FRANCHISE DISCLOSURE DOCUMENT

JUST PIZZA FRANCHISE SYSTEMS, INC.
A NEW YORK CORPORATION
803 Military Road
Kenmore, NY 14217
(716)886-8600
(800)251-5689
justpizzausa.com

®

The franchise being offered is the right to manufacture and sell pizza, chicken wings, sandwiches and other food items at retail at a specified location under the name "JUST PIZZA & WING CO.".

The total investment necessary to begin operation of a JUST PIZZA & WING CO. franchise is between $252,650 and $393,100. This incudes $25,000 that must be paid to the franchisor or its affiliate(s).

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Rudolph Alloy, Jr. at 803 Military Road, Kenmore, NY 14217 and (716) 886-8600.

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 adviser like a lawyer or an accountant.

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

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

Issuance Date: April 9, 2026

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
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 [XYZ] business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Just Pizza franchisee?	Item 20 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 C.

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

Special Risks to Consider About *This* Franchise

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

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

2. **Inventory/Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

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Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Franchise Disclosure Document "Just Pizza" means Just Pizza Franchise Systems, Inc., the Franchisor. "You" means the person who buys the franchise. Just Pizza is a New York corporation that was incorporated on June 3, 2003. Just Pizza does business as "Just Pizza & Wing Co.". Our principal business address is 803 Military Road, Kenmore, NY 14217.

Just Pizza's agent for service of process is disclosed in the acknowledgement of receipt.

Predecessors and Affiliates

There are no predecessors of Just Pizza.

Just Pizza has one affiliate as follows:

Just Pizza, Inc. is a New York corporation that was formed on July 12, 1995. The principal business address of Just Pizza, Inc. is 803 Military Road, Kenmore, NY 14217. Just Pizza, Inc. owns and operates a Just Pizza & Wing Co. store at 300 Elmwood Avenue, Buffalo, NY 14222.

Just Pizza does not have any affiliates that offer franchises in any line of business or provide products or services to the franchisees of the Franchisor.

Franchisor's Business

Just Pizza offers and sells franchises for the manufacture and sale of pizza, sandwiches and other food items at retail outlets known as Just Pizza & Wing Co. stores.

The Just Pizza Franchise

The franchise is operated through a system developed by Just Pizza for the establishment and operation of Just Pizza & Wing Co. outlets which manufacture and sell pizza, sandwiches and other food items at retail at specified locations under the name Just Pizza & Wing Co.. Distinguishing characteristics of the system include a unique design and color scheme at Just Pizza & Wing Co. outlets, signs, emblems and trademarks, and the distinctive taste and texture of the products. A Just Pizza & Wing Co. outlet will typically be an approximately 1,700 square foot (for "take out") or 2,500 to 3,000 square foot (for "dine in") location in a free standing building or plaza. The equipment and inventory of the Just Pizza

& Wing Co. outlet must conform with Just Pizza's applicable standards and specifications.

The market for the goods to be sold and provided by you will be the general public.

You will have to compete with other individually owned as well as other franchised businesses offering similar type products and services in the general vicinity of your operating premises.

Alcoholic beverages may not be sold or served without the Franchisor's approval.

There are no federal regulations specific to operating a pizza store. However, you must comply with all local, state and federal health and sanitation laws in operating your store. There may be local laws regulating delivery service, including laws which may prohibit businesses offering delivery service from refusing to provide delivery service to certain customers or areas. There may be other laws which apply to your business. You should investigate these laws and their impact on your business.

Required Franchisee's Business Experience

The intended Franchisee shall have five years of documented restaurant management experience.

Franchisor's Prior Business Experience

Franchisor was formed as a new corporation on June 3, 2003 ("Just Pizza") for the sole purpose of selling franchises that are similar to the Just Pizza franchises described in this Franchise Disclosure Document. Just Pizza has not offered for sale or sold franchises in other lines of business.

Item 2

BUSINESS EXPERIENCE

President and Director: Rudolph Alloy, Jr.

From June 3, 2003 to present, Rudolph Alloy, Jr. has served as President and Director of Just Pizza Franchise Systems, Inc., in Buffalo, New York. Mr. Alloy has been in the food service business since 1977 and since 1992 has been the owner of Just Pizza, Inc. in the Buffalo, New York metropolitan area. He has been President of Just Pizza, Inc. since its inception.

Secretary and Treasurer: Kimberly Alloy

Kimberly Alloy has over 30 years of experience in the pizza business and has worked with Just Pizza, Inc. since it opened in 1992.

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

The initial franchise fee required to be paid by you to Just Pizza for a Just Pizza & Wing Co. Franchise is $25,000 (the "Franchise Fee"). The initial Franchise Fee is required to be paid in one lump sum at the time of execution of the Franchise Agreement. The Franchise Fee charged is uniform and not refundable.

The Franchise Fee charged for your second and subsequent franchises is $25,000. The Initial Franchise Fee is used, in part to pay expenses and costs of Just Pizza including but not limited to, screening of applicants, training program, site location, legal fees, accounting fees, compliance with federal, state, and other laws, selling and general administrative expenses and some profit.

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

Subsequent to the payment of the $25,000.00 Franchise Fee to Franchisor, the Franchisee shall transfer the amount of $211,000.00 into a joint checking account to be used for disbursement of funds for construction, restaurant equipment and all necessary expenses in the process of opening a Just Pizza & Wing Co. location. This process will be facilitated by Franchisor, and all checks must be signed by both Franchisee and

Franchisor. Any unused funds remaining upon payment of all initial fees and other necessary expenses shall be returned to Franchisee upon the grand opening.

Item 6

OTHER FEES

Name of fee	Amount	Due Date	Remarks
Royalty	4% of total gross sales	Payable weekly Tuesday of each week	Gross Sales includes all revenues from the franchise location. Gross sales does not include sales or use tax.
Advertising Grand Opening	$5,000	Prior to opening	For promoting the grand opening of the franchise.
Advertising	3% of total	Same as royalty	1% is put into an advertising fund and you are required to spend 2% locally in your market.
Interest charges	1.5% per mo. but no higher than legal allowable rate	After due date	Applies to all continuing royalty and advertising fees and amounts due for purchases from Just Pizza or its affiliate(s)
Additional Training	$75 an hour & reasonable expenses	30 days after billing	Additional training is provided if requested by you.
Transfer Fee	$2,500 or $25,000	At time of transfer	Payable when you sell your franchise. No charge if franchise is transferred to corporation you control.
Renewal Fee	$1,500	At time of exercise of renewal	Payable only if you exercise your 10 year renewal option.
Audit	Cost of audit	30 days after billing	Payable only if audit shows an underpayment of at least 2% of gross sales for any month.
Insurance	Varies	Must have the insurance in force and effect during term of franchise agreement	Minimum amounts required include general/product liability coverage of $1 Mil. per occurrence and $3 Mil. aggregate
Conferences	Your expense	Time of program	Attendance will not be

	while attending		required more than 1 time a year and will not last more than 1 day.
Legal Costs	All costs, expenses and attorney's fees	Upon settlement or conclusion of claim or action	If Just Pizza prevails in an action to enforce provisions of the franchise agreement.
Indemnification	All costs, expenses and attorney's fees	Upon settlement or conclusion of claim or action	Defending lawsuits resulting from the operation of your business, holding Just Pizza harmless.

All of the above fee payments are non-refundable.

The following provides additional information of your other fees:

Royalty Fees

You must pay Just Pizza a weekly royalty fee of four percent (4%) of your gross sales. Gross sales include all cash and charge sales of every kind and nature made at or from your Just Pizza & Wing Co. facility, but excludes sales or similar taxes collected from customers and remitted to a governmental agency. On Tuesday of each week following the date of the opening for business of your Just Pizza facility, you shall pay to Just Pizza a sum equal to four percent (4%) of all gross sales made during the preceding calendar week beginning on the previous Monday. If royalty fees are not paid on or before the due date, you shall pay Just Pizza interest on late payments of 1.5% per month. If after ten (10) days, payment has not been received the Franchise Agreement will be considered in breach and a notice of termination will be sent.

Advertising Fees

Prior to your grand opening, you must pay Franchisor $5,000 for advertising and promotion of the grand opening of your franchise. Commencing on the grand opening date, you will begin the requirement of spending a minimum of three percent (3%) of gross sales as described below.

Grand Opening Advertising Fees

In addition to the weekly royalty fee described above on Tuesday of each week you must pay Just Pizza a weekly advertising fee of one percent (1%) of your gross sales made during the preceding calendar week. These monies shall be used by Just Pizza to do local, regional, and national advertising and for the preservation, promotion, and enhancement of the value of all franchises. The weekly advertising fee may be raised an additional one percent (1%) for a total of two percent (2%) if two-thirds of the franchisees vote to approve such increase. Just Pizza shall use a separate bank account for all advertising fees collected from all franchisees. The cost of maintaining the advertising fund shall not exceed fifteen percent (15%) of the advertising fees collected. You are also required to spend a minimum of two percent (2%) of your gross sales on advertising to do local advertising for your franchised business.

Advertising fees collected from franchises located outside of Western New York shall be placed into a separate advertising fund. Once that advertising fund attains a balance of $5,000.00, an advertising campaign will be undertaken in the region where the franchise is located. This process will be repeated as funds allow.

Uniformity of Fees

The above referenced fees are uniformly imposed and collected except as follows:

2350 Delaware Pizzeria, Inc. - Flat fee of $425/week for royalty and advertising fees (original franchisee under a prior royalty/fee program)

DBJP, Inc. – 2% royalty and 1% advertising fee

KMS Pizza, Inc. - 2% royalty and 1% advertising fee

Phoenix Rd Management, LLC - 4% royalty and 1% advertising fee

DAB Pizza, Inc. - 2% royalty and 1% advertising fee

2249 South Park, Inc. - 2% royalty and 1% advertising fee

CJL's Pizza, LLC - 2% royalty and 1% advertising fee

Spozz, Inc. - 3% royalty and 1% advertising fee

Just Pizza NP, Inc. - 2% royalty and 1% advertising fee

Interest on Late Payments

In the event that you shall fail to pay any payment when due, you shall pay Just Pizza interest at the rate of one and one half percent (1½%) per month on the outstanding principal balance for each month that payment is unpaid, but in no event shall any interest rate exceed the maximum allowable by law.

Additional Training

If you shall request additional assistance after your initial training, ongoing training is available at a location to be determined by Franchisor. Just Pizza will furnish such additional training at a cost of $75.00 per hour, and you shall reimburse Just Pizza $50.00 per day for meals for its trainer. If the location is outside of Western New York, you shall also reimburse Just Pizza for the cost of accommodations and travel for its trainer.

Transfer Fee

If a franchise is to be transferred to an existing Just Pizza franchisee, you shall pay prior to transfer of your franchise a transfer fee of $2,500 to Just Pizza to cover its expenses with regard to any proposed transfer. If franchise is to be transferred to any other person than an existing Just Pizza franchisee, you shall pay prior to transfer of your franchise a transfer fee of $25,000. If Just Pizza exercises its rights to purchase, then the fee shall be waived, but in all other proposed transfers, the fee shall be paid by you. No transfer fee shall be charged if you transfer your interest to a corporation, partnership, association, or venture in which you hold an interest in excess of fifty percent (50%).

Audit

Just Pizza has the right, at its expense, to examine your books and records upon reasonable notice and to have an examination made of the books and records. If the examination is conducted because of your failure to furnish any requested records, reports, or information, or the examination discloses any underpayment greater than two percent (2%) of the royalty due to Just Pizza, then the audit or examination shall be at your expense.

Insurance

You shall purchase, at your sole expense, insurance policies protecting you and Just Pizza, as an additional insured, against loss, liability, costs, expenses, and attorneys' fees arising from fire (including extended coverage), bodily injury, death and property damage, Workmen's Compensation (as provided by law) and business interruption (including lost royalties) with respect to the operation of your Just Pizza business.

You shall require all drivers and delivery persons to keep on file with you a copy of their driver's license, insurance card and an auto policy declaration page showing limits of a minimum of $300,000 in liability coverage for their vehicles.

Conferences

Just Pizza shall hold conferences as deemed necessary and you must attend at least 1 conference during any one calendar year. The conference will be no longer than one day's duration. There is no charge for the conference except that you shall pay your expenses of travel, food, and lodging while attending.

Legal Costs

In the event that Just Pizza shall bring an action, whether legal or equitable, to enforce the provisions of the franchise agreement or to recover damages for its breach, you agree to pay all of Just Pizza's costs, expenses, and reasonable attorneys' fees if Just Pizza prevails in such action.

