Agreement, the Restaurant shall be located at the following Accepted Location:

[FOR THE INTIAL FA ONLY]

The parties hereby agree to sign a revised Attachment A when the location has been selected in accordance with Section 2.2 of the Franchise Agreement.

2. DESIGNATED TERRITORY:

Pursuant to Section 1.4 of the Franchise Agreement, the Designated Territory shall be a radius of _____ mile(s) around the Restaurant.

[FOR SOLE INDIVIDUALS, ENTITES HAVE AN ADDITIONAL SEPARATE EXHIBIT FOR THE DESIGNATED CONTROLLING PRINCIPAL TO SIGN]

3. DESIGNATED CONTROLLING PRINCIPAL

I, _____, agree to undertake the additional obligations and responsibilities of the “Designated Controlling Principal”, as further defined in Section 19.17 of the Franchise Agreement.

ACCEPTED:

FRANCHISEE:

By: _____
Name: _____
Title: _____

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____
Name: Dimitrios Soursos
Title: C.E.O.

**ATTACHMENT B TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

FORM - COLLATERAL ASSIGNMENT OF LEASE

GREEK XPRESS FRANCHISING LLC
COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned (“Assignor”) assigns, transfers and sets GREEK XPRESS FRANCHISING LLC, a New York limited liability company (“Assignee”), all of Assignor’s right and title to and interest in that certain “Lease” a copy of which is attached as Exhibit A respecting premises commonly known as _____. This assignment is for collateral purposes only and except as specified in this document Assignee will have no liability or obligation of any kind whatsoever arising from or in connection with this assignment or the Lease unless and until Assignee takes possession of the premises the Lease demises according to the terms of this document and assumes Assignor’s obligations under the Lease.

Assignor represents and warrants to Assignee that it has full power and authority to assign the Lease and that Assignor has not previously assigned or transferred and is not otherwise obligated to assign or transfer any of its interest in the Lease or the premises it demises.

Upon Assignor’s default under the Lease or under the “Franchise Agreement” for a GX Greek Xpress Restaurant between Assignee and Assignor or in the event Assignor defaults under any document or instrument securing the Franchise Agreement Assignee has the right to take possession of the premises the Lease demises and expel Assignor from the premises. In that event Assignor will have no further right and title to or interest in the Lease but will remain liable to Assignee for any past due rental payments or other charges Assignee is required to pay Lessor to effectuate the assignment this document contemplates.

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

ASSIGNEE:

GREEK XPRESS FRANCHISING LLC:

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

ASSIGNOR:

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

CONSENT TO COLLATERAL ASSIGNMENT AND AGREEMENT OF LESSOR

The undersigned Lessor under the Lease:

(a) Agrees to notify Assignee in writing of and upon Assignor's failure to cure any default by Assignor under the Lease;

(b) Agrees that Assignee will have the right, but not the obligation, to cure any default by Assignor under the Lease within thirty (30) days after Lessor's delivery of notice of the default under section (a) above;

(c) Consents to the Collateral Assignment and agrees that if Assignee takes possession of the premises the Lease demises and confirms to Lessor that it has assumed the Lease as tenant, Lessor will recognize Assignee as tenant under the Lease, provided that Assignee cures within the thirty (30) day period noted in section (b) above Assignor's defaults under the Lease; and

(d) Agrees that Assignee may further assign the Lease to or enter into a sublease with a person, firm or corporation who agrees to assume the tenant's obligations under the Lease and is reasonably acceptable to Lessor and that upon that assignment Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise, other than to certify that the additional assignee or sublessee operates the premises the Lease demises as a Restaurant.

Dated: _____

_____, Lessor

**ATTACHMENT C TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

STATEMENT OF OWNERSHIP INTERESTS

(TO BE EXECUTED ONLY IF FRANCHISEE IS A CORPORATION,
LIMITED LIABILITY COMPANY OR PARTNERSHIPS)

OWNERS

- A. The following is a list of all shareholders, partners or other investors in Franchisee, including all investors who own or hold a direct or indirect interest in Franchisee, and a description of the nature of their interest. Each of Franchisee's Owners shall execute the Confidentiality Agreement and Ancillary Covenants Not to Compete substantially in the form set forth in Attachment D:

<u>Name</u>	<u>Percentage of Ownership/Nature of Interest</u>
_____	_____% / _____
_____	_____% / _____

FRANCHISEE'S PRINCIPALS

- B. The following is a list of all of Franchisee's Principals described in and designated pursuant to Section 19.17 of the Franchise Agreement. Each of Franchisee's Principals shall execute the Confidentiality Agreement and Ancillary Covenants Not to Compete substantially in the form set forth in Attachment D (see Sections 10.2.2 and 10.3.4 of the Franchise Agreement):

Name: _____

Name: _____

**CONTROLLING PRINCIPALS AND
DESIGNATED CONTROLLING PRINCIPAL**

- C. In consideration of, and as an inducement to, the execution of foregoing Franchise Agreement (the "Franchise Agreement") by Greek Xpress Franchising LLC ("Franchisor") between Franchisor and _____ ("Franchisee"), each of the undersigned acknowledges and agrees as follows:
1. Each has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this guaranty and the undertakings of the Controlling Principals in the Franchise Agreement are in partial consideration for, and a condition to, the granting of this license, and that Franchisor would not have granted this license without the execution of this guaranty and such undertakings by each of the undersigned;
 2. Each is included in the term "Controlling Principals" as described in Section 19.17 of the Franchise Agreement;

3. Each individually, jointly and severally, makes all of the covenants, representations, warranties and agreements of the Controlling Principals set forth in the Franchise Agreement and is obligated to perform thereunder; and
4. Each individually, jointly and severally, unconditionally and irrevocably guarantees to Franchisor and its successors and assigns that all of Franchisee's obligations under the Franchise Agreement will be punctually paid and performed. Upon default by Franchisee or upon notice from Franchisor, each will immediately make each payment and perform each obligation required of Franchisee under the Franchise Agreement. Without affecting the obligations of any of the Controlling Principals under this guaranty, Franchisor may, without notice to the Controlling Principals, waive, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee or settle, adjust or compromise any claims that Franchisor may have against Franchisee. Each of the Controlling Principals waives all demand and notices of every kind with respect to the enforcement of this guaranty, including, without limitation, notice of presentment, demand for payment or performance by Franchisee, any default by Franchisee or any guarantor and any release of any guarantor or other security for this guaranty or the obligations of Franchisee. Franchisor may pursue its rights against any of the Controlling Principals, jointly or severally, without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy. Upon receipt by Franchisor of notice of the death of any of the Controlling Principals, the estate of the deceased will be bound by the foregoing guaranty, but only for defaults and obligations under the Franchise Agreement existing at the time of death, and in such event, the obligations of the remaining Controlling Principals shall continue in full force and effect.

CONTROLLING PRINCIPALS:

Name: _____

Name: _____

5. In addition to undertaking the above set forth obligations, the below named individually undertakes the additional obligations and responsibilities of the "Designated Controlling Principal", as further defined in Section 19.17 of the Franchise Agreement.

DESIGNATED CONTROLLING PRINCIPAL:

Name: _____

**ATTACHMENT D TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

FORM - CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

GREEK XPRESS FRANCHISING LLC
CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

**(for trained employees, shareholders, officers, directors,
general partners, members and managers of Franchisee)**

In consideration of my being a _____ of _____
_____ (“Franchisee”), and other good and valuable consideration, the receipt
and sufficiency of which is acknowledged, I, _____ hereby acknowledge and agree that:

1. Pursuant to a Franchise Agreement dated _____,
20____ (the “Franchise Agreement”), Franchisee has acquired the right and franchise from Greek Xpress
Franchising LLC (the “Company”) to establish and operate a GX Greek Xpress Restaurant (the “Franchised
Business”) and the right to use in the operation of the Franchised Business the Company’s trade names,
service marks, trademarks, logos, emblems, and indicia of origin (the “Proprietary Marks”), as they may be
changed, improved and further developed from time to time in the Company’s sole discretion, only at the
following authorized and Accepted Location: _____ (the “Accepted Location”).

2. The Company, as the result of the expenditure of time, skill, effort and resources has
developed and owns a distinctive format and system (the “System”) relating to the establishment and
operation of Franchised Businesses under the name “GX Greek Xpress,” a fast casual restaurant offering
traditional Greek gyros, pitas, platters, salads, burgers, appetizers, sides and smoothies. The Company
possesses certain proprietary and confidential information relating to the operation of the System, which
includes certain proprietary trade secrets, recipes, methods, techniques, formats, specifications, systems,
procedures, methods of business practices and management, sales and promotional techniques and
knowledge of, and experience in, the operation of the Franchised Business (the “Confidential Information”).

3. Any and all information, knowledge, know-how, and techniques which the Company
specifically designates as confidential shall be deemed to be Confidential Information for purposes of this
Agreement.

4. As _____ of the Franchisee, the Company and Franchisee will disclose the
Confidential Information to me in furnishing to me training programs, the Company’s Confidential
Operations Manuals (the “Manuals”), and other general assistance during the term of the Franchise
Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize
it in the operation of the Franchised Business during the term of the Franchise Agreement, and the use or
duplication of the Confidential Information for any use outside the System would constitute an unfair
method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Company, and is
disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict
confidence all Confidential Information and all other information designated by the Company as
confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential
Information only in connection with my duties as _____ of the Franchisee, and will continue
not to disclose any such information even after I cease to be in that position and will not use any such
information even after I cease to be in that position unless I can demonstrate that such information has
become generally known or easily accessible other than by the breach of an obligation of Franchisee under
the Franchise Agreement.

7. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any food service business which: (a) is the same as, or substantially similar to, a Franchised Business; or (b) offers to sell or sells any products or services which are the same as, or substantially similar to, any of the products offered by a Franchised Business (a "Competitive Business"); and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any Competitive Business that is, or is intended to be, located at or within:

7.1 Franchisee's Designated Territory, as defined in the Franchise Agreement ("Franchisee's Designated Territory");

7.2 Twenty (20) miles of Franchisee's Designated Territory; or

7.3 Twenty (20) miles of any Franchised Business operating under the System and the Proprietary Marks.

The prohibitions in this Paragraph 7 do not apply to my interests in or activities performed in connection with a Franchised Business. This restriction does not apply to my ownership of less than five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

9. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

10. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

11. This Agreement shall be construed under the laws of the State of New York. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

Signature

Name

Address

Title

ACKNOWLEDGED BY FRANCHISEE

By: _____

Name: _____

Title: _____

**ATTACHMENT E TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

ELECTRONIC TRANSFER AUTHORIZATION

**AUTHORIZATION TO HONOR CHARGES DRAWN BY AND
PAYABLE TO GREEK XPRESS FRANCHISING LLC ("COMPANY")**

Depositor hereby authorizes and requests _____ (the "Depository") to initiate debit and credit entries to Depositor's ☐ checking or ☐ savings account (select one) indicated below drawn by and payable to the order of Company by Electronic Funds Transfer, provided there are sufficient funds in said account to pay the amount upon presentation.

Depositor agrees that the Depository's rights with respect to each such charge shall be the same as if it were a check drawn by the Depository and signed by Depositor. Depositor further agrees that if any such charge is dishonored, whether with or without cause and whether intentionally or inadvertently, the Depository shall be under no liability whatsoever.

Depository Name: _____

City: _____ State: _____ Zip Code: _____

Transit/ABA Number: _____ Account Number: _____

This authority is to remain in full force and effect until Company has received written notification from me (or either of us) of its termination in such time and in such manner to afford Company and Depository a responsible opportunity to act on such request.

Depositor: (Please Print)

Date Signed

Signature(s) of Depositor, as Printed Above

Please attach a voided blank check, for purposes of setting up Bank and Transit Numbers.

**ATTACHMENT F TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

**INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND
TELEPHONE LISTING AGREEMENT**

THIS INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE AND TELEPHONE LISTING AGREEMENT (the “Agreement”) is made and entered into on _____ (the “Effective Date”) between GREEK XPRESS FRANCHISING LLC, a New York limited liability company (the “Franchisor”), and _____, a _____ limited liability company/corporation/individual (the “Franchisee”).

W I T N E S S E T H:

WHEREAS, Franchisee desires to enter into a franchise agreement with Franchisor for a “GX Greek Xpress” business (“Franchise Agreement”) which will allow Franchisee to conduct internet-based advertising, maintain social media and software accounts, and use telephone listings linked to the GX Greek Xpress brand.

WHEREAS, Franchisor would not enter into the Franchise Agreement without Franchisee’s agreement to enter into, comply with, and be bound by all the terms and provisions of this Internet Listing Agreement;

NOW, THEREFORE, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions

All terms used but not otherwise defined in this Agreement shall have the meanings set forth in the Franchise Agreement. “Termination” of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.