Indemnification

You are not an agent of Just Pizza and the franchise agreement is not intended to create an agency relationship. You shall not act in any manner to make any representations suggesting, directly or indirectly, that you are an agent of Just Pizza. You shall defend at your own expense and indemnify Just Pizza from and against all expenses resulting directly or indirectly from the operation of your Just Pizza business.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

NATURE OF INVESTMENT	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAID
FRANCHISE FEE	25,000	Lump Sum Not Refundable	Signing Franchise Agreement	Franchisor
INITIAL INVENTORY	3,500 to 7,500	Lump Sum Not Refundable	Prior to Opening	Franchisor Various Suppliers
REAL ESTATE (leased)	2,000 to 6,000	Lump Sum Not Refundable	Prior to Opening	Landlord
DEPOSITS	1,350 to 5,000	Lump Sum Yes Refundable	Prior to Opening	Landlord & Utility Co.'s

OFFICE EQUIPMENT SUPPLIES	3,100	Lump Sum Not Refundable	Prior to Opening	Various Suppliers
STORE EQUIPMENT	160,000 to 175,000	Lump Sum Not Refundable	Prior to Opening	Equipment Company
LEASEHOLD IMPROVEMENTS	35,000 to 125,000	Lump Sum Not Refundable	Prior to Opening	Various Contractors
GRAND OPENING ADVERTISING & MARKETING	5,000	Lump Sum Not Refundable	Prior to Opening	Franchisor
LICENSES & PERMITS	200 to 4,000	Lump Sum Not Refundable	Prior to Opening	Government Agencies
INSURANCE (quarterly)	1,000 to 3,500	Lump Sum Not Refundable	Prior to Opening	Insurance Company
SIGNS	10,000 to 15,000	Lump Sum Not Refundable	Prior to Opening	Sign Co.
PROFESSIONAL FEES	500 to 1,500	Lump Sum Not Refundable	Prior to Opening	Agencies & Professionals
TRAVEL AND LIVING EXPENSES WHILE TRAINING	1,000 to 2,500	As Incurred Not Refundable	During Training	Restaurants Hotels and Travel co.
ADDITIONAL FUNDS FOR 3 MONTHS	5,000 to 15,000	Lump Sum	As Incurred	Employees wages and Supplies
TOTALS*	$252,650 to $393,100			

***THE TOTAL ESTIMATED INITIAL INVESTMENT DOES NOT INCLUDE PURCHASE OF REAL ESTATE.**

The following provides additional information of your other fees:

Initial Franchise Fee

Paid to Just Pizza upon execution of the Franchise Agreement and is non-refundable. Just Pizza will charge a $25,000 franchise fee.

Initial Inventory

This includes pizza, chicken wings, sandwich and other food item ingredients; food packaging materials, napkins and cups; and beverages. After an initial cash on delivery period with your vendors, you will have 7 days to pay for inventory with a good credit history.

Real Estate (leased)

This is estimated for 1 month's rent of $2,000 payable in advance and a security deposit of up to $4,000 depending on location.

Deposits

Deposits will likely be needed on telephones and utilities.

Office Equipment and Supplies

This will include a computer, desk, chair, filing cabinet, facsimile machine, phone, and basic office supplies such as pens, pencils, folders, pads, rubber stamps, stapler and staples, paper clips, and various forms necessary to operate the business.

Store Equipment

This includes pizza ovens, refrigeration, preparation tables, point of sale register and computer system, and all equipment deemed by Franchisor as reasonably necessary to operate a Just Pizza franchised location. This equipment can be leased and the lower figure is for a lease payment and security.

Leasehold Improvements

Leasehold improvements can include painting, plumbing work, electrical work, floors, partitions, restaurant equipment installation, signage and in some cases, heat or air conditioning.

Advertising and Marketing

This expense is used for a pre-opening grand opening campaign, initial advertising (newspaper and radio), and a direct-mail program.

License & Permits

You must have the required licenses and permits from state, county and local governments.

Insurance (quarterly)

Includes fire, theft, business interruption (including lost royalty fees), general and product liability, and workers' compensation.

Signs

This expense is for both inside and outside signs.

Professional Fees, Licenses, and Permits

This expense is for legal and accounting services.

Travel and Living Expenses While Training

These funds are used for employee salaries during training, travel, food, and lodging while attending the training course.

Additional Funds – For 3 Months

These funds will be used for salaries of employees and basic operating costs until your business is self-supporting.

Just Pizza relied on Rudolph Alloy, Jr.'s experience in the pizza business since 1977 to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

Financing

You may seek financing for your initial investment from other sources. Since Just Pizza provides no financing, we make no estimate regarding loan payments and/or financing costs as these payments may vary widely depending on the amount financed, the type of collateral used, term of the loan, and other factors. Just Pizza does not directly or indirectly offer financing to Franchisees for any of the above items.

THERE ARE NO OTHER DIRECT OR INDIRECT PAYMENTS TO THE FRANCHISOR IN CONJUNCTION WITH THE PURCHASE OF THE FRANCHISE

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

(a) Franchisor requires Franchisee to purchase goods, ingredients, merchandise and other supplies from the following suppliers. Franchisee will conduct ordering by submitting weekly purchase orders to the authorized suppliers. The authorized suppliers will provide Franchisor with copies of the orders for Franchisor’s review. Franchisor negotiates purchase arrangements with suppliers for what is believed to be favorable pricing for the benefit of Franchisees. There are no long term purchasing arrangements in place and such arrangements are negotiated from time to time based on market conditions. From time to time Franchisees may receive manufacturer rebates in connection with purchases from the following suppliers. Franchisee’s purchases from the following suppliers constitute, in the aggregate, approximately 90% of all purchases to be made by Franchisee in establishing and operating the business. No Franchisor officer owns an interest in any supplier.

Supplier	Goods, Supplies, Services, Etc.
(1) US Foods 125 Gardenville Pkwy West Buffalo, NY 14224	Dough Premix or Frozen Dough Product, spices, Margherita pepperoni, Sorrento mozzarella cheese, pizza toppings, Pizza Sauce, Wing Sauces, fresh chicken wings, cold cuts and sandwich ingredients, and pizza boxes. -See Subparagraph (b) immediately below
(2) Pepsi-Cola Bottling Corp. 2770 Walden Ave. Cheektowaga, NY 14225	Beverages -See Subparagraph (b) immediately below

(b) The Franchisor, persons affiliated with the Franchisor, or a corporation owned or controlled by any of the foregoing, will derive income, on a commission basis, and other financial benefits from certain suppliers who sell mixtures, merchandise, ingredients, and other supplies to the Franchisees, as set forth below.

Supplier	Goods, Supplies, Services, etc.
US Foods* 125 Gardenville Pkwy West Buffalo, NY 14224	Branded pizza boxes, Sorrento brand mozzarella cheese
PepsiCo Beverage Sales, LLC ** 2770 Walden Ave. Cheektowaga, NY 14225	Beverages

* Franchisor receives from purchases through U.S. Food Services a rebate of $1.00 on each case of Just Pizza pizza boxes sold to Franchisees and $2.00 on each case for large pizza boxes. These rebates will be paid quarterly to the Franchisor by Enterprise Folding Box and such rebate gets passed through to each Franchisee based on the number of boxes purchased by such Franchisee during the period covered by the rebate. This box

rebate is subject to adjustment based on the corrugate paper market. Franchisor receives from purchases through U.S. Food Services a rebate of $0.04 per pound on every pound of Sorrento brand mozzarella cheese sold to Franchisees which gets passed through to each Franchisee based on the amount of cheese purchased by such Franchisee during the period covered by the rebate. These rebates will be paid quarterly to the Franchisor by U.S. Food Services. Further, Franchisor receives a 3% commission from U.S. Food Services for all products sold by U.S. Food Services to Franchisees. Franchisor's affiliate Just Pizza, Inc. is paid two-thirds of such commission and then Franchisor pays each Franchisee the reminder of the commission based on the Franchisee's purchases relative to the purchases by all Franchisees. Upon information and belief, the payment of these rebates does not generally boost the prices of said supplies over those charged for other equivalent products or suppliers.

** Franchisor's affiliate Just Pizza, Inc. received from PepsiCo Beverage Sales, LLC a payment of $220,000 which is subject to pro-rata repayment by Just Pizza, Inc. in the event a certain beverage sales agreement is terminated before the end of its five year term ending January 31, 2029. Franchisor received from PepsiCo Beverage Sales, LLC a food truck wrap valued at $6,500 and will receive annual marketing support with a value of up to $500 per year. Further, Franchisees receive rebates as follows: $2.00 per gallon of postmix products, $2.00 per case of bottled cases, $1.00 per case of 12 count can cases and $1.00 per case of 12 ounce 24 count can cases sold. Upon information and belief, the payment of the financial benefits and rebates do not generally boost the prices of said supplies over those charged by other suppliers. Franchisee is obligated to purchase supplies from Pepsi-Cola Bottling Corp., except as set forth in Section 8(ii) below. Pepsi-Cola Bottling Corp. will also pay Franchisor $2,500 upon the restaurant’s opening with such funds to be used for advertising and promotional costs for the Franchisee’s location.

(c) Franchisee will enter into a waste oil removal contract with a waste oil removal company designated by the Franchisor.

(d) The Franchisee's costs for the inventory/supplies, with regard to establishing the business will be approximately $3,500 to $7,500. The precise costs to the Franchisee for the operation of the franchise are impossible to determine. Said costs will be dependent upon, among other things, the length of time the franchise operates, the amount of sales by the Franchisee, the supplies used by the Franchisee, and the wages/salaries paid by the Franchisee.

OBLIGATIONS OF FRANCHISEE TO PURCHASE OR LEASE IN ACCORDANCE WITH SPECIFICATIONS OR FROM APPROVED SUPPLIERS

(i) <u>Equipment, Fixtures & Other Fixed Assets</u>: are owned by Franchisee. Franchisee shall purchase and maintain for use upon franchise premises fixtures and equipment of the type specified in the Operating Manual, which, together with accessories, shall conform to specifications of design, color, quality, performance and utility designated or approved in writing by Franchisor. Fixtures and equipment, of the design specified in the Operating Manual and of the same quality as shown in the Operating Manual, shall be purchased by Franchisee from Franchisor or from persons, firms or corporations designated by Franchisor. Franchisee may purchase fixtures and equipment from persons other than Franchisor or its designees, provided that: (a) such fixtures and equipment are of the same quality as those required by the Operating Manual, and (b) such fixtures and equipment are purchased at a price less than the price charged by Franchisor. The type and amount of equipment and fixtures, and the layout thereof which is required by Franchisor is what Franchisor has determined, in its experience and in the custom of the trade, to be the most efficient and safe for the operation of the franchise.

(ii) Supplies, Goods & Services: Must be purchased by Franchisee from suppliers approved by Franchisor during the term of the Franchise Agreement. Particular supplies and approved suppliers are set forth in detail in Paragraph 8 above. Franchisee may purchase supplies from any supplier (except in the cases of specified supplies from US Foods and Pepsi-Cola Bottling Corp. whereby Franchisor has entered into sales contracts with them), after obtaining from Franchisor its written agreement that the supplies to be purchased meet Franchisor's standards and specifications. Such standards and specifications are those customary to the pizza and sandwich shop trade and Franchisor’s Operating Manual, except however, for the pizza dough balls and pizza sauce which are a unique formula and which comprise a trade secret of Franchisor; it is unlikely that any other suppliers can match the existing formula. Franchisor is unaware of any other company making these exact products; however, if Franchisee can locate a supplier which supplies a very substantially similar product, then Franchisor, after conducting necessary lab tests (utilizing Franchisor’s lab standards which are a trade secret), may in its sole discretion allow another supplier to be used for Just Pizza proprietary items.

(iii) Related Disclosures: There are no goods and services, or categories thereof, for which the Franchisor, persons affiliated with the Franchisor, or a corporation owned or controlled by any of the foregoing are approved suppliers or the only approved suppliers. Franchisor makes no restrictions or conditions on the purchase, lease or rental of goods and services by the Franchisee, except as set forth in paragraph 8 herein. Franchisor, persons affiliated with the Franchisor, or a corporation owned or controlled by any of the foregoing will not derive income on a commission basis from any suppliers, except as set forth in detail in paragraph 8 above. Furthermore, the Franchisor does not provide material benefits (including, for example, renewal or granting additional franchises) to a Franchisee based on the Franchisee’s purchase of particular products or services or use of designated or approved suppliers.

(e) Our total revenues for our fiscal year ended December 31, 2025, were 300,067.00. Our revenues from all required purchases or leases of products and services were $0.00. See Item 21 of this Disclosure Document. Franchisor's affiliate Just Pizza, Inc. received commission revenue of $98,534.22 from all required purchases from suppliers described in Item 8 (b) above. The source of information for such revenue is the books and records of Franchisor's affiliate Just Pizza, Inc.

(f) The estimated proportion of these required purchases of goods and supplies in establishing and operating the business is 90% of the total purchases of goods and supplies by Franchisee.

(g) There are no purchasing or distribution cooperatives in connection with the Just Pizza franchise.

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 THE AGREEMENTS AND IN OTHER ITEMS OF THIS FRANCHISE DISCLOSURE DOCUMENT.

	Obligation	Article/Section in Agreement	Item in Disclosure Document
a.	Premises/lease/ Conditional Assignment Of Lease	Article III(A)	Items 11 and 12
b.	Pre-opening purchases/leases	Articles III(D); IV(B)	Items 7 and 8
c.	Site development and other pre-opening requirements	Article III(C)	Items 6, 7, and 11
d.	Initial and ongoing training	Article IV(B)	Items 6 and 11
e.	Opening	Article III(F)	Item 11
f.	Fees	Articles VII, IV(G)	Items 5 and 6
g.	Compliance with standards and policies/ Operating Manual	Article IV(A),(C)	Item 11

h.	Trademarks and proprietary information	Article II (C),(D) and (E), Section 4.14	Items 13 and 14
i.	Restrictions on products/services offered	Article IV F)	Items 8 and 11
j.	Warranty and customer service requirements	Article IV (C)	Item 9
k.	Territorial development and sales quotas	None	None
l.	Ongoing product/ service purchases	Article IV(F)	Items 8 and 11
m.	Maintenance, appearance and remodeling requirements	Article III(C),D,(F); Article IV(C)	Item 7
n.	Insurance	Article V(B)	Item 6 and 7
o.	Advertising	Article IV(G)	Items 6 and 11
p.	Indemnification	Article V(C)	Item 6
q.	Owner's participation/ management/staffing	Article IV(D)	Item 15
r.	Records/reports	Article VI(A),(B)	Item 11
s.	Inspections/audits	Article IV(E); VI(A)	Items 6 and 11
t.	Transfer	Article IX	Item 17
u.	Renewal	Article VII(B)	Item 17
v.	Post-termination obligations	Article VIII(D); IX(A)	Item 17
w.	Non-competition Covenants	Article IV(I), Section 8.43	Item 17
x.	Non-Solicitation of Employees	Section 4.93	Item 17
y.	Dispute resolution	Article IX(B)	Item 17
z.	Liquidated damages	Article II (E)	Item 17

Item 10

FINANCING

Just Pizza, its agents and affiliates do not directly or indirectly offer financing.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Pre-Opening Obligations

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

(i) Prior to the opening of the franchise business, Franchisor will make available to the Franchisee the Franchisor's customary training and indoctrinations (Franchise Agreement, Article IV(B)). During the period immediately preceding public opening of Franchisee's business, Franchisor will furnish the Franchisee, on the Franchisee's premises and at the Franchisor's expense, advisory personnel for the purpose of facilitating the public opening of the franchised location.

(ii) Methods used by Franchisor in approving location for Franchisee's business (and others which may be opened in the future) are based upon Franchisor's analysis of the following specific factors:

a) traffic flow;
b) household demographic statistics;
c) commercial activity in the location;
d) residences in the location;
e) population density statistics;
f) lack of competition by similar businesses near the location; and
g) determination as to whether there are any infringing uses of Franchisor's trademark in the area of which a potential franchise location is a part. In addition, the Franchisor must determine whether certain property is available and whether the costs of land, financing and construction make acquisition potentially profitable.

Franchisor and Franchisee will not execute a Franchise Agreement unless a location has been agreed upon by them.

Time to Open

Typical length of time between the signing of the Franchise Agreement or first payment of consideration for the franchise and opening of Franchisee's business is approximately Ninety (90) days. Just Pizza will determine when your franchise location and staff are ready and prepared to open for business.

Training

Training program of the Franchisor is conducted at the Just Pizza Restaurant located at 300 Elmwood Ave., Buffalo, New York. Such training program is conducted in the six (6) weeks immediately preceding the opening of the Franchisee's location. Training programs are presently conducted by Mr. Rudolph Alloy, Jr. and persons directly under his supervision. Mr. Alloy has been in the pizza/chicken wing/sandwich shop business since 1977. No charge is made to the Franchisee for this training.

Any Franchisee who does not live in the vicinity of the franchised location will be responsible for its own travel and living expenses to the specified location for such training.

The training program is mandatory and must be completed to Franchisor’s satisfaction. The goals of the training program are that the Franchisee and its employees, where applicable, become competent in all processes, including, but not limited to: pizza and sandwich making, counter-work, management, ordering supplies, and conducting retail operations. The training program is conducted as follows: Franchisee shall hire at least twenty-five (25) employees three (3) weeks before opening date. Such employees will be required to be present for three (3) weeks, at a location designated by Franchisor, to be trained by Franchisor, for employment by Franchisee at franchised premises. The expense of such training, other than salaries of trainees, shall be borne by Franchisor. Franchisee shall provide one (1) supervisory employee approximately four (4) weeks before opening date. Such supervisory employee will be required to be present for one month, at a location designated by Franchisor, to be trained by Franchisor, for employment by Franchisee at franchised premises. The expense of such training, other than salaries of supervisory employees, shall be borne by Franchisor. Franchisor will provide one supervisory employee at Franchisor's expense, to work at franchised premises for a period of approximately two weeks, commencing on opening date.

At the present time, no refresher courses are available, nor are specific additional training programs made available. However, as described above, Franchisor's representative will perform additional training at a location to be determined by Franchisor, if such additional training is deemed necessary by the Franchisor. Such additional training will be at the sole expense of the Franchisee. The content of additional training will be the same as set forth above and will be conducted by site visitation by a representative of Franchisor. The length of time for additional training will depend upon the individual circumstances.

The training schedule is as follows:

SUBJECT	TIME OF TRAINING	INSTRUCTIONAL MATERIAL	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING
Introduction to Just Pizza	Before your business opens	Training Manual	0-2 hours first day	0-2 hours first day
Financial Controls	Before your business opens	Training Manual	2 hours second day	2 hours second day
Equipment Maintenance	Before your business opens	Training Manual	1-2 hours third day	1-2 hours third day
Hiring and Training	Before your business opens	Training Manual	2 hours fourth day	2 hours fifth day
Employees Opening Duties	Before your business opens	Training Manual	1-2 hours fifth day	1-3 hours sixth day
Closing Duties	Before your business opens	Training Manual	1-2 hours sixth day	1-3 hours sixth day
Inventory Control	Before your business opens	Training Manual	1 hour	1-2 hours
Merchandising Procedures	Before your business opens	Training Manual	1-2 hours	1-2 hours
Business Management	Before your business opens	Training Manual	2 hours	3 hours
Purchasing	Before your business opens	Training Manual	1-2 hours	1-2 hours
Working in Shop	Before your business opens	Training Manual		5-7 hours per day for two weeks

Just Pizza requires you and/or one representative of your management staff to attend and complete the training course to the satisfaction of Just Pizza. There is no separate charge for this initial training course. However, you must pay the travel and living expenses for you and/or your employees while attaining the training course. Just Pizza estimates the cost for lodging and food to be approximately $65 to $75 a day per person. The classroom and on-the-job training will take place at 300 Elmwood Ave., Buffalo, New York 14217 and at your Just Pizza outlet.

As set forth above, training is to commence one month prior to opening of the Franchisee's business and be completed before such opening.

Advertising

Franchisor will prepare promotional material and purchase and place advertising to promote Just Pizza's franchises. The selection of the media to be used, the geographic region to be covered, and the content of the promotional material and advertising shall be within Just Pizza's sole discretion. All advertising fees actually received by Just Pizza from franchisees shall be expended in the year in which they are received or in the immediately succeeding calendar year (Franchise Agreement Article IV(G)). Just Pizza agrees that it will expend for all direct and indirect costs and expenses in conjunction with such promotional material, public relations, advertising, and for the preservation of its proprietary marks. The advertising funds were used for the following in the most recently concluded fiscal year: 80% of the funds were for production and media placement (radio and TV) and 20% for branded promotional items that are given away. A de minimis amount of the advertising fund is used to solicit new franchise sales in connection with the Franchisor's website and printed pamphlets located at stores.

Management and administrative fees shall not exceed fifteen percent (15%) of the total advertising revenues; however, no such fees were paid in the most recently concluded fiscal year. Just Pizza will use a separate bank account for all advertising fees collected from franchisees. Just Pizza will keep records of advertising activity in your geographical area. The records shall be open for inspection by you at Just Pizza’s main office at reasonable times and upon reasonable notice. The advertising fund financial records are not audited.

You are required to spend a minimum of one (2%) of your gross sales to do additional advertising for your location. You are permitted to use your own advertising materials, provided that they comply with the terms of Article IV (G) of the Franchise Agreement. At your request, Just Pizza will provide information that it may have with regard to advertising, that will assist you in additional advertising. You acknowledge that you shall not be entitled to a credit against the regional advertising fee for any advertising done by you. You may be required, upon request from time to time, to provide Just Pizza with documentation of your advertising spending.

Obligations After Opening

(i) During the operation of the franchised business, Franchisor will furnish, at its own expense, but in its discretion, advisory personnel for the purpose of advising Franchisee on its operations. In connection therewith, Franchisor's representatives will, from time to time, inspect Franchisee's premises, products, supplies, merchandise, methods of production and merchandising, and make tests and confer with the employees of the Franchisee. (Agreement, Article IV(E))

(ii) On an ongoing basis, Franchisor will provide such information as developed with regard to improving the operations of a Just Pizza franchise which will assist you in maintaining proper operations and preparing reports required by Just Pizza (Franchise Agreement Article VI(A),(B)).

(iii) Franchisor may hold conferences as deemed necessary by Just Pizza. You and at least 1 of your employees must attend at least 1 conference during any 1 calendar year. These conferences will cover, among other things, methods and procedures of operation, suggested sales techniques, training of personnel, performance standards, advertising programs, and merchandising procedures. The cost of these conferences shall be paid by Just Pizza except that you shall pay for you and your employee's expenses of travel, food, and lodging to attend same (Franchise Agreement Section 4.43).

(iv) Franchisor will keep you informed of Just Pizza's plans, policies, and new developments as much as practicable and will make available to you any improvements in Just Pizza's System (Franchise Agreement Section 4.14).

(v) You are required to operate the franchised business pursuant to the terms of the Franchisor's Operating Manual. The Table of Contents of the Operating Manual is attached as Exhibit D which also discloses the number of pages in each Section and in the Appendices. The Operating Manual contains a total of 160 pages.

Electronic Cash Register/Point of Sale System with Integrated On Line Ordering System

Before the commencement of operation of the franchised Restaurant, you must purchase the required computer hardware, software, internet connections and service, required dedicated telephone and power lines and other computer-related accessories, peripherals and equipment (the "point of sale system"). You must obtain high-speed communications access for your point of sale system, such as broadband, DSL or other high-speed capacity. You must also maintain a functioning e-mail address for your business.

The required point of sale system is a Toast System manufactured by Toast, Inc. It includes electronic cash registers, a point of sale touchscreen tablets, receipt printers and the software provided by Toast. You can purchase this system from any official Toast dealer. The system will store information concerning your sales, inventory, accounting and other operations. The estimated average cost of purchasing the Toast System is $7,500, but such estimate may be more or less depending on the total number of point of sale terminals (fixed and hand held) that a franchisee desires to implement.

The following are the current specifications for the required point of sale system: register touchscreen tablets, MMF cash drawers, USB thermal receipt printers and APC emergency power backup systems.

You must provide all assistance we require to bring your point of sale system on-line with our headquarters computer at the earliest possible time and to maintain this connection as we require. We may retrieve from your point of sale system all information that we consider necessary, desirable or appropriate. There are no contractual limitations on our right to access information.

In addition to allowing us continuous access to the point of sale system, we require that you fax a Daily Sales Report for each day's transactions to Franchisor's office no later than 10:00 am of the following business day. This is to enable Franchisor to conduct a daily audit regarding voids, discounts, comps and other anomalies in accordance with state and federal government requirements.

You must maintain your point of sale system and keep it in good repair. There is no contractual limit on our ability to require you to upgrade the system, add components to the system and replace components of the system. We cannot estimate the cost of maintaining, updating or upgrading your point of sale system or its components because it will depend on your repair history, local costs of computer maintenance services in your area and technological advances which we cannot predict at this time.

Customer On Line Ordering is provided through the Toast point of sale system. Participation in this on line ordering service is required and is an additional cost above and beyond the Toast System cost. The On Line Ordering is implemented based on the standardized menu offerings of Just Pizza & Wing Co. You are responsible for any costs and upgrades necessary to operate the On Line Ordering System through the Toast System.

IT IS YOUR RESPONSIBILITY TO MAINTAIN OR HAVE MAINTAINED THE TOAST POS SYSTEM AND ON LINE ORDERING SYSTEM. YOU ARE ALSO REQUIRED TO PAY FOR UPGRADES TO KEEP THE SYSTEM CURRENT AND FUNCTIONAL AS DETERMINED BY JUST PIZZA.

Item 12

TERRITORY

You will be granted an exclusive territory (geographical area) which will be delineated in the franchise agreement. Prior to the execution of the franchise agreement, a map and/or written description of the geographical area will be provided to you. A typical exclusive area would be a radius of 2 miles from your Just Pizza outlet, depending on population. You will operate from one location and must receive Just Pizza's permission before relocating. Just Pizza will not operate any Just Pizza business or grant franchises for a similar or competitive business within your area, except in the following circumstances: kiosks or locations with less than 200 square feet located in malls, office buildings, schools or other public facilities; "Just Pizza" licensed product sales in grocery stores, convenience stores and gas stations; and special events, festivals or promotions.

You can not advertise or solicit orders within another franchisee's territory. You do not have the right to acquire additional franchises within your area. Franchisee may not operate or sell pizzas, sandwiches or similar products that are the subject of the franchise at festivals, special events or off-site promotions without Franchisor's prior approval, whether within 2 miles of the franchise premises or outside the territory. The Franchisee is also required to participate in certain festivals, special events or off-site promotions upon Franchisor's prior written request.

There is no minimum sales quota. You maintain rights to your area even though the population increases.