2. Internet Advertising and Telephone Listings

2.1 Interest in Websites, Social Media and Software Accounts and Other Electronic Listings. Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of Franchise Agreement, certain right, title, or interest in and to certain domain names, social media and software accounts, hypertext markup language, uniform resource locator addresses, access to corresponding internet websites, and the right to hyperlink to certain websites and listings on various internet search engines and the right to use certain software (collectively, “Electronic Advertising and Software”) related to the Franchised Business or the Marks.

2.2 Interest in Telephone Numbers and Listings. Franchisee has or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, internet page, and other telephone directory listings (collectively, the “Telephone Listings”) related to the Franchised Business or the Marks.

2.3 Transfer. On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately :

direct all internet service providers, domain name registries, internet search engines, social media companies, and other listing agencies and software companies (collectively, the “Internet and Software Companies”) with which Franchisee has Electronic Advertising and Software: (i) to transfer all of Franchisee’s interest in such Electronic Advertising and Software to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Electronic Advertising and Software, Franchisee will immediately direct the Internet and Software Companies to terminate such Electronic Advertising and Software or will take such other actions with respect to the Electronic Advertising and Software as Franchisor directs; and

2.3.1 direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the “Telephone Companies”) with which Franchisee has Telephone Listings: (i) to transfer all Franchisee’s interest in such Telephone Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Telephone Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Listings or will take such other actions with respect to the Telephone Listings as Franchisor directs.

2.4 Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor’s benefit under the Franchise Agreement and this Agreement or otherwise, with full power of substitution, as Franchisee’s true and lawful attorney-in-fact with full power and authority in Franchisee’s place and stead, and in Franchisee’s name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.4.1 Direct the Internet and Software Companies to transfer all Franchisee’s interest in and to the Electronic Advertising and Software to Franchisor, or alternatively, to direct the Internet and Software Companies to terminate any or all of the Electronic Advertising and Software;

2.4.2 Direct the Telephone Companies to transfer all Franchisee’s interest in and to the Telephone Listings to Franchisor, or alternatively, to direct the Telephone Companies to terminate any or all of the Telephone Listings; and

2.4.3 Execute such standard assignment forms or other documents as the Internet and Software Companies and/or Telephone Companies may require in order to affect such transfers or terminations of Franchisee’s interest.

2.5 Certification of Termination. Franchisee hereby directs the Internet and Software Companies and Telephone Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor’s written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated.

2.6 Cessation of Obligations. After the Internet and Software Companies and the Telephone Companies have duly transferred all Franchisee’s interests as described in paragraph 2.3 above to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations with respect to the particular Electronic Advertising and Software and/or Telephone Listing.

Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet and Software Companies and Telephone Companies for the respective sums Franchisee is obligated to pay to them for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such interests, or for any other obligations not subject to the Franchise Agreement or this Agreement.

3. **Miscellaneous**

3.1 **Release.** Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet and Software Companies and/or Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertible in, or in any way related to this Agreement.

3.2 **Indemnification.** Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, claims, debts, demands, or obligations that are related to or are based on this Agreement.

3.3 **No Duty.** The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's interest in any matter hereunder.

3.4 **Further Assurances.** Franchisee agrees that at any time after the date of this Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Agreement.

3.5 **Successors, Assigns, and Affiliates.** All Franchisor's rights and powers, and all Franchisee's obligations, under this Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Agreement.

3.6 **Effect on Other Agreements.** Except as otherwise provided in this Agreement, all provisions of the Franchise Agreement and attachments and schedules thereto shall remain in effect as set forth therein.

3.7 **Survival.** This Agreement shall survive the Termination of the Franchise Agreement.

3.8 **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of New York, without regard to the application of New York conflict of law rules.

The undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISEE:

By: _____
Name: _____
Title: _____

PRINCIPAL:

Name: _____

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____
Name: Dimitrios Soursos
Title: C.E.O.

**ATTACHMENT G TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

FORM OF GENERAL RELEASE

THIS AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20__ by and between GREEK XPRESS FRANCHISING LLC, a New York limited liability company having its principal address at 59 Main Street, East Rockaway, New York 11518 (the "Franchisor"), and _____, a _____ with a principal address at _____ (hereinafter referred to as "Releasor"), wherein the parties hereto, in exchange for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. Release by Releasor:

Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Agreement, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement. In the event Releasor breaches any of the promises covenants, or undertakings made herein by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees.

2. Releasor hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph.

3. Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary.

4. New York law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

5. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein, and said action must be filed in the State of New York.

6. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

Witness:

RELEASOR:

Name: _____

Witness:

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC:

By: _____

Name: _____

Title: _____

**ATTACHMENT H TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

**FORM - TRANSFER OF A FRANCHISE TO A
CORPORATION OR LIMITED LIABILITY COMPANY**

**ATTACHMENT H TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know, Greek Xpress Franchising LLC (the “Franchisor”) and you are preparing to enter into a franchise agreement (the “Franchise Agreement”) for the establishment and operation of a GX Greek Xpress franchised business (the “Franchised Business”). The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of Fransmart, LLC (“Fransmart”) that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor.

In the event that you are intending to purchase an existing Franchised Business from an existing franchisee, you may have received information from the transferring franchisee, who is not an employee or representative of ours. The questions below do not apply to any communications that you had with the transferring franchisee. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. I am not seeking to enter into a Franchise Agreement in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee.

Yes/No _____

2. I had my first face-to-face meeting with a Franchisor representative on _____ (mm/dd/yyyy).

Initials

3. I received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to me.

Initials

4. If you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you, please initial below. If you do not, please do not initial. Please indicate which information you do not understand below.

Initials

I do not understand the following information contained in the Franchise Agreement, an Addendum, and/or related agreement:

5. I have received and personally reviewed the Franchisor's Disclosure Document that was provided to me.

_____ Date Received _____ (mm/dd/yyyy)
Initials

6. I signed a receipt for the Disclosure Document indicating the date I received it.

_____ Date Received _____ (mm/dd/yyyy)
Initials

7. If you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document, please initial below. If you do not, please do not initial. Please indicate which information you do not understand below.

_____ Date Received _____ (mm/dd/yyyy)
Initials

I do not understand the following information in the Disclosure Document and/or Addendum:

8. I have discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor. If you wish to have more time to do so, please do not initial below.

Initials

9. I understand that the success or failure of my Franchised Business will depend in large part upon my decisions, skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, my management capabilities and other economic, and business factors and any past results of Franchisor cannot be relied on in the future.

Initials

10. No employee of Fransmart or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits, opening costs or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document.

Initials

11. No employee of Fransmart or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money I may earn in operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document.

Initials

12. No employee of Fransmart or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document.

Initials

13. No employee of Fransmart or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs I may incur in opening and/or operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document.

Initials

14. No employee of Fransmart or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that I should or might expect to achieve from operating a Franchised Business.

Initials

15. No employee of Fransmart or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to me that is contrary to, or different from, the information contained in the Disclosure Document or Franchise Agreement.

Initials

16. I have not entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today.

Initials

17. I have not paid any money to the Franchisor concerning the purchase of this franchise prior to today.

Initials

18. Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? _____

19. I agree to sign an HQ Initial Training Acknowledgment affirming that the HQ Initial Training (attachment 14 to the franchise agreement) I receive from the Franchisor, and/or its designees, meets the requirements outlined in the Franchise Agreement.

Initials

By requesting my graduation from the HQ Initial Training program you affirm that the Franchisor has met its obligations. Do not sign the HQ Initial Training Acknowledgment unless and until you feel the Franchisor has fulfilled its obligations. You will not be deemed a graduate of HQ Initial Training program until you complete all requests and sign the HQ Initial Training Acknowledgment.

20. I agree to sign a Pre-Opening Assistance and Training Acknowledgment affirming the on-site pre-opening assistance and training I receive from Franchisor during the scheduled opening of the Franchised Business meets the requirements outlined in the Franchise Agreement.

Initials

By requesting your graduation from Pre-Opening Assistance and Training program you will be affirming that Franchisor has fulfilled its obligations. Do not sign the Pre-Opening Assistance and Training Acknowledgment unless and until you feel Franchisor has fulfilled its obligation. You will not be deemed a graduate of the Pre-Opening Assistance and Training program until you have completed all requests and sign the Pre-Opening Assistance and Training Acknowledgment.

21. I agree to sign a Request by Franchisee for Financial Information (Attachment 11 to the Franchise Agreement) in the event that I request to receive financial information from the Franchisor and acknowledge that such information shared pursuant to this request shall be deemed to be a permissible disclosure since I have entered into the Franchise Agreement prior to any such disclosure and I agree to fully release and hold harmless the Franchisor and its agents and representatives and agree that I will not seek any legal action whatsoever based upon any financial information I receive from Franchisor pursuant to this request.

Initials

22. I agree to enter into an Addendum (Attachment 10 to the Franchise Agreement) in the event the Franchisor and I mutually agree to revise any terms of the Franchise Agreement, whether at initial

signing of the Franchise Agreement or a future date. The Addendum will include a full release and hold harmless through the date of its execution.

Initials

23. I have spoken to lawyers, accountants, and other professionals about this business opportunity.

Initials

24. I fully acknowledge that I have made the decision to enter into this Franchised Business and have not relied on the Franchisor, its employees and representatives, including Fransmart. I have relied solely on my team of professionals in making my decision to purchase this franchise and accept all risks and responsibilities involved in opening and operating a GX Greek Xpress Franchised Business.

Initials

If you did not initial any of the foregoing statements indicating that you are unable to acknowledge the information contained therein, please provide a full explanation directly below in the space provided. If you are able to acknowledge all of the foregoing statements, please enter "not applicable" below.

I signed the Franchise Agreement and Addendum (if any) on _____ (mm/dd/yyyy), and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor.

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. In addition, by signing this Questionnaire, you also acknowledge that:

A. You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace. You hereby acknowledge your awareness of and willingness to undertake these business risks.

B. You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including Fransmart or any other broker) as to the likelihood of success of the franchise. Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including Fransmart or any other broker) concerning actual, projected or forecasted franchise sales, profits or earnings. You understand that this is a new business venture, and neither Franchisor nor Fransmart, makes any assurances as to your success. You acknowledge and agree that neither Franchisor nor Fransmart has provided you with any information not already set forth in the Franchise Disclosure Document, and you

acknowledge that you have not received any information not already set forth in the Franchise Disclosure Document. If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None" below.

C. You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism. For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is:

- (i) a person or entity listed in the Annex to the Executive Order;
- (ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism;
- (iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or
- (iv) owned or controlled by terrorists or sponsors of terrorism.

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

Acknowledged on _____.

Sign here if you are taking the franchise as an INDIVIDUAL

Name: _____

Sign here if you are taking the franchise as a CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

Print Name of Legal Entity

By: _____
Name: _____
Title: _____

**ATTACHMENT I TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given on _____, by

_____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "Agreement") on this date by Greek Xpress Franchising LLC, a New York limited liability company ("us", "we", or "our"), and that each of the undersigned personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement and afterward as provided in the Agreement, that _____ ("Franchisee") will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non-competition, confidentiality and arbitration requirements.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person; and (4) this liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which we may from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance of the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement.

Each of the undersigned waives all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty.

EACH OF THE UNDERSIGNED has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)

Name: _____

Name: _____

**ATTACHMENT J TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

**FORM - ADDENDUM TO GREEK XPRESS
FRANCHISING LLC FRANCHISE AGREEMENT**

GREEK XPRESS FRANCHISING LLC
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM (the “Addendum”) to the Franchise Agreement is made and entered into this on _____, by and between (i) Greek Xpress Franchising LLC, a New York limited liability company having its principal place of business at 621 Wythe Street, East Rockaway, New York 22314 (“Franchisor”); (ii) _____ a _____ corporation/limited liability company with a registered business address of _____ (“Franchisee”); and **[for corporation / limited liability company only]** (iii) _____, an individual with a principal address at _____ (individually and collectively, “Guarantor”).

BACKGROUND

- A. Franchisor is a franchisor of a GX Greek Xpress fast casual restaurant (“Restaurant”), offering traditional Greek gyros, pitas, platters, salads, burgers, appetizers, sides and smoothies.
- B. Franchisee has requested, and Franchisor has granted, Franchisee the right to enter into Franchisor’s form of franchise agreement, which agreement was entered into on _____, under which Franchisee is granted the right and undertakes the obligation to open and operate a GX Greek Xpress Restaurant located at _____ **OR** at a location to be determined (the “Franchise Agreement”).
- C. Franchisee has requested, and Franchisor has granted, that Franchisee be afforded the benefit of certain negotiated changes to the standard form of Franchisor’s franchise agreement.
- D. Accordingly, the parties wish to amend the Franchise Agreement pursuant to the terms of this Addendum.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, commitments and understandings contained herein, Franchisor and Franchisee hereby agree as follows:

- 1. [INSERT ADDENDUM DETAILS HERE]
- 2. Confidentiality. The parties acknowledge disclosure of the terms of this Addendum would cause irreparable harm to Franchisor and that a material term of this Addendum and the consideration therefore is that the terms of this Addendum shall be held in the strictest confidence. The parties shall maintain the strict confidentiality of the terms of this Addendum except on a need-to-know basis to their attorneys or as directed by a court of law with jurisdiction over the subject matter of this Addendum.
- 3. Defined Terms. Terms defined in the Franchise Agreement and not defined in this Addendum have the meaning defined in the Franchise Agreement or previously executed addenda.
- 4. Binding Effect. This Addendum will inure to the benefit of, and will be binding upon, the parties hereto and their respective successors and assigns.
- 5. Entire Agreement. The Franchise Agreement, this Addendum and previous addenda, if any, and all additional addenda executed hereafter, constitute the entire, full, and complete agreement between Franchisor and Franchisee, and supersede any and all prior agreements. In the event of any conflict or

ambiguity between the terms of this Addendum and the Franchise Agreement or previous addenda, the terms of this Addendum shall control.