Item 13

TRADEMARKS

Just Pizza grants you the right to operate your business under the name Just Pizza & Wing Co.® You may also use our other current or future trademarks to operate your facilities. The Just Pizza & Wing Co.® mark is registered on the Principal Register of the United States Patent and Trademark Office. The date of registration is February 18, 2020 and the identification number is 5989034. Franchisor has filed all required affidavits.

You do not have any rights to compensation or otherwise under the Franchise Agreement if we require you to modify or discontinue using the trademark.

You must follow our rules when you use these marks. You cannot use a name or mark as part of a corporate name or with modifying words, designs or symbols except for those which Just Pizza licenses to you. You may not use the Just Pizza & Wing Co. name in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by Just Pizza.

No agreements limit Just Pizza's right to use or license the use of Just Pizza's trademarks.

You must notify Just Pizza immediately when you learn about an infringement of or challenge to your use of our trademark. Just Pizza will undertake to protect any or all rights which you have to use the trademarks and to protect you against claims of infringement or unfair competition with respect to same.

You must modify or discontinue the use of a trademark if Just Pizza modifies or discontinues it. You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business.

There are no currently effective pending oppositions which are relevant to the use of our trademark. Just Pizza does not know of any infringing uses of the trademark that could materially affect your use of the trademark.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent or copyright, but you can use the proprietary information in Just Pizza's Owners Operating Manual. The Owner Operating Manual is described in Exhibit D. You are required to operate its franchised business pursuant to the terms of the Operating Manual and further is required to keep the Operating Manual confidential pursuant to the Confidentiality Agreement in Exhibit E. Although Just Pizza has not filed an application for a copyright registration for the Operating Manual, it claims a copyright and the information is proprietary and material to the franchised business. You must also promptly tell us when you learn about unauthorized use of this proprietary information. Just Pizza is not obligated to take any action but will respond to this information as we think appropriate. Just Pizza will indemnify you for losses brought by a third party concerning your use of this information. Just Pizza holds no Patents.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You or a qualified manager are required to personally participate in the direct operation of your Just Pizza business. If you use a manager the business must be directly supervised "on premises" by a manager who has successfully completed Just Pizza's training program. The on-premises manager can not have an interest or business relationship with any of Just Pizza's business competitors. The manager must sign a covenant not to compete agreement (Exhibit E).

You are not an agent, legal representative, joint venturer, partner, employee, or servant of Just Pizza. You will be an independent contractor and are in no way authorized to make any contract, agreement, warranty, or representation, or to create any obligation on Just Pizza. The franchise agreement is not intended to create an agency relationship. You shall not act in any manner to make any representations suggesting, directly or indirectly, that you are an agent of Just Pizza.

You must prominently display, by posting a sign within public view in your Just Pizza facility, a statement that clearly indicates that the Just Pizza business is independently owned and operated by you as a Just Pizza franchised business and not as an agent of Just Pizza.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Franchisees are restricted as follows:

(i) Cigarette vending machines are forbidden.

(ii) Sale of other products by use in vending machines is permitted only with Franchisor's permission. Such "other products" shall include, but not limited to, snack foods, beverages, or novelties. The criteria used by Franchisor in granting or denying permission is whether, in Franchisor's sole determination, such other product is a safe product and is not offensive to normal standards of decency. In addition, magazines or other publications shall not contain any nudity or lewd material.

(iii) Sale of products other than pizza, sandwiches and other food or beverage products referred to in Franchise Agreement and Operating Manual including, but not limited to those items set forth in Item 16(ii) may be sold only with Franchisor's permission. The Franchisor's criteria in granting or denying permission is the same as set forth in Item 16(ii).

(iv) Alcoholic beverages may not be sold or served without the written consent of Franchisor.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AND RELATED AGREEMENTS. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS ATTACHED TO THIS FRANCHISE DISCLOSURE DOCUMENT.

	Provision	Section in Franchise Agreement	Summary
a.	Length of the term of the franchise	Section 8.11	Term of franchise is 10 years
b.	Renewal or extension of the term	Section 8.21	If you are in good standing you can add one additional 10 year terms
c.	Requirements for you	Section 8.22	Give Just Pizza notice and sign new franchise agreement. You may be asked to sign a contract with materially different terms and conditions than your original contract, other than territory boundaries. 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.
d.	Termination by you	None	You may terminate the franchise agreement on any grounds available by law.
e.	Termination by you without cause	None	
f.	Termination by Just Pizza without cause	Section 8.31	Just Pizza can terminate only if franchisee defaults
g.	"Cause" defined-defaults	Section 8.31	You have a 10-day cure period. Examples of breaches are: non-payment of fees, non-submission of reports, discontinue operation, involuntary petition of bankruptcy, violate any health or safety law and any other default listed in Section 8.31
h.	"Cause" defined defaults which cannot be cured	Section 8.31	Non-curable defaults: conviction of a felony, bankruptcy
i.	Your obligations on termination/non-renewal	Article VIII(D)	Obligations include complete de-identification, payment of amounts due, return all manuals, relinquish telephone number ands abide by covenant

			not to compete
j.	Assignment of contract by Just Pizza	Article IX	No restriction on Just Pizza's right to assign, however no assignment will be made except to an assignee who, in food faith and judgment of Just Pizza, is willing and able to assume Just Pizza's obligations under the Franchise Agreement
k.	"Transfer" by you-definition	Sections 9.11, 9.31	You may sell, assign, or transfer rights under the franchise agreement with Just Pizza's approval
l.	Just Pizza's approval of transfer by franchisee	Section 9.52	Just Pizza has the right to approve all transfers but will not unreasonably withhold approval
m.	Conditions for Just Pizza's approval of transfer	Section 9.52, 9.54	New franchisee qualifies, transfer fee paid, training arranged, new agreement signed by new franchisee, and paid all money owed to Just Pizza. 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.
n.	Just Pizza's right of first refusal to acquire your business	Section 9.41	Just Pizza can match any offer for the franchisee's business
o.	Just Pizza's right to assume lease	Section 3.12, Schedule A-1	Just Pizza has the right to assume Franchisee's lease upon termination of Franchise Agreement or default under lease.
p.	Just Pizza's option to purchase	None	
q.	Your death or disability	Article II(B)	Franchise can be sold or assigned to heirs or legatees who are members of Franchisee's immediate family
r.	Non-competition covenants after the franchise is	Section 8.43, Exhibit E	No competing business for 2 years within 25 miles of another Just

	terminated or expires assignment)		Pizza franchise (including after
s.	Non-solicitation covenant	Section 4.93	Franchisee shall not hire an employee of any other Just Pizza franchisee during the term of his or her employment or for a period of six (6) months following the termination of employee’s employment with other Just Pizza franchisee
t.	Modification of the agreement	Section 10.43	No modifications without approval of both parties, but operations manual is subject to change by Franchisor; liquidated damages for breach of agreement
u.	Integration/merger clause	Section 10.41	Only the terms of the franchise agreement are binding (subject to state law). Any other promises may not be enforceable
v.	Dispute resolution by	Section 10.22, 10.23	All unresolved disputes must be litigated in Erie County, New York.
w.	Choice of forum	Section 10.22	Litigation must be in Erie County, New York (see Note 1).
x.	Choice of law	Section 10.21	New York law applies (see Note 1).
y.	Use of Just Pizza names	Section 8.44	Franchisee must cease all use of Just Pizza name and advertising or Franchisor will be entitled to liquidated damages in the amount of $1,000/day plus injunctive relief

Note 1: “The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee by Article 33 of the General Business Law of the State of New York.”

The franchise agreement Section 8.31 provides for termination of your franchise upon bankruptcy. This may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

The invalidity or unenforceability of any particular provision of the franchise agreement shall not affect the other provisions thereof, and the franchise agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

To the extent that the provisions of the franchise agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, non-renewal or the like other than in accordance with applicable law, these provisions will, to the extent that they are not in accordance with applicable law, not be effective, and Just Pizza will comply with the applicable law in connection with each of these matters.

Those provisions which would, by their nature, continue for some period of time, including but not limited to, a covenant not to compete and a restriction on hiring Just Pizza's employees and the employees of other franchisees shall survive the expiration, termination or cancellation of this franchise agreement.

These states have statutes which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of the franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code, tit.], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [Rev. Stat. Chapter 121 ½ par 1719-1720], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], SOUTH DAKOTA [Codified Laws Section 37-5A-511], VIRGINIA [Code 13.1-557-574-13. 1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03]. These and other states may have court decisions which may supercede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

Item 18

PUBLIC FIGURES

Just Pizza does not use any public figure to promote its 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 do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize any 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 Rudolph Alloy, Jr., at 803 Military Road, Kenmore, NY 14217 and (716) 886-8600 or (800) 251-5689, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For years 2023 to 2025

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	2023	11	11	0
	2024	11	10	-1
	2025	1o	9	-1
Company Owned*	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	11	11	0
	2024	11	10	-1
	2025	10	9	-1

* There are no company owned Just Pizza facilities but there is one (1) facility in NY operated by an affiliate of Just Pizza and Just Pizza anticipates that it will not open any company owned and operated Just Pizza facilities within one year from the date of this Franchise Disclosure Document.

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2023 to 2025

Column 1 State	Column 2 Year	Column 3 Number of Transfers
New York	2023	2
	2024	1
	2025	0

Table No. 3

Status of Franchise Outlets
For years 2023 to 2025

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Out-lets Opened	Col. 5 Ter-mina-tions	Col. 6 Non-Renewals	Col. 7 Re-acquired by Franchisor	Col. 8 Ceased Oper-ations-Other Reasons	Col. 9 Outlets at End of the Year
NY	2023	11	0	0	0	0	0	11
	2024	11	0	1	0	0	0	10
	2025	10	0	1	0	0	0	9

Table No. 4

Status of Company Owned Outlets
For years 2023 to 2025

Col.1 State	Col. 2 Year	Col. 3 Outlets at Start of the 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
NY*	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0

*There are no company owned Just Pizza facilities but there is one (1) facility in NY operated by an affiliate of Just Pizza and Just Pizza anticipates that it will not open any company owned and operated Just Pizza facilities within one year from the date of this Franchise Disclosure Document.

Table No. 5

Projected Openings As Of December 31, 2025

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Current Fiscal Year
NY	0	1	0
Total	0	1	0

The following are our current franchisees as of December 31, 2025:

Spozz, Inc.
4170 Southwestern Blvd.
Orchard Park, NY 14219
(716)649-9190

Phoenix Rd Management, LLC
5445 Transit Road
East Amherst, New York 14051
(716)688-7500

2350 Delaware Pizzeria, Inc.
2350 Delaware Avenue
Buffalo, New York 14216
(716)871-5700

DAB Pizza, Inc.
2225 Colvin Blvd.
Tonawanda, New York 14150
(716)743-1100

KMS Pizza, Inc.
887 Center Road
West Seneca, New York 14224
(716)674-6010

Dubblez, LLC
2319 Niagara Falls Boulevard
Amherst, New York 14228
(716)568-1000

DBJP, Inc.
5090 Genesee Street
Bowmansville, New York 14026
(716)683-8000

Just Pizza NP, Inc.
3131 Transit Rd.
Elma, NY 14059
(716)612-3131

CJL's Pizza, LLC
2351 Bowen Rd.
Elma, NY 14059
(716)805-7070

Within the one-year period immediately preceding December 31, 2025, no franchisee has been terminated, canceled, or not renewed, or who has, during the same period, otherwise voluntarily or involuntarily ceased to do business pursuant to its franchise agreement with the Franchisor, or who has not communicated with Franchisor within ten weeks of the date of this Franchise Disclosure Document, except that the 2249 South Park, Inc. franchise at 2249 South Park Ave., Buffalo, New York was terminated in October 2025 by mutual agreement of the parties.

No franchisee has signed a confidentiality agreement restricting its ability to speak openly about its experience with franchisor.

There are no known trademark-specific franchisee organizations associated with Franchisor's franchise system.

Item 21

FINANCIAL STATEMENTS

Just Pizza's audited 2025, 2024, and 2023 Financial Statements are attached to this Franchise Disclosure Document as Exhibit A.

Just Pizza's fiscal year end is December 31.

Item 22

CONTRACTS

The following contracts and agreements are attached hereto:

Exhibit B – Franchise Agreement
Schedule A – Conditional Assignment of Lease

Exhibit E – Telephone Number Use Agreement
Exhibit F – Confidentiality and Covenant not to Compete Agreement

There are no other contracts or agreements provided by Just Pizza to be signed by you.

Item 23

RECEIPTS

Please see Exhibit G. The issuance date of this Franchise Disclosure Document is April 9, 2026.

EXHIBIT A

JUST PIZZA FRANCHISE SYSTEMS, INC.

AUDITED FINANCIAL STATEMENTS
2025, 2024 & 2023

Just Pizza Franchise Systems, Inc.

Financial Statements
December 31, 2025, 2024 and 2023
With
Independent Auditors' Report

SBFR PARTNERS LLP
Certified Public Accountants & Consultants

JUST PIZZA FRANCHISE SYSTEMS, INC.

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Independent Auditors' Report

To the Board of Directors
Just Pizza Franchise Systems, Inc.
Buffalo, New York

Opinion

We have audited the accompanying financial statements of Just Pizza Franchise Systems, Inc., which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of income and retained earnings and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Just Pizza Franchise Systems, Inc. as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Period Financial Statements

The financial statements of Just Pizza Franchise Systems, Inc. as of December 31, 2023 were audited by other auditors whose report dated February 13, 2024 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Independent Auditors' Report (Continued)

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

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

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

SBFR Partners LLP

Amherst, New York
March 2, 2026

JUST PIZZA FRANCHISE SYSTEMS, INC.

Balance Sheets
December 31, 2025, 2024 and 2023

	2025	2024	2023
ASSETS			
CURRENT ASSETS:			
Cash	**$ 86,194**	$ 134,184	$ 141,547
Accounts receivable	**12,949**	14,062	12,712
Prepaid expenses	**10,918**	3,028	2,622
Total current assets	**110,061**	151,274	156,881
PROPERTY AND EQUIPMENT, NET	**11,295**	12,998	-
EQUIPMENT NOT IN SERVICE	**-**	-	6,000
ADVANCES TO AFFILIATES	**-**	24,270	18,514
Total assets	**$ 121,356**	$ 188,542	$ 181,395
LIABILITIES AND STOCKHOLDER'S EQUITY			
CURRENT LIABILITIES:			
Accounts payable	**$ 17,953**	$ 13,526	$ 12,631
Accrued expenses	**3,129**	5,322	-
Total current liabilities	**21,082**	18,848	12,631
STOCKHOLDER'S EQUITY:			
Common stock, no par value: 200 shares authorized, 100 shares issued and outstanding	**5,000**	5,000	5,000
Retained earnings	**95,274**	164,694	163,764
Total stockholders' equity	**100,274**	169,694	168,764
Total liabilities and stockholder's equity	**$ 121,356**	$ 188,542	$ 181,395

See Accompanying Notes to Financial Statements.

JUST PIZZA FRANCHISE SYSTEMS, INC.

Statements of Income and Retained Earnings
For the Years Ended December 31, 2025, 2024 and 2023

	2025	2024	2023
REVENUES:			
Royalty fees	**$ 212,412**	$ 236,388	$ 200,775
Advertising fees	**87,655**	84,858	69,965
Initial franchise fees	**-**	45,000	5,000
Other	**-**	-	2,407
Total revenues	**300,067**	366,246	278,147
OPERATING EXPENSES:			
Advertising	**93,130**	100,819	98,730
Travel	**25,362**	26,138	29,212
Professional fees	**14,529**	16,983	12,258
Office rent	**12,000**	12,000	11,000
Utilities	**8,007**	7,764	8,625
Real estate taxes	**6,053**	5,872	7,519
Outside contractors	**4,450**	6,300	3,400
Repairs and maintenance	**3,482**	15,799	3,218
Insurance	**2,323**	2,816	820
Office	**1,892**	339	-
Depreciation	**1,703**	852	429
Bank fees	**986**	992	1,032
Other	**6,704**	42	3,521
Total operating expenses	**180,621**	196,716	179,764
NET INCOME	**119,446**	169,530	98,383
RETAINED EARNINGS:			
Beginning of year	**164,694**	163,764	102,622
Stockholder distributions	**(188,866)**	(168,600)	(37,241)
End of year	**$ 95,274**	$ 164,694	$ 163,764

See Accompanying Notes to Financial Statements.

JUST PIZZA FRANCHISE SYSTEMS, INC.

Statements of Cash Flows
For the Years Ended December 31, 2025, 2024 and 2023

	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	**$ 119,446**	$ 169,530	$ 98,383
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	**1,703**	852	429
Noncash write-off of equipment not in service	**-**	6,000	-
Net changes in operating assets and liabilities:			
Accounts receivable	**1,113**	(1,350)	(4,343)
Prepaid expenses	**(7,890)**	(406)	1,691
Accounts payable	**4,427**	895	(11,628)
Accrued expenses	**(2,193)**	5,322	-
Net cash provided by operating activities	**116,606**	180,843	84,532
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	**-**	(13,850)	-
Advances made to affiliates	**-**	(5,756)	-
Net cash used in investing activities	**-**	(19,606)	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Stockholder distributions	**(164,596)**	(168,600)	(37,241)
Net cash used in financing activities	**(164,596)**	(168,600)	(37,241)
NET INCREASE (DECREASE) IN CASH	**(47,990)**	(7,363)	47,291
CASH:			
Beginning of year	**134,184**	141,547	94,256
End of year	**$ 86,194**	$ 134,184	$ 141,547

SUPPLEMENTAL SCHEDULES OF CASH FLOW INFORMATION:

	2025	2024	2023
Noncash activity - advances to affiliates included in stockholder distributions	**$ 24,270**	$ -	$ -

See Accompanying Notes to Financial Statements.

1. NATURE OF OPERATIONS

Just Pizza Franchise Systems, Inc. (the Company) is a restaurant franchisor that sells franchises and provides administrative and marketing support to its 9 franchisees located throughout New York State. The Company's sales and administrative operations are located in Western New York State. Revenues are derived from sales of restaurant franchises and from royalty and advertising fees collected from franchisees. Franchisees are licensed to use the *Just Pizza* name, trademark, recipes, promotional and operating materials, and concepts. The Company's sole stockholder owns and operates one restaurant with the *Just Pizza* name and trademark who is not subject to a franchise agreement and, accordingly, does not pay royalty or advertising fees. As of December 31, 2025, 2024 and 2023, the Company had 9, 10, and 10 franchisees sold, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The accompanying financial statements have been presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents – The Company considers all cash accounts which are not subject to withdrawal restrictions be cash equivalents. Cash and cash equivalents may exceed federally insured limits at various times throughout the year. The Company has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk with respect to its cash accounts.

Accounts Receivable – Accounts receivable arise primarily from franchise and royalty fee revenue and are stated at the amount management expects to collect from outstanding balances. Accounts are considered past due once the unpaid balance exceeds payment terms extended to the franchisee or customer. When an account balance is past due and attempts have been made to collect the receivable, the amount is considered uncollectible and is written off against the allowance for uncollectible accounts.

Allowance for Credit Losses – At December 31, 2025, 2024 and 2023, the Company had no allowance for credit losses recorded. The Company's policy is to measure its allowance for credit losses based on an evaluation of historical internal and external information and past experience, adjusted for current economic conditions, and reasonable and supportable forecasts about future events that affect the collectability of receivables. Specific factors considered in measuring the expected amount of accounts receivable collected include the current franchisee-specific risk characteristics, current and forecasted future financial condition, the franchisee's past payment history and forecasted payment ability, and other factors such as changes in the economy due to interest, inflation and unemployment levels.

The Company considers the entire population of accounts receivable to be a single pool because the assets have similar risk characteristics in terms of customer creditworthiness, industry and geographic location, and the impact of the current and forecasted direction of the economic and business environment on collectability of such receivables. In situations in which receivables have risk characteristics that are outside those of this pool as a whole, those customers are evaluated for credit losses using criteria independent of the remainder of the trade receivable pool. During the years ended December 31, 2025, 2024 and 2023, the Company had no accounts receivable write-offs or bad debts expense.

Property and Equipment – Property and equipment is stated at cost. Depreciation over the estimated useful lives of the assets (5 to 15 years) is provided using the straight-line method for financial reporting purposes. Maintenance and repairs are expensed as incurred; significant betterments are capitalized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Revenue Recognition – The Company's revenues primarily consist of initial franchise fees and ongoing royalty and advertising fees. The Company recognizes revenue when control of promised goods or services is transferred to a customer in an amount that reflects the expected consideration to be received for those goods or services. Initial franchise fees are recognized upon the sale of a restaurant franchise. Upon sale, the franchisor has no significant continuing operational obligation; substantially all the initial franchisor services have been performed and other conditions affecting consummation of the sale have been met. Continuing royalty and advertising fees are based on a percentage of the franchisees' sales and are recognized as revenue when the sales are made. Franchisees generally pay royalty fees weekly and advertising fees are billed and collected within 30 days after month-end.

Advertising – The costs of advertising are charged to expense as incurred.

Income Taxes – The Company has elected to be taxed as an S Corporation for federal and state income tax purposes whereby income is taxed at the individual owner level. As a result, no provision for income taxes is reflected in the accompanying financial statements. The Company recognizes the tax benefits from uncertain tax positions only if it is probable that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. At December 31, 2025, 2024 and 2023, the Company had no uncertain tax positions that would require adjustment to or disclosure in the financial statements. The Company's tax years subject to audit by taxing jurisdictions are 2022 to 2025.

Use of 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 certain assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

Reclassifications – Certain prior year amounts have been reclassified in order to conform with the 2025 financial statement presentation.

Subsequent Events – Management has evaluated events and transactions that occurred between January 1, 2026 and March 2, 2026 which is the date these financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2025	2024	2023
Equipment	**$ 24,611**	$ 24,611	$ 18,761
Vehicles	**76,849**	76,849	76,849
Leasehold improvements	**12,000**	12,000	4,000
Total property and equipment	**113,460**	113,460	99,610
Less: accumulated depreciation	**102,165**	100,462	99,610
Net property and equipment	**$ 11,295**	$ 12,998	$ -

4. RELATED PARTY TRANSACTIONS

Advances to Affiliates – At December 31, 2024 and 2023, the Company had advances receivable from affiliates of $24,270 and $18,514, respectively. The advances had no formal terms of interest or repayment. During the year ended December 31, 2025, the advances receivable were distributed to the Company's stockholder.

Month-to-Month Lease – The Company leases its office building from an entity owned by the stockholder under an informal month-to-month operating lease agreement. Related rent expense was $12,000, $12,000 and $11,000 for the years ended December 31, 2025, 2024 and 2023, respectively.

* * * * * * * * * * * *

Just Pizza Franchise Systems, Inc.

Financial Statements
December 31, 2024, 2023 and 2022
With
Independent Auditors' Report

SBFR PARTNERS LLP
Certified Public Accountants & Consultants

JUST PIZZA FRANCHISE SYSTEMS, INC.

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Independent Auditors' Report

To the Board of Directors
Just Pizza Franchise Systems, Inc.

Opinion

We have audited the accompanying financial statements of Just Pizza Franchise Systems, Inc., which comprise the balance sheet as of December 31, 2024, and the related statements of income and retained earnings and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Just Pizza Franchise Systems, Inc. as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Prior Period Financial Statements

The financial statements of Just Pizza Franchise Systems, Inc. as of December 31, 2023 and 2022 were audited by other auditors whose report dated February 13, 2024 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Independent Auditors' Report (Continued)

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

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

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

SBFR Partners LLP

Amherst, New York
March 25, 2025

JUST PIZZA FRANCHISE SYSTEMS, INC.

Balance Sheets
December 31, 2024, 2023 and 2022

	2024	2023	2022
ASSETS			
CURRENT ASSETS:			
Cash	**$ 134,184**	$ 141,547	$ 94,256
Accounts receivable	**14,062**	12,712	8,369
Prepaid expenses	**3,028**	2,622	4,313
Total current assets	**151,274**	156,881	106,938
PROPERTY AND EQUIPMENT, NET	**12,998**	-	429
EQUIPMENT NOT IN SERVICE	**-**	6,000	6,000
ADVANCES TO AFFILIATES	**24,270**	18,514	18,514
	$ 188,542	$ 181,395	$ 131,881
LIABILITIES AND STOCKHOLDER'S EQUITY			
CURRENT LIABILITIES:			
Accounts payable	**$ 13,526**	$ 12,631	$ 24,259
Accrued expenses	**5,322**	-	-
Total current liabilities	**18,848**	12,631	24,259
STOCKHOLDER'S EQUITY:			
Common stock, no par value: 200 shares authorized, 100 shares issued and outstanding	**5,000**	5,000	5,000
Retained earnings	**164,694**	163,764	102,622
	169,694	168,764	107,622
	$ 188,542	$ 181,395	$ 131,881

See Accompanying Notes to Financial Statements.

JUST PIZZA FRANCHISE SYSTEMS, INC.

Statements of Income and Retained Earnings
For the Years Ended December 31, 2024, 2023 and 2022

	2024	2023	2022
REVENUES:			
Royalty fees	**$ 236,388**	$ 200,775	$ 162,792
Advertising fees	**84,858**	69,965	44,823
Initial franchise fees	**45,000**	5,000	27,500
Other	**-**	2,407	4,047
	366,246	278,147	239,162
OPERATING EXPENSES:			
Advertising	**100,819**	98,730	87,649
Auto	**26,138**	29,212	19,300
Professional fees	**16,983**	12,258	11,668
Repairs and maintenance	**15,799**	3,218	9,890
Office rent	**12,000**	11,000	7,537
Utilities	**7,764**	8,625	1,090
Outside contractors	**6,300**	3,400	5,850
Real estate taxes	**5,872**	7,519	3,304
Insurance	**2,816**	820	2,000
Bank fees	**992**	1,032	800
Depreciation	**852**	429	7,890
Other	**381**	2,253	262
Travel	**-**	1,268	9,151
	196,716	179,764	166,391
NET INCOME	**169,530**	98,383	72,771
RETAINED EARNINGS:			
Beginning of year	**163,764**	102,622	138,851
Stockholder distributions	**(168,600)**	(37,241)	(109,000)
End of year	**$ 164,694**	$ 163,764	$ 102,622

See Accompanying Notes to Financial Statements.