6. Release. By executing this Addendum, Franchisee, individually, and on behalf of its heirs, legal representatives, successors and assigns, and each assignee of this Addendum by accepting assignment of the same, hereby forever releases and discharges Franchisor and its officers, directors, employees, agents and servants, including its subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements, including verbal and email between the parties executed prior to the date of this Addendum, including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, or antitrust laws of the United States, or of any state or territory thereof.
7. Indemnity. Franchisee agrees to indemnify and hold Franchisor harmless from legal actions, damages and expenses, including legal fees that Franchisee may incur that are related to or are based on the Agreement and this or any preceding Addendum.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Addendum the date and year first written above.

FRANCHISOR:
GREEK XPRESS FRANCHISING LLC

Witness

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

FRANCHISEE:
[COMPANY/ENTITY NAME]

WITNESS

By: _____
Name: _____
Title: _____

[for corporation / limited liability company only]
GUARANTOR: [INDIVIDUAL'S NAME]

WITNESS

Signature: _____
Date: _____

**ATTACHMENT K TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

FORM - REQUEST FOR FINANCIAL INFORMATION

REQUEST FOR FINANCIAL INFORMATION

GREEK XPRESS FRANCHISING LLC ("Franchisor") and _____ ("Franchisee", "we") are parties to a certain Franchise Agreement dated _____ for the operation of a "GX Greek Xpress" Restaurant ("Franchise Agreement").

We hereby acknowledge that we became a franchisee of Franchisor on _____ pursuant to the above referenced Franchise Agreement of same date. This request for financial information is made on _____, which is at least ninety (90) days after the date we executed said Franchise Agreement, and we are now requesting the assistance of the Franchisor by supplying us with financial information and financial modeling information relative to GX Greek Xpress Restaurants. Franchisor agrees to release any such financial information to Franchisee, and Franchisee represents and warrants the following facts:

1. Franchisee acknowledges and understands the Federal Trade Commission prohibits franchisors from supplying prospecting franchisees any financial information whatsoever unless that information is already disclosed in the Franchise Disclosure Document ("FDD") and Franchisee acknowledges that no individual, corporate officer or member of the management teams for Fransmart, LLC and/or Franchisor has ever provided any financial information whatsoever prior to Franchisee becoming a franchisee of Franchisor, except as may be included in Item 19 of the FDD received by Franchisee.
2. Franchisee acknowledges that any financial information Franchisor may share with Franchisee pursuant to this request is not and will not be considered a representation or warranty of performance for Franchisee's Restaurant and any financial information Franchisor may share with Franchisee pursuant to this request shall be deemed to be a permissible disclosure since Franchisee has entered into its Franchise Agreement prior to any such disclosure and Franchisee agrees to a full release and hold harmless of the Franchisor and its agents and representatives and agrees that it shall not seek any legal action whatsoever based upon any financial information Franchisee receives from Franchisor pursuant to this request.

Franchisee hereby agrees to indemnify and hold harmless, pay or reimburse Franchisor, upon demand, for all reasonable costs and expenses (including reasonable attorney costs) incurred by Franchisor in connection with any claims brought by or on behalf of Franchisee against Franchisor based on the financial information provided, including reasonable attorneys' fees incurred by Franchisor in defending against any such claims.

By executing this Release and Hold Harmless, we, individually, and on behalf of our heirs, legal representatives, successors and assigns, hereby forever release and discharge Franchisor and its officers, directors, employees, agents and servants, including its subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements between the parties executed prior to the date of this Release and Hold Harmless, including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, or antitrust laws of the United States, or of any state or territory thereof.

FRANCHISEE:

By: _____

Name: _____

Title: _____

Dated: _____

Witness

**ATTACHMENT L TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

FORM - EMPLOYMENT RELATIONSHIP ACKNOWLEDGMENT

EMPLOYMENT RELATIONSHIP ACKNOWLEDGMENT

Employee Name:	(the "Employee")
Date of Hire:	
Restaurant Address:	

You understand and acknowledge that you are employed exclusively by _____ ("Franchisee") and in no manner, shape or form employed by, jointly employed by or co-employed by Greek Xpress Franchising LLC, its affiliates and/or assigns.

Release. By executing this Acknowledgement, you individually, and on behalf of your heirs, legal representatives, successors and assigns, hereby forever releases and discharges Greek Xpress Franchising LLC and its officers, directors, employees, agents and servants, including its subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements between the parties executed prior to the date of this Acknowledgment, including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, or antitrust laws of the United States, or of any state or territory thereof.

Indemnification. Employee hereby agrees to indemnify and hold harmless, pay or reimburse Greek Xpress Franchising LLC, upon demand, for all reasonable costs and expenses (including reasonable attorney costs) incurred by Greek Xpress Franchising LLC in connection with any claims brought by you or on your behalf, including reasonable attorneys' fees incurred by Franchisor in defending against any such claims.

IN WITNESS WHEREOF, the parties hereto have duly signed and executed this Agreement as of the date first written below.

EMPLOYEE:

Witness

Signature_____

Name:_____

Date:_____

**ATTACHMENT M TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

FORM - EMPLOYMENT ACKNOWLEDGMENT

EMPLOYMENT ACKNOWLEDGMENT

GREEK XPRESS FRANCHISING LLC (“Franchisor”, “we”, “us” or “our”) and _____ (“Franchisee”, “you” or “your”) are parties to a Franchise Agreement dated _____ for the operation of a “GX Greek Xpress” Restaurant at _____ (the “Franchised Business”). In accordance with Article 16 of the Franchise Agreement, you understand and acknowledge that your employees are in no manner, shape or form employed by, jointly employed by or co-employed by Franchisor.

It is intention of the parties to this Agreement that we shall not be deemed a joint employer with you for any reason. If we incur any cost, loss or damages as a result of any actions or omissions of you or your employees, including any that relate to any party making a finding of any joint employer status, you will fully indemnify us for any such loss.

You hereby irrevocably affirm, attest and covenant your understanding that your employees are employed exclusively by you and in no fashion are any such employees employed, jointly employed or co-employed by us. You further affirm and attest that each of your employees is under your exclusive dominion and control and never under our direct or indirect control in any fashion whatsoever. You alone hire each of your employees; set their schedules; establish their compensation rates; and pay all salaries, benefits and employment-related liabilities (such as workers’ compensation insurance premiums/payroll taxes/Social Security contributions/unemployment insurance premiums). You alone have the ability to discipline or terminate your employees to our exclusion, and we shall have no such authority or ability.

You further attest and affirm that any minimum staffing requirements established by us are solely for the purpose of ensuring that the Franchised Business is at all times staffed at those levels necessary to operate the Franchised Business in conformity with the System and the products, services, standards of quality and efficiency, and other brand attributes known to and desired by the consuming public and associated with the Proprietary Marks. You affirm, warrant and understand that you may staff the Franchised Business with as many employees as you desire at any time so long as our minimal staffing levels are achieved. You also affirm and attest that any recommendations you may receive from us regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist you to efficiently operate your Franchised Business, and that you are entirely free to disregard our recommendations regarding such employee compensation.

Moreover, you affirm and attest that any training provided by us for your employees is geared to impart to those employees, with your ultimate authority, the various procedures, protocols, systems and operations of the Restaurant and in no fashion reflects any employment relationship between us and such employees. Finally, should it ever be asserted that we are the employer, joint employer or co-employer of any of your employees in any private or government investigation, action, proceeding, arbitration or other setting, you irrevocably agree to assist us in defending said allegation, including (if necessary) appearing at any venue requested by us to testify on our behalf (and, as may be necessary, submitting yourself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that we are the employer, joint employer or co-employer of any of your employees). To the extent we are the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of you, should any such appearance by you be required or requested by us, we will recompense you the reasonable costs associated with your appearing at any such venue.

Release. By executing this Acknowledgement, you individually, and on behalf of your heirs, legal representatives, successors and assigns, hereby forever release and discharge us and our officers, directors, employees, agents and servants, including our subsidiary and affiliated corporations, their respective

officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements between the parties executed prior to the date of this Acknowledgment, including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, or antitrust laws of the United States, or of any state or territory thereof.

You hereby agree to indemnify and hold harmless, pay or reimburse us, upon demand, for all reasonable costs and expenses (including reasonable attorney costs) incurred by us in connection with any claims brought by you or on your behalf against us based on any alleged failure to provide adequate training or to provide any other services performed by us, including reasonable attorneys' fees incurred by us in defending against any such claims.

ATTEST:

FRANCHISOR:
GREEK XPRESS FRANCHISING LLC

Witness

By: _____
Name: _____
Title: _____
Dated: _____

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____
Dated: _____

**ATTACHMENT N TO THE GREEK XPRESS FRANCHISING LLC
FRANCHISE AGREEMENT**

FORM - HQ INITIAL TRAINING ACKNOWLEDGMENT

HQ INITIAL TRAINING ACKNOWLEDGMENT

Date: _____

To Greek Xpress Franchising LLC:

By signing below, you hereby acknowledge that Greek Xpress Franchising LLC, and its designees, have provided to you and your staff the initial training, including headquarter training, required pursuant to the Franchise Agreement dated _____ between Greek Xpress Franchising LLC ("Franchisor") and _____ ("Franchisee") for a GX Greek Xpress Restaurant located at: _____ (the "Restaurant").

You further represent and warrant that Franchisor has satisfactorily completed all of its obligations pursuant to Article 5 of the Franchise Agreement, including but not limited to the following: site selection guidance, providing the prototype design plans, loaning the Franchisor's Confidential Operations Manuals, visits to the location, reviewing the grand opening advertising campaign, providing management and operations advice, providing a list of approved suppliers and providing the initial training program, including HQ initial training. You acknowledge and affirm that you have been trained to the point that you are fully satisfied that you and your team are fully capable of opening and operating the Restaurant. By executing this Acknowledgement, you individually, and on behalf of your heirs, legal representatives, successors and assigns, hereby forever releases and discharges Franchisor and its officers, directors, employees, Fransmart, LLC and its representatives, agents and servants, including their respective subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements between the parties executed prior to the date of this Acknowledgment.

You hereby agree to indemnify and hold harmless, pay or reimburse Franchisor, upon demand, for all reasonable costs and expenses (including reasonable attorney costs) incurred by Franchisor in connection with any claims brought by you or on your behalf against Franchisor based on any alleged failure to provide adequate training or to provide any other services performed by Franchisor, including reasonable attorneys' fees incurred by Franchisor in defending against any such claims.

By executing this Release and Hold Harmless, you, individually, and on behalf of your heirs, legal representatives, successors and assigns, hereby forever release and discharge Franchisor and its officers, directors, employees, agents and servants, including its subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under any agreements between the parties executed prior to the date of this Release and Hold Harmless, including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities, or antitrust laws of the United States, or of any state or territory thereof.

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

Witness

**GREEK XPRESS FRANCHISING LLC
EXHIBIT C TO THE DISCLOSURE DOCUMENT**

MULTI-UNIT OPERATOR AGREEMENT

GREEK XPRESS FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT

MULTI-UNIT OPERATOR

EFFECTIVE DATE

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ATTACHMENTS

- A - Certification by Multi-Unit Operator
- B - Guaranty
- C - Development Area
- D- Minimum Performance Schedule

GREEK XPRESS FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT

THIS MULTI-UNIT OPERATOR AGREEMENT (the “Agreement”) is made and entered into by and between GREEK XPRESS FRANCHISING LLC, a New York limited liability company having its principal address at 59 Main Street, East Rockaway, New York 11518 (“Franchisor”, “we”, “us” or “our”) and _____, an individual residing at _____ and _____, an individual residing at _____ (herein “Multi-Unit Operator”).

W I T N E S S E T H:

WHEREAS, as the result of the expenditure of time, skill, effort and money, we and our affiliates have developed and own a unique and distinctive system (hereinafter “System”) relating to the establishment of a fast casual “GX Greek Xpress” restaurant, offering traditional Greek gyros, pitas, platters, salads, burgers, appetizers, sides and smoothies. Restaurants operate using the franchisor’s proprietary recipes, formulae, techniques, trade dress, trademarks and logos.

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, décor, color scheme, and furnishings; proprietary products, ingredients, and mix; proprietary recipes and special menu items, uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; materials and supplies incorporated in or used in the preparation, serving and packaging of products; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by us from time to time;

WHEREAS, we identify the System by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark “GX Greek Xpress” and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as “Marks”);

WHEREAS, we and our affiliate continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System’s high standards of quality, appearance and service; and

WHEREAS, you wish to obtain certain development rights to open and operate Restaurants operating under the Marks and the System within the Development Area described in this Agreement.

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party stated herein, hereby agree as follows:

SECTION 1
GRANT

1.1 We hereby grant to you, pursuant to the terms and conditions of this Multi-Unit Operator Agreement, certain rights to establish and operate franchised Restaurants using the System at Franchisor accepted locations as outlined in Section 3 hereof (“Development Rights”). The total number of Franchised Businesses you are committed to develop and operate and the schedule in which you shall commence operations for each Restaurant is contained in Attachment “D” of this Agreement (hereinafter “Minimum

Performance Schedule”). Each Restaurant developed hereunder shall be located in a specific geographic territory described in Attachment “C” of this Agreement (hereinafter “Development Area”).

1.2 The Development Area is typically described in terms of municipal boundaries, county boundaries or specified trade areas within a municipality. Trade areas cannot overlap or interfere with an existing trade area, designated territories or development areas. We reserve the right to provide a two (2) mile buffer between trade areas, designated territories and development areas. We reserve the right to adjust or re-assign any of the trade areas in the Development Area to best serve your interests, or in the event there is a conflict with an existing trade area, designated territory or development area. We reserve the right to: (i) move that trade area to an unoccupied area, or (ii) refund to you the pro-rata portion of the Development Fee that was paid for the number of Restaurants to be developed in those specific trade areas.

1.3 Each Restaurant for which a Development Right is granted hereunder shall be established and operated pursuant to a franchise agreement to be entered into between you and us in accordance with Section 3.1 hereof (“Franchise Agreement”).

1.4 Except as otherwise provided in this Agreement, we shall not establish, nor franchise anyone other than you to establish, a Restaurant in the Development Area during the term of this Agreement, provided you are not in default hereunder.

1.5 This Agreement is not a Franchise Agreement and does not grant to you any right to use the Marks or System.

1.6 You shall have no right under this Agreement to franchise others under the Marks or System.

SECTION 2

DEVELOPMENT FEE

2.1 In consideration of the Development Rights granted herein, you shall pay to us the development fee contained in Exhibit D upon execution of this Agreement (“Development Fee”),

2.2 The Development Fee is calculated based on the number of units you have committed to open, as defined in Exhibit D attached hereto. To enter into a Multi-Unit Operator Agreement, you will commit to develop a minimum of five (5) Restaurants. If you commit to develop between five (5) and nine (9) Restaurants, you will pay a Development Fee of one hundred percent (100%) of the initial franchise fee (defined in Section 3.4 below) for three (3) Restaurants, plus a deposit of fifty percent (50%) of the initial franchise fee for each additional Restaurant. If you commit to develop ten (10) or more Restaurants, you will pay a Development Fee of one hundred percent (100%) of the initial franchise fee for five (5) Restaurants, plus a deposit of fifty percent (50%) of the initial franchise fee for each additional Restaurant.

2.3 The Development Fee shall be fully earned by us upon execution of this Agreement, shall be non-refundable, and shall be for administrative and other expenses incurred by us and for the development opportunities lost or deferred as a result of the Development Rights granted to you herein.

SECTION 3

SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS

3.1 You shall assume all responsibility and expense for locating potential sites for Restaurants. You shall exercise each Development Right granted herein only by executing a Franchise Agreement for each Restaurant at a site located in the Development Area that has been accepted by us as provided below. Under no circumstances, however, may you open a Restaurant for business unless and until there is a fully

executed Franchise Agreement in place for such Restaurant, thirty days (30) prior to the scheduled opening date you have sent us a written request to open the Restaurant for business, have received our prior written authorization to open the Restaurant, and we are in receipt of the initial franchise fee for such Restaurant, as further defined in the Attachment D hereto.

3.2 Recognizing that time is of the essence, you agree to exercise each of the Development Rights granted hereunder in the manner specified herein, and to satisfy the Minimum Performance Schedule in a timely manner. Your failure to adhere to the Minimum Performance Schedule shall constitute a default under this Agreement as provided in Section 9.1 hereof.

3.3 You must submit your request for acceptance of a prospective Restaurant site to us in writing, including any information and materials we may request. We shall have thirty (30) days after receipt of all requested information and materials to either accept or decline, in our sole discretion, your request.

3.3.1 If the prospective Restaurant site is for the first Development Right exercised hereunder, then the Franchise Agreement has been executed contemporaneously with this Agreement and we will provide you with a written acceptance or denial of your request.

3.3.2 If the prospective Restaurant site is for the second or later Development Right exercised hereunder and we accept your request for said site, then we shall present you with a Franchise Agreement for execution. Within fifteen (15) days after your receipt of said Franchise Agreement, you shall return the executed Franchise Agreement to us. The Franchise Agreement for each additional Development Right exercised hereunder shall be the then-current Franchise Agreement, and all other ancillary agreements, instruments and documents then customarily used by us in the granting of franchises. The then-current Franchise Agreement may materially differ from prior Franchise Agreements executed under this Agreement, including but not limited to a higher rate of fees (however, the royalty fee and local advertising will remain the same as your first franchise agreement), different methods of calculating fees due, and different payment methods, which shall be the same as those set out in the then-current franchise agreements being executed at that time. In the event we do not receive the properly executed Franchise Agreement within said fifteen (15) days from delivery thereof to you, our approval of your request shall be void and you shall have no rights with respect to said site.

3.4 The non-refundable initial franchise fee for each Restaurant to be developed hereunder is Thirty Thousand Dollars (\$30,000) ("Initial Franchise Fee"). For each Development Right hereunder, the amount of the Development Fee we shall apply to the Initial Franchise Fee and the remaining portion of the Initial Franchise Fee shall be due and payable as described in Attachment D hereto.

3.5 You acknowledge that the acceptance of a request for a site for a Restaurant by us shall not be deemed to be an assurance or guaranty that the Restaurant will operate successfully or at a profit from such site. You understand the costs to purchase, equip and make the site operational as a Restaurant may exceed the estimate provided for in our Franchise Disclosure Document. It shall be your responsibility to work with real estate, general contractors and other professionals to understand these overages and how best to accommodate for them. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if the site fails to meet your expectations. You will know all costs and timetables prior to forming your opinion and sending us your request for approval.

3.6 You shall be required to execute each Franchise Agreement and own a minimum of fifty-one percent (51%) of the issued and outstanding stock for each Restaurant to be opened pursuant to said Franchise Agreement. In no event shall you relinquish control over each entity operating each Restaurant.

SECTION 4

DEVELOPMENT RIGHTS AND OBLIGATIONS

4.1 Provided you are in full compliance with all the terms and conditions of this Agreement, including without limitation your development obligations described in Section 3.2, and you are in full compliance with all of your obligations under all Franchise Agreements executed pursuant to this Agreement, then during the term of this Agreement neither we nor any of our affiliates will develop or operate or grant franchises for the development or operation of Restaurants within the Development Area, except the franchises that are granted to you pursuant to this Agreement and except as otherwise expressly provided in this Agreement.

4.2 The Development Rights granted to you herein do not include the right to develop Restaurants at any Non-Traditional Sites. As used herein, a “Non-Traditional Site” includes, without limitation: gas stations or convenience stores; transportation facilities, including airports, train stations, subways and rail and bus stations; military bases and government offices; sports facilities, including stadiums and arenas; amusement parks, zoos and convention centers; car and truck rest stops and travel centers; educational facilities; recreational theme parks; hospitals; hotels; business or industrial foodservice venues; venues in which food service is or may be provided by a master concessionaire or contract food service provider; Indian reservations; casinos; or any similar captive market location.

4.3 Upon the termination or expiration of this Agreement, we and our affiliates shall have the right to develop and operate, and to grant to others development rights and franchises to develop and operate, Restaurants within the Development Area subject only to the territorial rights granted to you with respect to Restaurants operated by you pursuant to the Franchise Agreements.

4.4 We and our affiliates retain all rights with respect to Restaurants, the Marks and the sale of any goods and services, anywhere in the world, including, without limitation, the right:

4.4.1 to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Restaurants, and any other goods displaying the Marks or other trade and service marks, through Alternate Channels of Distribution, as described below, both within and outside the Development Area, and under any terms and conditions we deem appropriate. “Alternate Channels of Distribution” is through any method other than a GX Greek Xpress Restaurant, including, but not limited to, the internet, wholesale, mail order, catalog sales, grocery stores, ghost kitchens, club stores, telemarketing or other direct or indirect marketing methods and sales;

4.4.2 to operate and to grant others the right to operate Restaurants located outside the Development Area under any terms and conditions we deem appropriate and regardless of proximity to your Restaurants;

4.4.3 to acquire and operate a business operating one or more restaurants or food service businesses located or operating in your Development Area; and

4.4.4 to operate and to grant others the right to operate Restaurants at Non-Traditional Sites within and outside the Development Area under any terms and conditions we deem appropriate.

SECTION 5

RENEWAL

This Agreement shall not be subject to renewal; however, if you wish to purchase a new Development Area and continue to develop Restaurants, we will, in good faith, negotiate a new Multi-Unit Operator Agreement with you.

SECTION 6

TERM

Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all Development Rights granted hereunder shall expire on the date the last Restaurant is opened pursuant to the Minimum Performance Schedule established in Attachment “D”.

SECTION 7

YOUR OBLIGATIONS

You acknowledge and agree that:

7.1 Except as otherwise provided herein, this Agreement includes only the right to select sites for the establishment of Restaurants and to submit the same to us for our approval in accordance with the terms of this Agreement. This Agreement does not include the grant of a license by us to you of any rights to use the Marks, the System, or to open or operate any Restaurants within the Development Area. You shall obtain the license to use such additional rights at each Restaurant upon the execution of each Franchise Agreement by both you and us and only in accordance with the terms of each Franchise Agreement.

7.2 The Development Rights granted hereunder are personal to you and cannot be sold, assigned, transferred or encumbered, in whole or in part, except as stated in Section 11 hereof.

7.3 Except as provided herein, the Development Rights granted hereunder are non-exclusive, and we retain the right, in our sole discretion:

(a) To continue to construct and operate other Restaurants and to use the System and the Marks at any location outside the Development Area, and to license others to do so.

(b) To develop, use and franchise the rights to any trade names, trademarks, service marks, trade symbols, emblems, signs, slogans, insignia, or copyrights not designated by us as Marks for use with different franchise systems for the sale of the different products or services not in connection with the System at any location, on such terms and conditions as we may deem advisable and without granting you any rights therein.

(c) To develop, merchandise, sell and license others to sell any of our products, proprietary or otherwise, presently existing or to be developed in the future, to the public through alternative distribution channels outside or inside of the Development Area and to use the Marks in connection therewith.

7.4 You have sole responsibility for the performance of all obligations arising out of the operation of your business pursuant to this Agreement, including, but not limited to, the payment when due of any and all Taxes levied or assessed by reason of such operation.

7.4.1 If any amounts payable by you to us are subject to any Taxes that you are required to deduct from the payments, you shall promptly deliver to us at the time of payment all receipts of applicable governmental authorities for all such Taxes withheld or paid. If you or any other person is required by any law or regulation to make any deduction or withholding (on account of Tax or otherwise) from any payment for our or our affiliate’s account, you shall, at our option, either: (a) together with the payment, pay such additional amount as will ensure that we or our affiliate receives (free and clear of any Tax or other deductions or withholding) the full amount which we would have received if no such deduction

or withholding had been required; or (b) make such payment having taken into account the relevant deduction or withholding (on account of Tax or otherwise).

7.4.2 You shall ensure that any Taxes that you are required to deduct from amounts payable by us to you or our affiliates under this Agreement are paid to the relevant taxation authority on the same date as the amounts payable by you to us under this Agreement are paid to us.

7.4.3 You are responsible for and shall indemnify and hold us and our affiliates harmless against any penalties, interest and expenses incurred by or assessed against us or our affiliates as a result of your failure to withhold such Taxes or to timely remit them to the appropriate taxing authority. You shall fully and promptly cooperate with and assist us to provide all information and records we may request in connection with any application by us to any taxing authority with respect to Tax credits, exemptions or refunds available for any withholding or other Taxes paid or payable by you.

7.4.4 If we or our affiliate are required to refund to you any amounts paid hereunder, we and our affiliate will not be required to refund that portion of those amounts that were withheld by you in order to comply with any applicable Tax law.