JUST PIZZA FRANCHISE SYSTEMS, INC.

Statements of Cash Flows
For the Years Ended December 31, 2024, 2023 and 2022

	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	**$ 169,530**	$ 98,383	$ 72,771
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	**852**	429	7,890
Noncash write-off of equipment not in service	**6,000**	-	-
Net changes in operating assets and liabilities:			
Accounts receivable	**(1,350)**	(4,343)	1,025
Prepaid expenses	**(406)**	1,691	116
Accounts payable	**895**	(11,628)	16,648
Accrued expenses	**5,322**	-	-
Net cash provided by operating activities	**180,843**	84,532	98,450
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	**(13,850)**	-	-
Advances made to affiliates	**(5,756)**	-	-
Net cash used in investing activities	**(19,606)**	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Stockholder distributions	**(168,600)**	(37,241)	(109,000)
Net cash used in financing activities	**(168,600)**	(37,241)	(109,000)
NET INCREASE (DECREASE) IN CASH	**(7,363)**	47,291	(10,550)
CASH:			
Beginning of year	**141,547**	94,256	104,806
End of year	**$ 134,184**	$ 141,547	$ 94,256

See Accompanying Notes to Financial Statements.

1. NATURE OF OPERATIONS

Just Pizza Franchise Systems, Inc. (the Company) is a restaurant franchisor that sells franchises and provides administrative and marketing support to its 11 franchisees located throughout New York State. The Company's sales and administrative operations are located in Western New York State. Revenues are derived from sales of restaurant franchises and from royalty and advertising fees collected from franchisees. Franchisees are licensed to use the *Just Pizza* name, trademark, recipes, promotional and operating materials, and concepts. The Company's sole stockholder owns and operates one restaurant with the *Just Pizza* name and trademark who is not subject to a franchise agreement and, accordingly, does not pay royalty or advertising fees. As of December 31, 2024, 2023 and 2022, the Company had 11, 10, and 9 franchisees sold, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The accompanying financial statements have been presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents – The Company considers all cash accounts which are not subject to withdrawal restrictions and certificates of deposit with original maturities of three months or less to be cash equivalents. Cash and cash equivalents may exceed federally insured limits at various times throughout the year. The Company has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk with respect to its cash accounts.

Accounts Receivable – Accounts receivable arise primarily from franchise and royalty fee revenue and are stated at the amount management expects to collect from outstanding balances. .Accounts are considered past due once the unpaid balance exceeds payment terms extended to the franchisee or customer. When an account balance is past due and attempts have been made to collect the receivable, the amount is considered uncollectible and is written off against the allowance for uncollectible accounts.

Allowance for Credit Losses – At December 31, 2024, 2023 and 2022, the Company had no allowance for credit losses recorded. The Company's policy is to measure its allowance for credit losses based on an evaluation of historical internal and external information and past experience, adjusted for current economic conditions, and reasonable and supportable forecast about future events that affects the collectability of receivables. Specific factors considered in measuring the expected amount of accounts receivable collected include the current franchisee-specific risk characteristics, current and forecasted future financial condition, the franchisee's past payment history and forecasted payment ability, and other factors such as changes in the economy due to interest, inflation and unemployment levels.

The Company considers the entire population of accounts receivable to be a single pool because the assets have similar risk characteristics in terms of customer creditworthiness, industry and geographic location, and the impact of the current and forecasted direction of the economic and business environment on collectability of such receivables. In situations in which receivables have risk characteristics that are outside those of this pool as a whole, those customers are evaluated for credit losses using criteria independent of the remainder of the trade receivable pool.

Property and Equipment – Property and equipment is stated at cost. Depreciation over the estimated useful lives of the assets (5 to 15 years) is provided using the straight-line method for financial reporting purposes. Maintenance and repairs are expensed as incurred; significant betterments are capitalized.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Revenue Recognition – The Company's revenues primarily consist of initial franchise fees and ongoing royalty and advertising fees. The Company recognizes revenue when control of promised goods or services is transferred to a customer in an amount that reflects the expected consideration to be received for those goods or services. Initial franchise fees are recognized upon the sale of a restaurant franchise. Upon sale, the franchisor has no significant continuing operational obligation; substantially all the initial franchisor services have been performed and other conditions affecting consummation of the sale have been met. Continuing royalty and advertising fees are based on a percentage of the franchisees' sales and are recognized as revenue when the sales are made. Franchisees generally pay royalty fees weekly and advertising fees are billed and collected within 30 days after month-end.

Advertising – The costs of advertising are charged to expense as incurred. Advertising costs amounted to $100,819, $98,730 and $87,649 for the years ended December 31, 2024, 2023 and 2022, respectively.

Income Taxes – The Company has elected to be taxed as an S Corporation for federal and state income tax purposes whereby income is taxed at the individual owner level. As a result, no provision for income taxes is reflected in the accompanying financial statements. The Company recognizes the tax benefits from uncertain tax positions only if it is probable that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. At December 31, 2024, 2023 and 2022, the Company had no uncertain tax positions that would require adjustment to or disclosure in the financial statements. The Company's income tax filings are subject to audit by taxing authorities, however, there were no audits in progress as of the date of these financial statements. The Company's tax years subject to audit are 2021 to 2024.

Use of 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 certain assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

Subsequent Events – Management has evaluated events and transactions that occurred between January 1, 2025 and March 25, 2025 which is the date these financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2024	2023	2022
Equipment	**$ 24,611**	$ 18,761	$ 18,761
Vehicles	**76,849**	76,849	76,849
Leasehold improvements	**12,000**	4,000	4,000
Total property and equipment	**113,460**	99,610	99,610
Less: accumulated depreciation	**100,462**	99,610	99,181
Net property and equipment	**$ 12,998**	$ -	$ 429

4. EQUIPMENT NOT IN SERVICE

Equipment not in service was acquired through the 2011 settlement of a note receivable and the 2012 default on a direct financing lease. The equipment was recorded at estimated fair value at the dates of acquisition. Since the equipment is not in service, it is not depreciated in these financial statements. During the year ended December 31, 2024, the equipment was disposed of. At December 31, 2023, the balance of the equipment was $6,000.

5. RELATED PARTY TRANSACTIONS

Advances to Affiliates – At December 31, 2024, 2023 and 2022, the Company had advances receivable from affiliates of $24,270, $18,514 and $18,514, respectively. The advances have no formal terms of interest or repayment.

Month-to-Month Lease – The Company leases its office building from an entity owned by the stockholder under a month-to-month operating lease agreement. Related rent expense was $12,000, $11,000 and $7,537 for the years ended December 31, 2024, 2023 and 2022, respectively.

* * * * * * * * * * * * *

JUST PIZZA FRANCHISE SYSTEMS, INC.

FINANCIAL STATEMENTS

December 31, 2023

Lumsden McCormick LLP
CERTIFIED PUBLIC ACCOUNTANTS

Cyclorama Building | 369 Franklin Street | Buffalo, NY 14202
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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Just Pizza Franchise Systems, Inc.

Opinion

We have audited the balance sheets of Just Pizza Franchise Systems, Inc. (an S Corporation) as of December 31, 2023 and 2022, the related statements of income and retained earnings, and cash flows for each of the years in the three-year period ended December 31, 2023, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Just Pizza Franchise Systems, Inc. as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Lumsden & McCormick, LLP

February 13, 2024

Balance Sheets

December 31,	2023	2022
Assets		
Current assets:		
Cash	$ 141,547	$ 94,256
Accounts receivable	12,712	8,369
Prepaid expenses	2,622	4,313
	156,881	106,938
Property and equipment, net (Note 2)	-	429
Equipment not in service (Note 3)	6,000	6,000
Advances to affiliate (Note 4)	18,514	18,514
	$ 181,395	$ 131,881
Liabilities and Stockholder's Equity		
Current liabilities:		
Accounts payable	$ 12,631	$ 24,259
Stockholder's equity:		
Common stock - authorized 200 shares no par value, issued 100 shares	5,000	5,000
Retained earnings	163,764	102,622
	168,764	107,622
	$ 181,395	$ 131,881

See accompanying notes.

Statements of Income and Retained Earnings

For the years ended December 31,	2023	2022	2021
Revenues:			
Royalty fees	$ 200,775	$ 162,792	$ 165,376
Advertising fees	69,965	44,823	48,716
Initial franchise fees	5,000	27,500	17,500
Other	2,407	4,047	18,019
	278,147	239,162	249,611
Operating expenses:			
Advertising	98,730	87,649	49,009
Professional fees	12,258	11,668	8,085
Office rent	11,000	7,537	6,645
Bank fees	1,032	800	761
Repairs and maintenance	3,218	9,890	5,185
Depreciation	429	7,890	12,130
Real estate taxes	7,519	3,304	5,106
Utilities	8,625	1,090	294
Auto	29,212	19,300	15,603
Travel	1,268	9,151	-
Insurance	820	2,000	2,000
Contributions	-	-	1,000
Other	5,653	6,112	3,717
	179,764	166,391	109,535
Net income	98,383	72,771	140,076
Retained earnings - beginning	102,622	138,851	149,475
Stockholder distributions	37,241	109,000	150,700
Retained earnings - ending	$ 163,764	$ 102,622	$ 138,851

See accompanying notes.

Statements of Cash Flows

For the years ended December 31,	2023	2022	2021
Operating activities:			
Net income	$ 98,383	$ 72,771	$ 140,076
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation	429	7,890	12,130
Changes in other current assets and current liabilities:			
Accounts receivable	(4,343)	1,025	31,391
Prepaid expenses	1,691	116	1,968
Accounts payable	(11,628)	16,648	(51,785)
Net operating activities	84,532	98,450	133,780
Financing activities:			
Stockholder distributions	(37,241)	(109,000)	(150,700)
Net change in cash	47,291	(10,550)	(16,920)
Cash - beginning	94,256	104,806	121,726
Cash - ending	$ 141,547	$ 94,256	$ 104,806

See accompanying notes.

Notes to Financial Statements

1. Summary of Significant Accounting Policies:

Business and Organization:

Just Pizza Franchise Systems, Inc. (the Company) is a restaurant franchisor that sells franchises and provides administrative and marketing support to its ten franchisees located throughout New York State. During January 2023, an eleventh franchise opened in Florida, but this same franchise closed operations in August 2023. The Company's sales and administrative operations are located in Western New York State.

The initial franchise fees received during 2023 relate to one new location in New York State and the sale of a current location to a new franchise owner. The initial franchise fees received during 2022 related to one new location in New York State, which began operations during 2023 and the sale of a current location to a new franchise owner.

In January 2024, the Company sold an eleventh franchise in New York State, and expects this franchise to begin operations in 2024.

Revenues are derived from sales of restaurant franchises and from royalty and advertising fees collected from franchisees. Franchisees are licensed to use the Just Pizza name, trademark, recipes, promotional and operating materials, and concepts.

The Company's sole stockholder owns and operates one restaurant with the Just Pizza name and trademark who is not subject to a franchise agreement with the Company and accordingly, does not pay royalty or advertising fees.

Subsequent Events:

The Company has evaluated events and transactions for potential recognition or disclosure in the financial statements through February 13, 2024 (the date the financial statements were available to be issued).

Cash:

At various times, cash in financial institutions may exceed federally insured limits, and subject the Company to concentrations of credit risk.

Accounts Receivable:

Accounts receivable arise primarily from franchise and royalty fee revenue and are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to allowance for doubtful accounts based on its assessment of the current status of individual accounts, historical trends, and forecasted economic conditions. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to allowance for doubtful accounts and a credit to accounts receivable. An allowance for doubtful accounts is considered unnecessary by management because all significant amounts deemed uncollectible are written off each year.

Property and Equipment:

Property and equipment is stated at cost net of accumulated depreciation. Depreciation is provided over estimated useful lives using the straight-line method.

Revenue Recognition:

Franchise fees are recognized upon the sale of a restaurant franchise. Upon sale, the franchisor has no significant continuing operational obligation; substantially all the initial franchisor services have been performed and other conditions affecting consummation of the sale have been met.

Continuing royalty and advertising fees are based on a percentage of the franchisees' sales, and are recognized as revenue when the sales are made. Franchisees generally pay royalty fees weekly and advertising fees are billed and collected within 30 days after month end.

Advertising:

Advertising costs are generally expensed as incurred and amounted to $98,730, $87,649, and $49,009 for the years ended December 31, 2023, 2022, and 2021.

Income Taxes:

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code for Federal and New York State tax purposes. Under those provisions, the Company does not pay corporate income taxes. Instead, the stockholder is liable for income taxes on the Company's taxable income as it affects the stockholder's personal income tax returns.

Use of 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Property and Equipment:

	2023	2022
Equipment	$ 18,761	$ 18,761
Food truck	76,849	76,849
Leasehold improvements	4,000	4,000
	99,610	99,610
Less accumulated depreciation	99,610	99,181
	$ -	$ 429

3. Equipment Not in Service:

Equipment not in service was acquired through the 2011 settlement of a note receivable and the 2012 default on a direct financing lease. The equipment was recorded at estimated fair value at the dates of acquisition. Since the equipment is not in service, it is not depreciated in these financial statements.