7.4.5 The term "Taxes" means any present or future taxes, levies, imposts, duties or other charges of whatever nature, including any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the Franchised Business, the payment of monies, taxes imposed on the royalties paid to us, or the exercise of rights granted pursuant to this Agreement, whether imposed upon you or us.

7.5 In all public records, in your relationship with other persons, and in any documents, you shall indicate clearly the independent ownership of your business and that the operations of said business are separate and distinct from the operation of a GX Greek Xpress Restaurant.

7.6 You shall at all times preserve in confidence any and all materials and information furnished or disclosed to you by us and you shall disclose such information or materials only to such of your employees or agents who must have access to it in connection with their employment. You shall not at any time, without our prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person.

7.7 You shall comply with all requirements of federal, state and local laws, rules and regulations.

7.8 You shall at no time have the right to sub-franchise any of your Development Rights hereunder.

7.9 In addition to the terms of Section 3, in no event shall any Franchised Business be opened for business unless you have submitted, thirty days (30) prior to the scheduled opening date, a written request to us to open the Franchised Business for business, received our prior written authorization to open the such Franchised Business, and the franchise agreement for such unit has been fully executed and you are in compliance with its terms, and the initial franchise fee for such Franchised Business has been paid in full.

SECTION 8

OUR SERVICES

We shall, at our expense, provide the following services:

8.1 Upon our receipt of our requested forms, materials and your written request for a site, we will provide written approve or disapprove your request.

8.2 Provide to you, on loan, the prototype plans and specifications for the interior and exterior design, improvements, equipment, furnishings, décor and signs identified with the Restaurants for your licensed architect and general contractor to adapt to the Restaurant and as we make available to all multi-unit operators and franchisees from time to time.

8.3 Review of your final adapted plans, specifications and blueprints for conformity to our standards and specifications for conformity to the construction standards and specifications, upon our receipt of your written request for approval thereof.

8.4 Conduct, at your request, an on-site location evaluation of the site for a Restaurant, and you must pay our per diem fee for our representative, as well as reimburse our representative's travel, lodging and meals.

8.5 Provide such other resources and assistance as may hereafter be developed and offered by us to our other multi-unit operators.

SECTION 9

DEFAULT AND TERMINATION

9.1 The occurrence of any of the following events of default shall constitute good cause for us, at our option and without prejudice to any other rights or remedies provided for hereunder or by law or equity, to terminate this Agreement upon notice to you without opportunity to cure the default, except where prohibited by any applicable state or federal law, whereupon this Agreement shall be terminated in accordance with the provisions of any such law:

9.1.1 If you shall, in any respect, fail to meet the Minimum Performance Schedule.

9.1.2 If you shall purport to effect any assignment other than in accordance with Section 11 hereof.

9.1.3 Except as provided in Section 11 hereof, if you attempt to sell, assign, transfer or encumber this Agreement prior to the time that at least twenty-five percent (25%) of the Restaurants to be constructed and opened for business in accordance with the Minimum Performance Schedule are, in fact, open or under construction.

9.1.4 If you make, or have made, any material misrepresentation to us in connection with obtaining this Agreement, any site approval hereunder, or any Franchise Agreement.

9.1.5 If you default in the performance of any obligation under any Franchise Agreement with us, provided such default results in the termination of the Franchise Agreement.

9.1.6 If you suffer a violation of any law, ordinance, rule or regulation of a governmental agency in connection with the operation of the Restaurant, and permit the same to go uncorrected after notification thereof, unless there is a bona fide dispute as to the violation or legality of such law, ordinance, rule or regulation, and you promptly resort to courts or forums of appropriate jurisdiction to contest such violation or legality.

9.1.7 If you are convicted of, or have entered a plea of *nolo contendere* to, a felony, a crime involving moral turpitude, or other crime that we believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interests therein.

9.1.8 If you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the business shall be sold after levy thereupon by any sheriff, marshal, or constable.

9.1.9 If you, or any shareholder or principal, if you are corporate entity, or any of your affiliates cease to operate all of the Restaurants opened pursuant to the terms of this Agreement.

9.1.10 If you fail to comply with all applicable laws and ordinances, including Anti-Terrorism Laws and the RICO Act, or if your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities or racketeering activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation.

9.2 Upon occurrence of any of the events stated in this Section 9.2, we may, without prejudice to any other rights or remedies contained in this Agreement or provided by law or equity, terminate this Agreement. Such termination shall be effective thirty (30) days after written notice (or such other notice as may be required by applicable state law) is given by us to you of any of such events, if such defaults are not cured within such period:

9.2.1 If you shall use the System or Marks, or any other names, marks, systems, insignia, symbols or rights which are our property except pursuant to, and in accordance with, a valid and effective Franchise Agreement.

9.2.2 If you violate any of the covenants as set forth in Section 12.1 of this Agreement.

9.2.3 If you shall fail to remit to us any payments pursuant to Sections 2 or 3 when same are due.

9.2.4 If you shall begin work upon any Restaurant at any site unless all the conditions stated in Section 3 hereof have been met.

9.2.5 If you fail to obtain our prior written approval or consent, including but not limited to site approval or site plan approval, as expressly required by this Agreement.

9.2.6 If you default in the performance of any other obligation under this Agreement.

9.2.7 If you open any Restaurant for business before a Franchise Agreement for such Restaurant has been fully executed and the initial franchise fee due to us has been paid.

9.2.8 If you fail to obtain execution of a covenant required by Section 12.8 below.

SECTION 10

OBLIGATIONS FOLLOWING TERMINATION

10.1 Upon termination of this Agreement becoming effective for any reason, or upon expiration of the term hereof, you agree as follows:

10.1.1 To cease immediately any attempts to select sites on which to establish Restaurants.

10.1.2 To cease immediately to hold yourself out in any way as a multi-unit operator of ours or to do anything which would indicate a relationship between you and us.

10.2 No right or remedy herein conferred upon or reserved to us is exclusive of any other right or remedy provided or permitted by law or in equity.

SECTION 11

TRANSFER OF INTEREST

11.1 This Agreement is personal to you and you shall neither sell, assign, transfer nor encumber this Agreement, the Development Rights, or any other interest hereunder, nor suffer or permit any such assignment, transfer or encumbrance to occur directly, indirectly or contingently by agreement or by operation of law without our prior written consent. You understand that this Agreement may not be pledged, mortgaged, hypothecated, given as security for an obligation or in any manner encumbered. The assignment or transfer of any interest, except in accordance with this Section shall constitute a material breach of this Agreement.

11.2 In the event that you are a corporation or desire to conduct business in a corporate capacity, said corporate entity or assignment to a corporate entity (which may include a corporation, limited liability company or partnership) must receive our prior written approval and you agree to comply with the provisions hereinafter specified, including without limitation, personal guarantees by one or more equity owners of all of the obligations of said corporate entity or assignee corporate entity to us and other parties designated by us. The corporate entity or assignee corporate entity shall not engage in any business activities other than those directly related to the operation of the Restaurant(s) pursuant to the terms and conditions of the Franchise Agreements with us, and all assets related to the operation of the Restaurant(s) shall be held by the corporate entity or assignee corporate entity. There shall be no transfer fee charged by us for a one (1) time assignment to a corporate entity.

11.3 If you are a corporation or if your rights hereunder are assigned to a corporate entity, you or those individuals disclosed on Attachment "B" attached hereto shall be the legal and beneficial owner of not less than fifty-one percent (51%) of the outstanding equity of said entity and shall act as such entity's principal officer. The assignment to a corporate entity will not relieve you of personal liability to us for performance of any of the obligations under this Agreement. Any subsequent transfer of voting rights of the equity of the entity or assignee entity, and any transfer or issuance of equity of the entity or assignee entity shall be subject to our prior written approval. We agree that we will not unreasonably restrict the issuance or transfer of equity, provided that you comply with the provisions of this Section 11, and provided that in no event shall any equity of such corporate entity or assignee corporate entity be sold, transferred or assigned to a business competitor of ours. The articles of organization and governing documents (including by-laws, operating agreement or partnership agreement) of the entity or assignee entity shall reflect that the issuance and transfer of equity is restricted, and all certificates shall bear the following legend, which shall be printed legibly and conspicuously on each certificate:

“The transfer of this certificate is subject to the terms and conditions of a Multi-Unit Operator Agreement with Greek Xpress Franchising LLC, dated _____. Reference is made to said Multi-Unit Operator Agreement and related Franchise Agreements and to restrictive provisions of the governing documents of this entity.”

11.4 The entity or assignee entity’s records shall indicate that a stop transfer order shall be in effect against the transfer of any equity, except for transfers permitted by this Section 11. In addition to the foregoing, the equity of such entity or assignee entity shall not be publicly sold or traded. You are strictly prohibited from offering your securities through a public offering or private placement.

11.5 In the event of your death, disability or permanent incapacity, we shall consent to the transfer of all of the interest of you to your spouse, heirs or relatives, by blood or marriage, or if this Agreement was originally executed by more than one party, then to the remaining party(ies) who originally executed this Agreement, whether such transfer is made by your Last Will and Testament or by operation of law, provided that the requirements of Section 11 hereof have been met. In the event that your heirs do not obtain our consent as prescribed herein, your personal representative shall have a reasonable time to dispose of your interest hereunder, which disposition shall be subject to all the terms and conditions for transfers under this Agreement.

11.6 You have represented to us that you are entering into this Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the Development Rights hereunder. Therefore, you agree that any attempt to assign this Agreement, prior to the time that at least twenty-five percent (25%) of the Restaurant(s) to be constructed hereunder are opened or under construction, except pursuant to Sections 11.2 and 11.3 hereof, shall be deemed to be an event of default.

11.7 Except as provided in Section 11.6, if you receive from an unaffiliated third party and desire to accept a bona fide written offer to purchase your business, Development Rights and interests, we shall have the option, exercisable within thirty (30) days after receipt of written notice setting forth the name and address of the prospective purchaser, the price and terms of such offer, and a copy of such offer and the other information stated in this Section 11.7, to purchase such business, Development Rights and interests, including your right to develop sites within the Development Area, on the same terms and conditions as offered by said third party. In order that we may have information sufficient to enable us to determine whether to exercise this option, we may require you to deliver to us certified financial statements as of the end of your most recent fiscal year and such other information about your business and operations as we may request. If we decline, or do not accept the offer in writing within thirty (30) days, you may, within thirty (30) days from the expiration of the option period, sell, assign and transfer your business, Development Rights and interest to said third party, provided we have consented to such transfer as required by this Section 11. Any material change in the terms of the offer prior to closing of the sale to such third party shall constitute a new offer, subject to the same rights of first refusal by us or our nominee, as in the case of an initial offer. Our failure to exercise the option afforded by this Section 11.7 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section with respect to the proposed transfer.

11.8 You acknowledge and agree that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Development Rights, the System and the Marks, as well as our reputation and image, and are for the protection of us, you and other multi-unit operators and franchisees. Any assignment or transfer permitted by this Section 11 shall not be effective until we receive a completely executed copy of all transfer documents, and we consent in writing thereto.

11.9 Except as provided in Section 11.5 hereof, we agree not to unreasonably withhold our consent to a sale, assignment or transfer by you hereunder. Consent to such transfer otherwise permitted or permissible as reasonable may be refused unless:

11.9.1 All of your obligations created by this Agreement, all other franchise documents, including all Franchise Agreements, and the relationship created hereunder are assumed by the transferee.

11.9.2 All ascertained or liquidated debts of you to us or our affiliated or subsidiary corporations are paid.

11.9.3 You are not in default hereunder.

11.9.4 We are reasonably satisfied that the transferee meets all of our requirements for new multi-unit operators, including but not limited to, good reputation and character, business acumen, operational ability, management skills, financial strength and other business considerations.

11.9.5 Transferee executes or, in appropriate circumstances, causes all necessary parties to execute, our then-current form of the Multi-Unit Operator Agreement, Franchise Agreements for all Restaurants open or under construction hereunder, and such other then-current ancillary agreements being required by us of new multi-unit operators on the date of transfer.

11.9.6 You execute a general release, in a form satisfactory to us, of any and all claims against us, our officers, directors, employees and principal stockholders of any and all claims and causes of action that you may have against us or any subsidiary or affiliated corporations in any way relating to this Agreement or the performance or non-performance thereof by us, except in respect of those claims which cannot be released at law. You also agree to subordinate any claims you may have against the transferee to us and indemnify us against any claims by the transferee relating to misrepresentations in the transfer process, specifically excluding those representations made by us in the Franchise Disclosure Document given to the transferee.

11.9.7 You or transferee pay to us a transfer fee equal to fifty percent (50%) of our then current initial franchise fee to cover our reasonable costs in effecting the transfer.

11.10 11.10 Death or Permanent Disability.

11.10.1 The grant of rights under this Agreement is personal to you, and on your death or permanent disability, the executor, administrator, conservator, or other personal representative of yours shall be required to transfer your interest in this Agreement within six (6) months from the date of death or permanent disability to a third party approved by us. Failure to transfer in accordance with the forgoing will constitute a material default and all that is granted by this Agreement will terminate. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of your Store(s) and complying with the Minimum Performance Schedule during the six (6)-month period from its onset.

11.10.2 Upon your death or your claim of permanent disability, you or a representative of yours must notify us of such death or claim of permanent disability within ten (10) days of its occurrence. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in this Section for any *inter vivos* transfer.

11.10.3 Immediately after your death or permanent disability, or while the rights granted under this Agreement are owned by your executor, administrator, guardian, personal representative or

trustee, your Store(s) and Development Rights shall be supervised by an interim successor manager satisfactory to us, or we, in our sole discretion, may provide interim management at a fee equal to five percent (5%) of the gross sales generated by your Store(s) during our operation thereof, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by us, pending transfer of your Store(s) and remaining Minimum Performance Schedule to your lawful heirs or successors.

11.11 Our consent to a transfer of any interest in you or in the Development Rights pursuant to this Section shall not constitute a waiver of any claims we may have against the transferring party, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferee.

11.12 We shall have the right to assign this Agreement and all of our attendant rights and privileges to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our functions: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing our obligations; and (ii) the assignee shall expressly assume and agree to perform such obligations.

11.13 You expressly affirm and agree that we may sell our assets, our rights to the Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of "Greek Xpress Franchising LLC" as Franchisor. Nothing contained in this Agreement shall require us to remain in the same business or to offer the same products and services, whether or not bearing the Marks, in the event that we exercise our right to assign our rights in this Agreement.

11.14 Buy Back Option. At our election, at any time, we will have the right (but not the obligation) to purchase any or all of your Restaurants contemplated under this Agreement, which may include, but not be limited to, all of the furnishings, equipment (including any point of sale or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of such Restaurant(s) (collectively, the "Restaurant Assets"), as well as the Development Rights, hereinafter the "Buy Back Option". Our option shall be exercisable by providing you with ninety (90) days' written notice of our intention to exercise the option. You must sign all documents relating to the assignment and transfer as are reasonably necessary for purchase of the Restaurant(s) or Restaurant's Assets by us. The option described in this Section 11.14 will not operate to limit our right to purchase your Restaurant's Assets in the manner described in the per unit Franchise Agreements in the event of the expiration or termination of such Franchise Agreement. The purchase price you receive will be in place of, and not in addition to, the amount you would otherwise be entitled to receive under the buy back option in the per unit franchise agreement. The purchase price will be established by, and subject to, the following terms:

11.14.1 If a Restaurant has been open and in operation for less than one (1) year, the purchase price will be an amount equal to two hundred percent (200%) of the cumulative cost to you for all of the Restaurant's Assets (per Restaurant); or

11.14.2 If a Restaurant has been open and in operation for one (1) year or longer, the purchase price will be an amount equal to six (6) times the Restaurant's EBITDA (per Restaurant). "EBITDA" means, in respect of any twelve (12) month period, the Restaurant's earnings before interest on borrowed money, income tax, depreciation and amortization, as determined in accordance with U.S. generally accepted accounting principles (commonly referred to as "GAAP"); and

11.14.3 Our reimbursement to you of the pro-rata portion of the Development Fee that was paid for the number of Restaurants located in those specific trade areas.

11.14.4 If we elect to exercise our option to purchase the Restaurant(s), we will have the right to set off all amounts due from you under this Agreement, the subject Franchise Agreement(s) or any other agreements between the parties, and the cost of the appraisal, if any, against any payment to you.

11.14.5 You understand that this may be a premium price above fair market value and does not vest any rights in you.

11.14.6 The time for closing of the purchase and sale of each subject Restaurant as described in this Section 11.14 shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the determination of the appraisers, or such date we receive and obtain all necessary permits and approvals, whichever is later, unless the parties mutually agree to designate another date.

11.14.7 EBITDA shall be calculated based on your subject Restaurant's net reported earnings as reported on your most recent income statement or balance sheet covering the preceding twelve (12) month period, plus, to the extent deducted in determining such net income and without duplication: (i) your interest expenses on borrowed money for such period; (ii) your current income taxes for such period; (iii) depreciation of the Restaurant Assets for such period; and (iv) amortization of the Restaurant for such period.

SECTION 12 **COVENANTS**

12.1 You specifically acknowledge that, pursuant to this Agreement, you will receive valuable training and confidential information, including, without limitation, secret recipes, information regarding the marketing methods and techniques of us and the System. You covenant that during the term of this Agreement, except as otherwise approved in writing by us, you and persons controlling, controlled by or under common control with you shall not, either directly or indirectly, for yourself/himself, or through, on behalf of or in conjunction with any person, persons or legal entity:

12.1.1 Divert or attempt to divert any business or client of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

12.1.2 Own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any food service business other than the Franchised Business (including any business operated by you prior to entry into this Agreement), which business is of a character and concept similar to the Restaurant, including a food service business which offers and sells the same or substantially similar food products (a "Competitive Business").

12.2 You covenant that, except as otherwise approved in writing by us, you shall not, for a continuous and uninterrupted period commencing upon the expiration or termination of this Agreement, or upon transfer, and continuing for two (2) years thereafter (and, in case of any violation of this covenant, for two (2) years after the violation ceases), either directly or indirectly, for yourself, or through, on behalf of or in conjunction with any person, persons, partnership or corporation, own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any Competitive Business which is located within twenty (20) miles of any GX Greek Xpress Restaurant in the System.

12.3 Subsections 12.1.3 and 12.2 of this Section shall not apply to ownership by you of less than a five percent (5%) beneficial interest in the outstanding equity securities of any company which is registered under the Securities Exchange Act of 1934, as amended.

12.4 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 12 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 12.

12.5 You understand and acknowledge that we shall have the right, in our sole discretion, to reduce the scope of any covenant stated in Sections 12.1 and 12.2 or any portion thereof, without your consent, effective immediately upon receipt by you of written notice thereof, and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 16 hereof.

12.6 You expressly agree that the existence of any claim you may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section 12.

12.7 You acknowledge that any failure to comply with the requirements of this Section 12 would cause us irreparable injury for which no adequate remedy at law may be available, and you hereby accordingly consent to our seeking injunctive relief prohibiting any conduct by you in violation of the terms of this Section 12. We may further avail ourselves of any other legal or equitable rights and remedies which we may have under this Agreement or otherwise. Notwithstanding the generality of the foregoing, you further understand and agree that if you fail to comply with a non-competition covenant stated herein, you agree to pay to us Five Hundred Dollars (\$500) per week for each week such failure to comply continues.

12.8 At our request, you shall require and obtain the execution of covenants similar to those described in this Section 12 (including covenants applicable upon the termination of a person's relationship with you) from any or all of the following persons:

12.8.1 All management and staff who have received training from us;

12.8.2 All officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of you and of any entity directly or indirectly controlling you, if you are a corporation or limited liability company; and

12.8.3 The general partners and any limited partners (including any corporation, and the officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if you are a partnership.

12.8.4 Each covenant required by this Section 12.8 shall be in a form satisfactory to us, including, without limitation, specific identification of us as a third party beneficiary of such covenants with the independent right to enforce them. Your failure to obtain execution of a covenant required by this Section 12.8 shall constitute a default under Section 9 hereof.

12.9 During the term of this Agreement, an officer or agent of ours shall have the right to inspect any Restaurant in which you have an interest at reasonable times and during normal business hours to the extent reasonably necessary to determine whether the conditions of this Section 12 are being satisfied. If, by reason of such inspections or otherwise, we have reason to believe that you are not in full compliance

with the terms of this Section, we shall give notice of such default to you, specifying the nature of such default. If you deny that you are in default hereunder, as specified by us, you shall have the burden of establishing that such default does not exist and shall give notice to us of your position within ten (10) days of receipt of the notice from us. Unless you so deny such default, you shall immediately take all steps to cure said default in a manner satisfactory to us.

12.10 You agree to comply with all requirements of federal, state and local laws, rules, regulations, and orders, including but not limited to obtaining the appropriate licenses and permits required by your local or state government.

12.10.1 You confirm and agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below) and the RICO Act (defined below). In connection with these compliances, you and your principals certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your principals otherwise are not in violation of, any of the Anti-Terrorism Laws and the RICO Act. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your principals, or any blocking of your or your owner's and principal's assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement. Racketeer Influenced and Corrupt Organizations Act also known as the "RICO Act" under Section 901(a) of the Organized Crime Control Act is any racketeering activity as defined in 18 U.S.C. § 1961, as amended, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to such racketeering activities. Any violation of the RICO laws by you or your Principals, or any blocking of your or your Principals' assets under the RICO Laws, shall constitute good cause for immediate termination of this Agreement.

SECTION 13

NOTICES

Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally or by certified mail or courier, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as set forth in the introductory paragraph of this Agreement, or at such other address or addresses as the parties may from time to time designate in writing.

SECTION 14

INDEPENDENT CONTRACTOR AND INDEMNIFICATION

14.1 Independent Contractor. You understand and agree that you are and will be our independent contractor under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment or fiduciary relationship of any kind. None of your employees will be considered to be our employees. Neither you nor any of your employees whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee for any purpose, most particularly with respect to any mandated or other insurance coverage as required in Article 12 of the Franchise Agreement, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. We will not have the power to hire or fire your employees. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees for qualification to perform certain

functions for the Franchised Business does not directly or indirectly vest in us the power to hire, fire or control any such employee.

14.1.1 You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of the Franchised Business and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which you are required to comply with under this Agreement, whether set forth in our Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of the Franchised Business, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of the Franchised Business.

14.1.2 You shall hold yourself out to the public to be an independent contractor operating pursuant to this Agreement. You agree to take such actions as shall be necessary to that end.

14.2 No Fiduciary Relationship. The parties acknowledge and agree that this Agreement does not create a fiduciary relationship between them, that you shall be an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer or servant of the other for any purpose.

14.3 Sole and Exclusive Employer of Your Employees. You hereby irrevocably affirm, attest and covenant your understanding that your employees are employed exclusively by you and in no fashion are any such employee employed, jointly employed or co-employed by us. You further affirm and attest that each of your employees is under the exclusive dominion and control of you and never under the direct or indirect control of us in any fashion whatsoever. You alone hire each of your employees; set their schedules; establish their compensation rates; and pay all salaries, benefits and employment-related liabilities (workers' compensation insurance premiums/payroll taxes/Social Security contributions/unemployment insurance premiums). You alone have the ability to discipline or terminate your employees to the exclusion of us, which has no such authority or ability. You further attest and affirm that any minimum staffing requirements established by us are solely for the purpose of ensuring that the Franchised Business is at all times staffed at those levels necessary to operate the Franchised Business in conformity with the System and the products, services, standards of quality and efficiency, and other brand attributes known to and desired by the consuming public and associated with the Marks. You affirm, warrant and understand that you may staff the Franchised Business with as many employees as you desire at any time so long as our minimal staffing levels are achieved. You also affirm and attest that any recommendations you may receive from us regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist you to efficiently operate your Franchised Business, and that you are entirely free to disregard our recommendations regarding such employee compensation. Moreover, you affirm and attest that any training provided by us for your employees is geared to impart to those employees, with your ultimate authority, the various procedures, protocols, systems and operations of the Restaurant and in no fashion reflects any employment relationship between us and such employees. Finally, should it ever be asserted that we are the employer, joint employer or co-employer of any of your employees in any private or government investigation, action, proceeding, arbitration or other setting, you irrevocably agree to assist us in defending said allegation, including (if necessary) appearing at any venue requested by us to testify on our behalf (and, as may be necessary, submitting yourself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that we are the employer, joint employer or co-employer of any of your employees). To the extent we are the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of you, should any such appearance by you be required or requested by us, we will recompense you the reasonable costs associated with your appearing at any such venue.

14.4 You Are Not Authorized. You understand and agree that nothing in this Agreement authorizes you to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we assume no liability for, nor shall be deemed liable by reason of, any act or omission of yours or any claim or judgment arising therefrom. You shall indemnify and hold us and our officers, directors, and employees harmless against any and all such claims arising directly or indirectly from, as a result of, or in connection with your activities hereunder, as well as the cost, including reasonable attorneys' fees, of defending against them, except that the foregoing shall not apply to infringement actions regarding the Marks which are caused solely by our actions or actions caused by the negligent acts of us or our agents.

SECTION 15

APPROVALS

15.1 Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us for such approval or consent, and, except as otherwise provided herein, any approval or consent granted shall be in writing.

15.2 We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advise, consent or services to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

SECTION 16

NON-WAIVER

No failure of ours to exercise any power reserved to us under this Agreement or to insist upon compliance by you with any obligation or condition in this Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our rights to demand exact compliance with the terms of this Agreement. Our waiver of any particular default shall not affect or impair our right with respect to any subsequent default of the same or of a different nature; nor shall any delay, forbearance or omission of ours to exercise any power or right arising out of any breach or default by you of any of the terms, provisions or covenants of this Agreement affect or impair our rights, nor shall such constitute a waiver by us of any rights hereunder or rights to declare any subsequent breach or default.