4. Related Party Transactions:

The Company has an unsecured non-interest bearing advance to an affiliate totaling $18,514 at December 31, 2023 and 2022. The Company paid this same affiliate rent for office space of approximately $11,000 for the year ended December 31, 2023, approximately $7,500 for the year ended December 31, 2022, and approximately $6,600 for the year ended December 31, 2021 under the terms of a month to month lease arrangement.

EXHIBIT B

FRANCHISE AND TRADEMARK AGREEMENT

BY AND BETWEEN

JUST PIZZA FRANCHISE SYSTEMS, INC.

AND

____

____

JUST PIZZA FRANCHISE SYSTEMS, INC.

FRANCHISE AND TRADEMARK AGREEMENT

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JUST PIZZA FRANCHISE SYSTEMS, INC.

FRANCHISE AND TRADEMARK AGREEMENT

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FRANCHISE AGREEMENT

This Agreement is made between JUST PIZZA FRANCHISE SYSTEMS, INC., a New York Corporation with offices at 803 Military Road, Kenmore, NY 14217, hereinafter referred to as "Franchisor" and ________________________ with offices at ______________________________________ hereinafter referred to as "Franchisee".

The parties mutually agree as follows:

I
RECITAL OF FACTS

A. In 2003 Franchisor developed a new franchise concept known as "Just Pizza" which utilized existing "Just Pizza" locations and future locations to purvey to the public not only pizzas and sandwiches manufactured on premises, but also other merchandise for both on-premises and off-premises consumption.

B. In 2011 Franchisor developed a new franchise concept within the Just Pizza system known as “Just Pizza & Wing Co.” (hereinafter “Just Pizza & Wing Co.”) which utilizes locations to purvey pizzas, chicken wings and certain other merchandise for on-premises and off-premises consumption.

C. Franchisor has offered to Franchisee the "Just Pizza" concept, and, in so offering, has delivered to the Franchisee the required Federal Trade Commission and New York State Disclosures regarding this franchise, as well as prototype copy of this Agreement itself.

D. "Just Pizza & Wing Co." franchise is a method of retail business which includes:

1.1 Manufacture and sale of pizzas, sandwiches and other food items at retail.

1.2 Sale of non-alcoholic beverages, pizzas, and other food items, subject to the approval of Franchisor, for consumption on and off premises.

1.3 Presentation of goods for sale in a format and utilizing equipment and trade names developed and maintained by Franchisor.

E. Parties agree to conduct business pursuant to the terms of this Agreement.

II
THE FRANCHISE

A. GRANT OF FRANCHISE

2.11 Franchisor hereby grants to Franchisee and Franchisee hereby accepts a license to operate one “Just Pizza & Wing Co.” store subject to and upon the terms and conditions stated herein.

2.12 The license herein granted shall remain with the Franchisee on condition that: (a) The Franchisee complies with all terms and conditions of this Agreement; and (b) The Franchisee does not exceed rights expressly granted to it in this Agreement.

B. USE OF FRANCHISE

2.21 Franchisee acknowledges that Franchisor, through the expenditure of considerable money, time and effort, has created and developed, and is continuing to improve a successful, efficient and distinctive system of training employees, manufacturing, preparing, serving, merchandising, and selling pizza, sandwiches and other merchandise at retail, which are of a distinctive, uniform and high quality, prepared in accordance with Franchisor secret and confidential specifications and methods, purveyed by distinctively uniform staff in distinctively designed, furnished, decorated and equipped stores operating under the name "Just Pizza & Wing Co.”.

Franchisor has developed and uses the names "Just Pizza", “Just Pizza and Wing Co.” and other associated trademarks, service marks, designs and symbols used in the design and appearance of buildings, identifying the good will which Franchisor has developed in connection with the operation of “Just Pizza & Wing Co.” stores by Franchisor and its franchisees. The system referred to in this paragraph constitutes the "franchise system" which is the subject of this Agreement.

2.22 Franchisee acknowledges that Franchisor is the owner and has the right to own, enjoy and license each and every part of the franchise system. Franchisee will not contest Franchisor ownership and right to enjoy and to license each and every aspect of the franchise system.

2.23 Franchisee's license, and right to use the franchise system is limited to the territory hereinafter described, and to the term of this agreement or any renewal thereof.

2.24 The Franchisee's right to use the franchise system is subject at all times to Franchisor supervision and control of the Franchisee.

2.25 Franchisee acknowledges that Franchisor is the owner of all telephone numbers, data and customer files on the Toast POS utilized at the franchised premises and Franchisee is authorized to use such numbers, data and files by Franchisor only during the term of this Agreement. Upon termination, Franchisee shall immediately cease utilizing the telephone numbers, data and files and shall not contest Franchisor’s ownership of the same.

2.26 The Franchisee's right to use the franchise system terminates upon expiration of this Agreement or any renewal, or upon the termination of this Agreement or any renewal.

2.27 The Franchisee shall execute a Telephone Number Use Agreement in the form provided by Franchisor, and said Telephone Number Use Agreement is hereby incorporated into this Agreement

C. USE OF NAMES AND TRADEMARKS

2.31 For the purposes of this Agreement, and the relationship between the parties to this Agreement, the terms "names", "trade names", and "trademarks" are defined as being all proper names, whether generic or otherwise, whether arbitrary, fanciful, or otherwise; trademarks, service marks, logos, whether descriptive, generic or fanciful, which are utilized by Franchisor in the promotion of its franchise system, the sale of goods and services by franchisees, and whether the same are utilized as forms of recognition of the franchise system, as service marks, or affixed to goods. Such definition shall be binding upon the parties whether or not such names, trade names, or trademarks have been registered with the United States of America or any state, registered under a claim of copyright, or not.

2.32 Franchisee agrees that all trademarks and trade names utilized in the franchise system are the property of Franchisor.

2.33 Franchisor trademarks and trade names constitute a significant and material portion of the franchise system.

2.34 Franchisor trademarks and trade names shall not be used in whole or in part in any name or as part of any name of any corporation, partnership, proprietorship or other entity under which Franchisee transacts any business.

2.35 If, at any time, any claim is made by a third party that any trademark or trade name owned by Franchisor and utilized in the franchise system is not the property of Franchisor for any reason, Franchisor may require the Franchisee to:(a) Defend the trademark or trade name against any such claim; and/or (b) Modify the trademark or trade name in any manner that Franchisor may direct.

2.36 Franchisee's license to use Franchisor trademarks or trade names is subject to control and approval by Franchisor in every aspect.

2.37 If Franchisee acquires any knowledge concerning use by others of trademarks or trade names which are the same or confusingly similar to trademarks or trade names used by Franchisor, then such Franchisee shall immediately give notice to Franchisor of any such knowledge that it acquires.

D. TRADE SECRETS

2.41 Franchisee acknowledges that the information, ideas, research, methods, recipes, manuals, procedures, systems, improvements, and other materials whether copyrighted or trademarked or not, including the confidential operations manual, owned or developed by Franchisor, whether or not published, confidential, or suitable for registration or copyright, and the good will associated with them, are trade secrets, and shall remain the sole and exclusive property of Franchisor. They are provided or revealed to Franchisee in trust and confidence. Any and all information, knowledge, and know-how not generally known in the retailing business about the franchise system and Franchisor products, services, standards, specifications, systems, procedures and techniques, and such other information or material as Franchisor may designate as confidential, shall be deemed confidential for the purposes of this Agreement. It is understood and agreed that the franchise system and the confidential operations manual constitute a technologically advanced program of management systems, techniques, food preparation, retailing, employee relations and business operations and systems that would, if used by other persons, firms or corporations, give them a substantial competitive advantage which is presently enjoyed by Franchisor and its franchisees.

2.42 All of the trade secrets and confidential information described in paragraph 2.41 are property of Franchisor.

2.43 Franchisee agrees to keep the aforesaid information confidential and to use it only for purposes and in the manner authorized in writing by Franchisor. Franchisee agrees that during and after termination of this Agreement or any renewal thereof for any reason, neither Franchisee nor any of his agents, employees or representatives shall at any time copy or disclose to any other person, or use for any purpose other than operation of the franchised premises, any secret, confidential or other information received from Franchisor, including but not limited to methods and techniques of preparation of pizzas, sandwiches, recipes, merchandising, and the confidential operating manual. Franchisee agrees to enforce the terms of this provision as to its agents, employees, representatives and owners. Further, Franchisee hereby grants to Franchisor the right but not the obligation to enforce this covenant in Franchisee's name or Franchisor's name against any such agent, employee, owner or representative violating the same.

2.44 The provisions of paragraphs 2.41 through 2.45 are binding upon the Franchisee, its agents, employees, owners or representatives. Such provisions shall remain binding upon the Franchisee and upon all such persons during the term of this Agreement, or at any time after the termination or the expiration date of this Agreement, or the expiration date of any renewal term of this Agreement.

2.45 Franchisee shall cause any agent, employee, owner or representative of the Franchisee to enter into a confidentiality and non-competition agreement in form to be provided by Franchisor, binding all such persons to recognize the rights of Franchisor with respect to its trademarks, trade names and trade secrets as herein enumerated. Such confidentiality and non-competition agreement shall provide that any such agent, employee, owner or representative of the Franchisee shall, during the term of this Agreement and after the termination or expiration of this Agreement, or termination or expiration of a renewal thereof, be bound to the terms and conditions set forth in paragraph 2.43. Furthermore, such agreement shall provide that such agent, employee, owner or representative of Franchisee, shall not, during the term of this Agreement, any renewal term and a period of two (2) years thereafter, directly or indirectly own, operate or have any interest in any other business within six (6) miles of the franchised premises which is the same or similar to the franchised business or which may offer merchandise or services in competition with merchandise or services of the franchised business. Franchisee shall use its best efforts to prevent any such persons from using in connection with the operation of any retailing business wherever located, the franchise system, including the franchise name or any imitation thereof, its trademarks, trade names or trade secrets. Such agreement is hereby incorporated into this Agreement. If Franchisee has reason to believe that any such person has violated such provisions of the agreement signed by him, Franchisee shall notify Franchisor and shall cooperate with Franchisor to protect it against unfair competition, infringement or other unlawful use of the franchise trade name, trademark, trade secrets or franchise system. Franchisee further grants Franchisor the rights but not the obligation to prosecute any such lawsuits at Franchisor expense in the name of the Franchisee.

E. <u>REMEDIES OF FRANCHISOR</u>

2.51 In any action, in any court or jurisdiction, in which Franchisor and Franchisee are opposing parties, Franchisor shall be entitled to the following relief:

(a) A stipulated finding of fact that the franchise name, trade names, trademarks, trade secrets or telephone numbers as defined in this Agreement are property of Franchisor.

(b) A stipulated finding of fact that any violation or infringement of any of the foregoing franchise names, trade names, trademarks, trade secrets or telephone numbers causes immediate and irreparable injury to Franchisor.

(c) That Franchisor is entitled to apply for an ex parte temporary restraining order upon a showing by affidavit that Franchisor's franchise name, trade names, trademarks, trade secrets or telephone numbers have been infringed or violated. That Franchisor is entitled to apply for a temporary injunction on notice to the Franchisee seeking an extension of the relief obtained in the ex parte temporary restraining order.

(d) That upon a showing by competent evidence that Franchisor's franchise name, trade names, trademarks or trade secrets have been violated, Franchisor will be entitled to apply for a permanent injunction enjoining such violation, such application being on notice to the Franchisee.

(e) That in such an action Franchisor will be entitled to stipulated, liquidated damages of $1,000.00 per day for each violation to compensate Franchisor for all damages to Franchisor business and public reputation occasioned by such violation.

(f) Franchisor reserves the right to seek any further legal remedies available to it under law.

2.52 In the event that it shall be asserted that any person not party to this Agreement has violated or infringed the franchise name, trade name, trademark or trade secrets of Franchisor, it shall be Franchisee's duty:

(a) To give notice to Franchisor of every such violation promptly upon acquiring such knowledge.

(b) To bring action against the third party in Franchisee's own name if required by Franchisor.

(c) To join action as a co-plaintiff with Franchisor against such third party if required by Franchisor.

(d) To render all assistance to Franchisor in the prosecution of such action against third parties as may reasonably be required.

III
PREMISES AND TERRITORY

A. IDENTITY AND OWNERSHIP OF PREMISES

3.11 Franchisee's business shall be conducted upon premises depicted in Appendix A annexed to and made part of this Agreement. The premises shall contain a minimum of 1,700 square feet. These premises are located at ______________________________ and are referred to hereafter as "franchised premises".

3.12 Franchisee shall not enter into any lease agreement relating to the franchised premises (or any agreement that renews, amends, or replaces such lease agreement) unless the Franchisee or the Franchisee's landlord execute and deliver to the Franchisor the Conditional Assignment of Lease set forth in Schedule A annexed hereto. The Conditional Assignment of Lease shall, among other things, provide that Franchisee may assign this lease, without charge, to Franchisor or its affiliates, at any time if the landlord is given written notice of the assignment. Such an assignment shall not, however, be made except upon termination of this Franchise Agreement, and it shall be effective only if accepted in writing by Franchisor. The Franchisee's lease shall also provide that no amendment, modifications, assignment, or sublease shall be entered into by Franchisee without the written approval of the Franchisor, which approval will not be unreasonably withheld. The Franchisee's lease shall also provide that the premises shall be used solely for the operation of a Just Pizza & Wing Co. store.