SECTION 17

SEVERABILITY AND CONSTRUCTION

17.1 Each covenant and provision of this Agreement shall be construed as independent of any other covenant or provision of this Agreement. The provisions of this Agreement shall be deemed severable.

17.2 If all or any portion of a covenant or provision of this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a decision to which we are a party, you expressly agree to be bound by any lesser covenant or provision imposing the maximum duty permitted by law which is subsumed within the terms of such covenant or provision, as if that lesser covenant or provision were separately stated in and made a part of this Agreement.

17.3 Nothing in this Agreement shall confer upon any person or legal entity other than us or you, and such of our respective successors and assigns as may be contemplated by Section 11 hereof, any rights or remedies under or by reason of this Agreement.

17.4 All captions in this Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision hereof.

17.5 All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by you shall be deemed jointly and severally undertaken by all those executing this Agreement on your behalf.

17.6 This Agreement may be executed in triplicate, or such other number as is required, and each copy of the executed Agreement shall be deemed an original.

SECTION 18

ENTIRE AGREEMENT; APPLICABLE LAW

This Agreement, the documents referred to herein and the Attachments attached hereto constitute the entire, full and complete agreement between us and you concerning the subject matter hereof and supersede any and all prior agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. This Agreement shall be interpreted and construed under the laws of the State of New York, and the parties hereto consent to irrevocably submit to the jurisdiction of all courts located within the State of New York.

SECTION 19

DISPUTE RESOLUTION

19.1 Except to the extent we elect to enforce the provisions of this Agreement by judicial process and injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation will be settled by binding arbitration in East Rockaway, New York under the authority of the New York Statutes. The arbitrator(s) will have a minimum of five (5) years of experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the New York Statutes. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the New York Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement.

19.2 With respect to any claims, controversies or disputes which are not finally resolved through arbitration, or as otherwise provided above, you and your owners hereby irrevocably submit themselves to the jurisdiction of the state courts of New York and the Federal District Court closest to our headquarters. You and your owners hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. You and your owners hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by New York or federal law. You and your owners further agree that venue for any proceeding relating to or arising out of this Agreement shall be East Rockaway, New York; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action

in any State or Federal District Court which has jurisdiction. With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under New York law.

19.3 You, your owners and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Sections 19.1 and Section 19.2 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. Each of you, your owners and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

19.4 You, your owners and we hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, either party shall be limited to the recovery of any actual damages sustained by it. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect.

19.5 We and you irrevocably waive trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of us against the other. Any and all claims and actions arising out of or relating to this Agreement, the relationship of you and us, or your operation of the Franchised Business, brought by either party hereto against the other, whether in arbitration, or a legal action, shall be commenced within two (2) years from the occurrence of the facts giving rise to such claim or action, or such claim or action shall be barred.

19.6 If we are required to enforce this Agreement in a judicial or arbitration proceeding, you shall reimburse us for our costs and expenses, including, without limitation, 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 such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Agreement, you shall reimburse us for any of the above-listed costs and expenses incurred by us.

SECTION 20

TIMELY PERFORMANCE

You hereby acknowledge that your timely development of the Restaurants in the Development Area in accordance with the Minimum Performance Schedule is of material importance to us and you. You agree, as a condition of the continuance of the rights granted hereunder, to develop and open Restaurants within the Development Area in accordance with the Minimum Performance Schedule, to operate such Restaurants pursuant to the terms of the Franchise Agreements and to maintain all such Restaurants in operation continuously. We agree to diligently act upon any request of or approval from you and any material delay in your ability to meet the Minimum Performance Schedule which is directly caused by our failure to act diligently upon a request for approval shall not constitute a default hereunder. Further, a failure or delay in performance by any party to this Agreement shall not be a default hereunder if such failure or delay arises out of or results from a Force Majeure, which for purposes of this Agreement shall

be defined as fire, flood, earthquake or other natural disasters, or acts of a public enemy, war, rebellion or sabotage.

SECTION 21

ACKNOWLEDGMENTS

21.1 YOU ACKNOWLEDGE THAT THE SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES SUBSTANTIAL BUSINESS RISKS AND WILL BE TOTALLY AND COMPLETELY DEPENDENT UPON YOUR ABILITY AS AN INDEPENDENT BUSINESS PERSON. YOU ACKNOWLEDGE AND UNDERSTAND THAT WE AND FRANS MART, LLC, AND OUR RESPECTIVE REPRESENTATIVES, EXPRESSLY DISCLAIM THE MAKING OF, AND YOU ACKNOWLEDGE NOT HAVING RECEIVED, ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

Initials

21.2 YOU ACKNOWLEDGE HAVING RECEIVED, READ AND UNDERSTOOD THIS AGREEMENT, THE ATTACHMENTS ATTACHED HERETO AND AGREEMENTS RELATING HERETO, IF ANY, AND THE DISCLOSURE DOCUMENT DELIVERED SIMULTANEOUSLY HERewith; AND WE HAVE ACCORDED YOU AMPLE TIME AND OPPORTUNITY TO CONSULT WITH ADVISORS OF YOUR OWN CHOOSING ABOUT THE POTENTIAL RISKS OF ENTERING INTO THIS AGREEMENT.

Initials

21.3 YOU ACKNOWLEDGE THAT YOU RECEIVED THE DISCLOSURE DOCUMENT REQUIRED BY THE TRADE REGULATION RULE OF THE FEDERAL TRADE COMMISSION AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED OR ANY PAYMENT WAS MADE TO US OR OUR AFFILIATES.

Initials

21.4 YOU AND EACH OF YOUR PRINCIPALS, IF A CORPORATE ENTITY, EXPRESSLY ACKNOWLEDGE THAT NEITHER YOU NOR THEY HAVE RELIED UPON ANY EARNINGS CLAIMS, SUCH AS ORAL OR WRITTEN STATEMENTS OR SUGGESTIONS, MADE BY ANY REPRESENTATIVE OF OR ANY OTHER PERSON PURPORTING TO BE ACTING ON OUR BEHALF, INCLUDING FRANS MART, LLC, AND ITS REPRESENTATIVES, REGARDING THE POTENTIAL FUTURE SALES, REVENUES OR PROFITS WHICH MAY BE DERIVED FROM OPERATION OF GX GREEK XPRESS RESTAURANTS OR DEVELOPMENT OF THE

DEVELOPMENT AREA, EXCEPT AS MAY BE INCLUDED IN ITEM 19 OF THE DISCLOSURE DOCUMENT PROVIDED TO YOU.

Initials

SECTION 22
EFFECTIVE DATE

This Agreement shall be effective as of the date it is executed by us below.

THE PARTIES HERETO have duly executed this Agreement below.

MULTI-UNIT OPERATOR:

Name:_____

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By:_____

Name: Dimitrios Soursos

Title: C.E.O.

Accepted On:_____

(the "Effective Date")

**ATTACHMENT A TO THE GREEK XPRESS FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT**

CERTIFICATION BY MULTI-UNIT OPERATOR

The undersigned, personally and as an officer or partner of _____ (the “Multi-Unit Operator”), does hereby certify that he has conducted an independent investigation of the business contemplated by this Multi-Unit Operator Agreement and Greek Xpress Franchising LLC Franchise Agreement, and that the decision to execute the Multi-Unit Operator Agreement was based entirely upon the independent investigation by the undersigned; and the undersigned further certifies that he has not relied upon, in any way, any claims regarding potential sales, income, or earnings to be derived from the business contemplated by the Franchise Agreement and Multi-Unit Operator Agreement, and has not relied upon any claims regarding past or current sales, income or earnings of Franchisor-operated Restaurants, except as may be included in Item 19 of the Franchise Disclosure Document heretofore provided to Multi-Unit Operator. The undersigned further certified that he understands the risks involved in this investment and Greek Xpress Franchising LLC makes no representation or guaranty, explicit or implied, that the Multi-Unit Operator will be successful or will recoup his investment.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any 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.

The undersigned has signed, sealed and delivered this Certification on _____.

Name: _____

Name: _____

Each of the undersigned owns a five percent (5%) or greater beneficial interest in Multi-Unit Operator, each has read this Multi-Unit Operator Agreement, and each agrees to be individually bound by all obligations of Multi-Unit Operator hereunder.

Name: _____

Name: _____

**ATTACHMENT B TO THE GREEK XPRESS FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT**

GUARANTY

(TO BE EXECUTED ONLY IF MULTI-UNIT OPERATOR IS A CORPORATION,
LIMITED LIABILITY COMPANY OR PARTNERSHIP)

In consideration of the execution by Greek Xpress Franchising LLC of the annexed Multi-Unit Operator Agreement, and acknowledging that the undersigned will benefit directly or indirectly from the execution thereof, the undersigned, being all of the shareholders, directors, and officers of _____ (the "Multi-Unit Operator"), hereby agrees to be jointly and severally bound by and agree to guaranty the performance of all of the terms and conditions of the Multi-Unit Operator Agreement and any amendments thereto or renewals thereof, and do hereby execute this Multi-Unit Operator Agreement for the purpose of binding and obligating themselves to the terms and conditions of the aforesaid Multi-Unit Operator Agreement and any amendments thereto or renewals thereof.

The guarantors hereunder hereby waive notice of termination or default under the Multi-Unit Operator Agreement.

SIGNATURES OF ALL SHAREHOLDERS, DIRECTORS, OFFICERS,
MEMBERS AND PARTNERS, AS APPLICABLE

Name: _____

Name: _____

Each of the undersigned owns a five percent (5%) or greater beneficial interest in Multi-Unit Operator, each has read this Multi-Unit Operator Agreement, and each agrees to be individually bound by all obligations of Multi-Unit Operator hereunder.

Name: _____

Name: _____

**ATTACHMENT C TO THE GREEK XPRESS FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT**

MINIMUM PERFORMANCE SCHEDULE

1. The Agreement authorizes and obligates the Multi-Unit Operator to establish and operate _____ (____) "GX Greek Xpress" Restaurants, pursuant to a Franchise Agreement for each Restaurant, in the Development Area.
2. The following is Multi-Unit Operator's Minimum Performance Schedule:

Restaurant Number	Restaurant Open and Operating by (<i>"Development Deadline"</i>)	Development Fee Paid (per Section 2 of the Agreement)	Amount of Balance to by the Multi-Unit Operator	Amount Due Date
		\$_____	See Below	Paid upon execution of the Multi-Unit Operator Agreement dated _____ (<i>"Agreement"</i>)
One (1)	, 20__	\$30,000		
Two (2)	, 20__	\$30,000		
Three (3)	, 20__	\$30,000		
Four (4)	, 20__	\$_____	\$_____	The earlier of ninety (90) days before the scheduled opening of the Restaurant or the date you sign the lease for the Restaurant premises.
Five (5)	, 20__	\$_____	\$_____	The earlier of ninety (90) days before the scheduled opening of the Restaurant or the date you sign the lease for the Restaurant premises.

ACCEPTED:

MULTI-UNIT OPERATOR:

Name: _____

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____

Name: Dimitrios Soursos

Title: C.E.O.

**ATTACHMENT D TO THE GREEK XPRESS FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT**

DEVELOPMENT AREA

The following describes the Development Area within which Multi-Unit Operator may locate “GX Greek Xpress” Restaurants under the Multi-Unit Operator Agreement:

_____.

ACCEPTED:

MULTI-UNIT OPERATOR:

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By:_____

Name:_____

Title:_____

Dated:_____

By:_____

Name: Dimitrios Soursos

Title: C.E.O.

Dated:_____

**GREEK XPRESS FRANCHISING LLC
EXHIBIT D TO THE DISCLOSURE DOCUMENT**

FRANCHISED OUTLETS AS OF DECEMBER 31, 2021

-None-

**Franchisees who had signed an agreement, but whose outlet
had not yet opened as of December 31, 2021.**

-None-

**GREEK XPRESS FRANCHISING LLC
EXHIBIT E TO THE DISCLOSURE DOCUMENT**

FORMER FRANCHISEES CONTACT INFORMATION

Franchisee who had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recent fiscal year or who has not communicated with the franchisor within the 10 weeks preceding the Issuance Date of this Disclosure Document.

-None-

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

**GREEK XPRESS FRANCHISING LLC
EXHIBIT F TO THE DISCLOSURE DOCUMENT**

TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL

GREEK XPRESS

TABLE OF CONTENTS

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Chapter 1 Introduction.....	2 pages
Chapter 2 Company Overview/GX Greek Xpress's Story.....	6 pages
Chapter 3 Culinary/ The Food.....	10 pages
Chapter 4 Branding/ Marketing	12 pages
Chapter 5 Products and Sourcing.....	8 pages
Chapter 6 Handbooks	50 pages
Chapter 7 Management	10 pages
Chapter 8 Training	50 pages
Chapter 9 Operations Checklists	10 pages
Chapter 10 Daily Operations	10 pages
Chapter 11 Safety	6 pages
Chapter 12 Equipment/ Kitchen Design / FOH Design	8 pages
Chapter 13 Cash Handling	8 pages
Chapter 14 Financial.....	20 pages
Chapter 15 Real Estate Selection	10 pages
Appendix: Restaurant Forms	

**GREEK XPRESS FRANCHISING LLC
EXHIBIT G TO THE DISCLOSURE DOCUMENT**

STATE-SPECIFIC ADDENDA

CALIFORNIA APPENDIX

1. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement or Multi-Unit Operator Agreement contains provisions that are inconsistent with the law, the law will control.
2. The Franchise Agreement and Multi-Unit Operator Agreement provide for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A. Sec. 101 et seq.).
3. The Franchise Agreement and Multi-Unit Operator Agreement contain covenants not to compete which extend beyond the termination of the agreements. These provisions may not be enforceable under California law.
4. Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.
5. Neither the franchisor, any person or franchise broker in Item 2 of the 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. 79a et seq., suspending or expelling such persons from membership in such association or exchange.
6. The Franchise Agreement and Multi-Unit Operator Agreement require binding arbitration. The arbitration will occur at East Rockaway, New York with the costs being borne equally by the parties. 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.
7. The Franchise Agreement and Multi-Unit Operator Agreement require application of the laws of New York. This provision may not be enforceable under California law.
8. You must sign a general release if you renew or transfer your franchise. California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).
9. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.
10. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
11. OUR WEBSITE, www.greekxpress.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dbo.ca.gov.
12. The appropriate sections of the Franchise Agreement are amended to state that the highest interest rate allowed under California law is 10% per annum.

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By:_____

Name:_____

Title:_____

By:_____

Name: Dimitrios Soursos

Title: C.E.O.

ADDENDUM REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in the franchise agreement which designates jurisdiction or venue outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

Your right upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

By: _____
Name: _____
Title: _____

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____
Name: Dimitrios Soursos
Title: C.E.O.

ADDENDUM REQUIRED BY THE STATE OF INDIANA

1. To be added to Item 3 of the Disclosure Document, is the following statement:

There are presently no arbitration proceedings to which the Franchisor is a party.

2. Item 17 of the Disclosure Document is amended to reflect the requirement under Indiana Code 23-2-2.7-1 (9), which states that any post term non-compete covenant must not extend beyond the franchisee's exclusive territory.

3. Item 17 is amended to state that this is subject to Indiana Code 23-2-2.7-1 (10).

4. Under Indiana Code 23-2-2.7-1 (10), jurisdiction and venue must be in Indiana if the franchisee so requests. This amends Article 19 of the Franchise Agreement and Section 19 of the Multi-Unit Operator Agreement.

5. Under Indiana Code 23-2-2.7-1 (10), franchisee may not agree to waive any claims or rights.

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____

Name: _____

Title: _____

By: _____

Name: Dimitrios Soursos

Title: C.E.O.

ADDENDUM REQUIRED BY THE STATE OF MARYLAND

This will serve as the State Addendum for the State of Maryland for GREEK XPRESS FRANCHISING LLC's Franchise and Multi-Unit Operator Agreements. This addendum to the Franchise and Multi-Unit Operator Agreements have been agreed to by the parties.

1. The provision contained in the termination sections of the Franchise Agreement and Multi-Unit Operator Agreement may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

2. The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are hereby amended to state that 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. The Franchisee Disclosure Acknowledgement Statement is amended to state all representations requiring prospective franchisees and multi-unit operators 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.

4. The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise. are hereby amended accordingly.

5. The appropriate sections of the Franchise Agreement and Multi-Unit Operator Agreement are amended to state that a franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. 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.

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____

Name: _____

Title: _____

Dated: _____

By: _____

Name: Dimitrios Soursos

Title: C.E.O.

Dated: _____

DISCLOSURE REQUIRED BY THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

- (a) A prohibition on the right of a franchisee to join an association of franchises.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months' advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) Failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.
- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing

and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, franchisee has the right to request an escrow arrangement.

Any questions regarding this notice should be directed to:

Consumer Protection Division
Attn: Katharyn Barron
Michigan Department of Attorney General
525 W. Ottawa Street, 1st Floor
Lansing, Michigan 48933
(517) 335-7567

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____
Name: _____
Title: _____

By: _____
Name: Dimitrios Soursos
Title: C.E.O.

ADDENDUM REQUIRED BY THE STATE OF MINNESOTA

This addendum to the Disclosure Document is agreed to and effectively amends and revises said Disclosure Document and Franchise Agreement and Multi-Unit Operator Agreement as follows:

1. Item 13 of the Disclosure Document and Article 9 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee’s right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding such use.”

2. Item 17 of the Disclosure Document, Articles 3 and 17 of the Franchise Agreement and Section 9 of the Multi-Unit Operator Agreement are amended by the addition of the following language to the original language that appears therein:

“With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes Sec. 80C.14, Subds.3, 4 and 5, which require (except in certain specified cases) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.”

3. Item 17 of the Disclosure Document, Article 19 of the Franchise Agreement and Section 19 of the Multi-Unit Operator Agreement are amended by the addition of the following language to amend the Governing Law, Jurisdiction and Venue, and Choice of Forum sections:

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

4. Item 17 of the Disclosure Document, Articles 3 and 14 of the Franchise Agreement and Section 11 of the Multi-Unit Operator Agreement are amended by the addition of the following language to the original language that appears therein:

“Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release.”

5. Any reference to liquidated damages in the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits requiring you to consent to liquidated damages.

6. Section 19.10 of the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits waiver of a jury trial.

7. Article 19 of the Franchise Agreement regarding Limitations of Claims is hereby amended to comply with Minn. Stat. §80C.17, Subd. 5.

8. Item 6, Insufficient Fund Fees: NSF fees are governed by Minnesota Statute 604.113; which puts a cap of \$30 on a NSF check. This applies to everyone in Minnesota who accepts checks except banks.

9. Under Minn. Rule 2860.440J, the franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required. The appropriate sections of the Franchise Agreement are hereby amended accordingly.

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____

Name: _____

Title: _____

By: _____

Name: Dimitrios Soursos

Title: C.E.O.

ADDENDUM REQUIRED BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT H OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

- A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the

bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the “Summary” section of Item 17(d), titled “Termination by franchisee”:

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the “Summary” section of Item 17(j), titled “Assignment of contract by franchisor”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____

Name: _____

Title: _____

By: _____

Name: Dimitrios Soursos

Title: C.E.O.

DISCLOSURES REQUIRED BY NORTH CAROLINA LAW

The State of North Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled. (N.C.G.S. §66-95)

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____
Name: _____
Title: _____

By: _____
Name: Dimitrios Soursos
Title: C.E.O.

ADDENDUM REQUIRED BY THE STATE OF NORTH DAKOTA

This addendum to the Disclosure Document, Franchise Agreement and Multi-Unit Operator Agreement effectively amends and revises said documents as follows:

1. Item 17(c) of the Disclosure Document, Articles 3 and 14 of the Franchise Agreement and Section 11 of the Multi-Unit Operator Agreement are hereby amended to indicate that a franchisee shall not be required to sign a general release.

2. Covenants not to compete are generally considered unenforceable in the State of North Dakota, in accordance with Section 51-19-09 of the North Dakota Franchise Investment Law. Item 17(r) of the Disclosure Document, Article 10 of the Franchise Agreement and Section 12 of the Multi-Unit Operator Agreement are amended accordingly.

3. Item 6 and Item 17(i) of the Disclosure Document and Article 18 of the Franchise Agreement requires the franchisee to consent to termination or liquidated damages. Since the Commissioner has determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law, these provisions are hereby deleted in each place they appear in the Disclosure Document and Franchise Agreement used in North Dakota.

4. Item 17(u) of the Disclosure Document, Article 19 of the Franchise Agreement and Section 19 of the Multi-Unit Operator Agreement are amended to provide that arbitration shall be held at a site that is agreeable to all parties.

5. Item 17(v) of the Disclosure Document and the provisions of Article 19 of the Franchise Agreement and Section 19 of the Multi-Unit Operator Agreement which require jurisdiction of courts in East Rockaway, New York are deleted.

6. Item 17(w) of the Disclosure Document, Article 19 of the Franchise Agreement and Section 19 of the Multi-Unit Operator Agreement are amended to indicate that the agreements are to be construed according to the laws of the State of North Dakota.

7. Apart from civil liability as set forth in Section 51-19-12 N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents. Therefore, North Dakota franchisees will not be required to waive their rights under North Dakota law.

8. The provisions of Article 19 of the Franchise Agreement and Section 19 of the Multi-Unit Operator Agreement which require a franchisee to consent to (1) a waiver of trial by jury and (2) a waiver of exemplary and punitive damages are contrary to Section 51-19-09 of the North Dakota Franchise Investment Law and are hereby deleted.

9. The provisions of Article 19 of the Franchise Agreement and Section 19 of the Multi-Unit Operator Agreement which require a franchisee to consent to a limitation of claims are hereby amended to state that the statute of limitations under North Dakota law applies.

(Signatures appear on the following page)

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By:_____

Name:_____

Title:_____

By:_____

Name: Dimitrios Soursos

Title: C.E.O.

ADDENDUM REQUIRED BY THE STATE OF RHODE ISLAND

The following amends Item 17 and is required to be included within the Disclosure Document and shall be deemed to supersede the language in the Disclosure Document itself:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that:

“A provision in a franchise agreement restricting jurisdiction or venue to a forum outside of this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____

Name: _____

Title: _____

By: _____

Name: Dimitrios Soursos

Title: C.E.O.

ADDENDUM REQUIRED BY THE STATE OF SOUTH CAROLINA

The State of South Carolina has not reviewed and does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

If the seller fails to deliver the product, equipment or supplies necessary to begin substantial operation of the business within forty-five days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

THE PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____

Name: _____

Title: _____

By: _____

Name: Dimitrios Soursos

Title: C.E.O.

ADDENDUM REQUIRED BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Greek Xpress Franchising LLC for use in the Commonwealth of Virginia shall be amended as follows:

1. Additional Disclosure: The following statements are added to Item 17.h:

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 and development agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the 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 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 PARTIES HERETO have duly executed this Addendum on _____.

FRANCHISEE/MULTI-UNIT OPERATOR

By: _____
Name: _____
Title: _____

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By: _____
Name: Dimitrios Soursos
Title: C.E.O.

ADDENDUM REQUIRED BY THE STATE OF WASHINGTON

The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with the 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 the 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 agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act or rights or remedies under the Act, such as a right to a jury trial, may not be enforceable.

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

THE PARTIES HERETO have duly executed, sealed and delivered this Addendum on

_____.

FRANCHISEE/MULTI-UNIT OPERATOR

FRANCHISOR:

GREEK XPRESS FRANCHISING LLC

By:_____

Name:_____

Title:_____

By:_____

Name: Dimitrios Soursos

Title: C.E.O.

**GREEK XPRESS FRANCHISING LLC
EXHIBIT H TO THE DISCLOSURE DOCUMENT**

LIST OF STATE ADMINISTRATORS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau

State	State Agency	Agent for Service of Process
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce
NEW YORK	N.Y.S. Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222 Phone	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 5th Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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 states below:

State	Effective Date
California	Not Registered
Hawaii	Not Registered
Illinois	Not Registered
Indiana	Not Registered
Maryland	Not Registered
Michigan	Not Registered
Minnesota	Not Registered
New York	Pending
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Not Registered
Washington	Not Registered
Wisconsin	Not Registered

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.

GREEK XPRESS FRANCHISING LLC
EXHIBIT I TO THE DISCLOSURE DOCUMENT

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Greek Xpress 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, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Greek Xpress 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to your state authority listed on Exhibit A.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Dimitrios ("Jimmy") Soursos 59 Main Street East Rockaway, New York 11518 (516) 593-4949	
--	--

Issuance Date: April 22, 2022.

I received a Disclosure Document dated April 22, 2022, that included the following Exhibits:

- | | |
|-----------------------------------|---|
| A - Financial Statements | E - Former Franchisees Contact Information |
| B - Franchise Agreement | F - Table of Contents of Confidential Operations Manual |
| C - Multi-Unit Operator Agreement | G - State-Specific Addenda |
| D - List of Franchisees | H - List of State Administrators |

Date Received: _____
(If other than date signed)

DATE: _____

Print Name: _____

Print Address: _____

City, State: _____

(Signature of recipient)

Return the signed and dated receipt page to Greek Xpress Franchising LLC, 59 Main Street, East Rockaway, New York 11518

GREEK XPRESS FRANCHISING LLC
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RECEIPT

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F - Table of Contents of Confidential Operations Manual
G - State-Specific Addenda
H - List of State Administrators

Date Received: _____
(If other than date signed)

DATE: _____

Print Name: _____

Print Address: _____

City, State: _____

(Signature of recipient)

KEEP FOR YOUR RECORDS