3.13 Compliance with the lease for the franchise premises is a condition of this Agreement. In the event that Franchisee violates the terms or conditions of such lease, Franchisor at its option, may terminate this Agreement, and exercise its rights under the Conditional Assignment of Lease.

B. FRANCHISED TERRITORY

3.21 While this Agreement is in force, Franchisor shall not operate or enfranchise any other "Just Pizza & Wing Co." shop within a radius of two (2) miles of the franchised premises, except in the following circumstances: kiosks or locations with less than 200 square feet located in malls, office buildings, schools or other public facilities; "Just Pizza" or "Just Pizza & Wing Co." licensed product sales in grocery stores, convenience stores and gas stations; and special events, festivals or promotions.

3.22 Franchisee is not permitted to erect any "Just Pizza & Wing Co." store except on premises described in paragraph 3.11.

3.23 Franchisee may not operate or sell pizzas, sandwiches or similar products that are the subject of this Franchise Agreement at festivals, special events or off site promotions without Franchisor's prior approval, whether within two (2) miles of the franchised premises or outside such territory. Further, Franchisee agrees to participate in certain festivals, special events or off site promotions upon Franchisor's prior written request.

C. CONSTRUCTION OF PREMISES

3.31 Franchisee shall maintain franchised premises located and described in paragraph 3.11 in accordance with the plans and specifications herein designated as Appendix A.

D. FIXTURES AND EQUIPMENT

3.42 Franchisee shall purchase and maintain for use upon franchise premises fixtures and equipment of the type specified in Appendix A, which, together with accessories, shall conform to specifications of design, color, quality, performance and utility designated or approved in writing by Franchisor. Such equipment, fixtures and accessories shall be located and installed as shown in Appendix A.

3.43 Fixtures and equipment, of the design specified in Appendix A and of the same quality as shown in Appendix A, shall be purchased by Franchisee from Franchisor or from persons, firms or corporations designated by Franchisor. Franchisee may purchase fixtures and equipment from persons other than Franchisor or its designees, provided that: (a) such fixtures and equipment are of the same quality as those required by Appendix A, and (b) such fixtures and equipment are purchased at a price less than the price charged by Franchisor. The provisions of this paragraph 3.43 shall apply to original and replacement fixtures and equipment.

3.44 Vending machines and entertainment devices, may be displayed, situated or used at Franchisee's premises only with the prior written permission of Franchisor. All sales through any permitted vending machines and entertainment devices shall be subject to Franchisee's royalty obligations in paragraph 7.12.

E. SIGNS

3.51 All interior and exterior signs shall conform to the style and shall bear the trademark of Franchisor. Franchisee shall display on franchised premises only such signs or advertising as will use and maintain the validity of Franchisor trademarks and trade names. No sign or advertising shall be permitted which Franchisor deems to obscure, distort or detract from the effect of Franchisor trademark, trade name or symbols.

3.52 Interior and exterior signs affixed to the building or free-standing shall be located as required by layouts in Appendix A.

3.53 Franchisee will make changes to signs as deemed necessary by the

Franchisor. Any additions or changes to signs or their location shall be made only with the prior written approval of Franchisor.

F. <u>OPERATIONS</u>

3.61 Franchisor, at its option, may require Franchisee to postpone commencement of retail sales operations if the franchise premises, the conduct of business, or training of personnel is not complete, or in conformity with Franchisor standards.

(a) Such requirement by Franchisor shall not constitute waiver of any default by Franchisee of performance of paragraph 3.13.

(b) Franchisor, on ten (10) days written notice to Franchisee, may set a new date for commencement of operations and may determine such date to be a "time of the essence" date.

3.62 In the event of any delay occasioned by Franchisee's failure to have franchised premises ready to conduct business, or failure to have training of personnel complete in conformity with Franchisor standards:

(a) Payment for all fixtures and equipment will be made by Franchisee on the original date set for commencement of retail operations.

(b) Franchisee shall be liable to Franchisor for all expenses caused by such delay, including, but not limited to, any additional interest or carrying charges.

IV.
<u>OPERATION OF FRANCHISE BUSINESS</u>

A. <u>STANDARDS OF OPERATION</u>

4.11 Franchisee will comply with the uniform standards for quality, appearance, cleanliness, service and promotion established from time to time by Franchisor. Franchisee acknowledges that these standards and the requirements of this Agreement are necessary, reasonable and desirable in order to preserve and enhance the identity, reputation and good will built by the franchise system and the value of the franchise. Nevertheless, Franchisor specifically reserves the right in its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards within the franchise based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices, or any other condition which Franchisor deems to be of importance to the successful operation of the franchise business. Franchisee acknowledges that because of various factors, there may be variations from standard specifications and practices granted to any Franchisee, and Franchisee herein shall not be entitled to require Franchisor to grant this Franchisee a like or similar variation.

4.12 Franchisee shall comply with all applicable federal, state and local laws and regulations. Franchisee and its employees shall obtain and at all times maintain any and all permits, certificates or licenses necessary for the full and proper construction and operation of the franchise location. Franchisee further agrees to comply with applicable health and safety laws, ordinances and regulations so as to be rated the highest available health and safety classification by appropriate governmental authorities and to furnish to Franchisor within ten (10) days of the franchise receipt thereof copies of all inspection reports, warnings, certificates and ratings issued by any governmental agency which reflects Franchisee's failure to meet and maintain the highest applicable ratings, or Franchisee's noncompliance or less than full compliance with any applicable law, rule or regulation.

4.13 Standards of operation, in addition to those standards defined in this Agreement, are additionally defined and amplified in Franchisor’s "Operations Manual".

4.14 Simultaneously with commencement of this Agreement, Franchisor delivers to the Franchisee one copy of Franchisor Operations Manual. Delivery of such Operations Manual is conditioned upon the following:

(a) The Operations Manual and its supplements at all times shall remain the property of Franchisor.

(b) The Operations Manual and its supplements at all times shall remain upon the franchised premises.

(c) Copying of the Operations Manual in any manner or in any form is forbidden. Such copying shall constitute a violation of Franchisor copyright, and a disclosure of Franchisor trade secrets.

(d) Disclosure of the contents of the Operations Manual is forbidden. Such disclosure shall constitute the disclosure of Franchisor trade secrets.

(e) Immediately upon termination of this Agreement, or any renewal thereof, the Operations Manual shall be returned to Franchisor. If Franchisee fails to return the Operations Manual within five (5) days after termination, Franchisee shall be liable to Franchisor for its loss. In that event the sum of $10,000.00 is stipulated to be the value of one copy of the Operations Manual.

4.15 Franchisor may modify or change standards of operation as specified in the Operations Manual in any manner it deems to be reasonable, provided that such modifications are uniformly applied to all Franchisees except as provided in paragraph 4.12.

4.16 Operation of franchise business by Franchisee shall be solely in accordance with the standards of operations set forth in this Agreement, and in accordance with the standards of operations set forth in the Operations Manual.

B. <u>OPENING CREW AND TRAINING</u>

4.21 A minimum staff of at least twenty-five (25) employees including the Franchisee will be required for the opening and initial operation of the store. Two (2) Prep persons, two (2) Bakers, six (6) Pizza Makers, three (3) Wing and Fryer persons, three (3) Submarine Sandwich Makers, two (2) Assistant Managers, five (5) delivery persons and two(2) Managers/Franchisees must be hired and fully trained prior to grand opening. Staff size will grow from this minimum depending on volume growth and success.

4.22 Franchisee shall attend four (4) weeks training prior to store opening. The above minimum staff must be hired, available and present for three (3) weeks of that training (except for the Supervisor who must be hired and available for training at least four (4) weeks prior to opening) at 300 Elmwood Ave., Buffalo, New York. The expense of such training (excluding salary and wages) shall be borne by the Franchisor. Salary and wages are at the expense of the Franchisee.

4.23 Additional training of Franchisee's personnel may be required in the sole discretion of Franchisor.

4.24 All information, techniques and methods of doing business disclosed or imparted to Franchisee and Franchisee's employees in the course of any training, including all written material, constitute trade secrets which are the property of Franchisor, and in connection therewith:

(a) Will be kept confidential by Franchisee and employee trainees.
(b) Will not be disclosed to employees of Franchisee except to the extent that they:
  (1) Require such information in the operation of the franchise business; and
  (2) Have signed non-disclosure agreement forms furnished by Franchisor, which provide that such trade secrets are the property of Franchisor and will not be further disclosed; said agreements being those set forth in paragraph 2.45.

C. <u>CONDUCT OF FRANCHISE PREMISES--MAINTENANCE OF STANDARDS</u>

4.31 Franchisee shall operate the franchise premises in accordance with Franchisor’s standards and requirements of quality, production, appearance, cleanliness and service, including such standards and requirements as from time to time are prescribed by Franchisor including, but not limited to, signage requirements and such requirements as are published in the Operations Manual. Franchisee shall keep franchised premises open during such days and hours as Franchisor may direct. Franchisee shall at all times maintain the interior and exterior of franchise premises and surrounding premises used in connection therewith in good, clean and attractive condition and shall do reasonable landscaping, lighting, painting, repairing and restoration as may from time to time be required to meet Franchisor standards.

4.32 Franchisee shall at all times maintain and display a reasonably sufficient supply of products and merchandise.

4.33 Franchisee shall employ a sufficient quantity of qualified personnel to meet public demand.

4.34 All personnel shall conform to such standards of skill, sanitation, cleanliness and demeanor as Franchisor shall prescribe. Such personnel shall wear uniforms manufactured of such materials, design and color with such trade name, trademark or symbols as Franchisor shall from time to time designate.

4.35 Franchisee at all times shall maintain a superior quality of product manufactured on premises, and shall offer for sale at retail only first quality product in accordance with standards prescribed by Franchisor.

4.36 Franchisee at all times shall maintain, change, and/or upgrade restaurant equipment and signage as it becomes obsolete in order to maintain the highest standards, current technology and safety features in the industry, and keep current with Just Pizza & Wing Co. branding.

D. <u>CONSULTATION WITH FRANCHISOR; CONFERENCES</u>

4.41 Franchisee at any time may consult with Franchisor concerning any aspect of the franchised business.

4.42 If any consultation or supervision requested by Franchisee requires that Franchisor agents visit Franchisee's premises, Franchisee will reimburse Franchisor for travel expenses incurred.

4.43 Franchisor may hold conferences as deemed necessary by it. Franchisee and at least one of its employees must attend at least one conference during any one calendar year. These conferences will cover, among other things, methods and procedures of operation, suggested sales techniques, training of personnel, performance standards, advertising programs, and merchandising procedures. The cost of these conferences shall be paid by Franchisor except that Franchisee shall pay for its and its employee's expenses of travel, food, and lodging to attend same.

E. <u>SUPERVISION AND INSPECTION BY FRANCHISOR</u>

4.51 Franchisor shall have the right to inspect the franchised premises at any time, and without prior notice to Franchisee, in order to verify whether the franchised business and premises are being operated and maintained in accordance with Franchisor's system, the standards of operation provided in this Agreement and the Operations Manual.

4.52 Franchisor shall give written notice to Franchisee identifying and describing any aspect of the franchised business or franchised premises that is not operating or functioning in accordance with the provisions of this Agreement, the Operations Manual, or Franchisor system. Upon receipt of such notice, Franchisee shall either (a) rectify the specific deviation within ten (10) days, and (b) give written notice to Franchisor that the deviation has been eliminated within the prescribed time period; or (c) give written notice that the deviation cannot be cured within the prescribed time period and request additional time within which performance to rectify the matter reasonably can be expected.

F. <u>USE OF UNIFORM PRODUCTS AND SUPPLIES</u>

4.61 With reference to the manufacture of pizzas, sandwiches and other food items for sale at retail, it is required that:

(a) Franchisee purchase ingredients, commodities and supplies of a quality which will meet or exceed specifications and standards determined by Franchisor.

(b) Franchisee purchases all such ingredients from Franchisor or from suppliers designated by Franchisor during the term of this Agreement.

(c) At all times Franchisee use only ingredients, commodities or supplies approved by Franchisor.

(d) Ordering of ingredients and supplies will be conducted by submission of weekly purchase orders to suppliers authorized by Franchisor, and the Franchisor will receive copies of such orders to review.

4.62 With reference to the sale of products at retail by Franchisee:

(a) Franchisor shall list in the Operations Manual such products which may be offered for sale at retail upon franchised premises. Additional products may be added or deleted by Franchisor as published in the Operations Manual.

(b) Franchisor will list in the Operations Manual the brand names of such products which are acceptable for sale at retail, or the names of suppliers of such products which are not sold as brand name products.

(c) Franchisee shall retail such listed products, or like products of equal quality. If Franchisee desires to sell products other than those listed, or avail of other suppliers, Franchisee shall submit a request in writing to Franchisor for permission to sell such product. Franchisor shall not withhold its consent unreasonably to the purchase and resale of such products. The criteria used by Franchisor in granting or denying permission with regard to selling products other than those listed in the Operations Manual is whether such product is a safe product and is not offensive to normal standards of decency.

4.63 Franchisee shall pay promptly to its suppliers all accounts due and payable in accordance with the terms of sale established by the suppliers.

4.64 Franchisee shall enter into a waste oil removal contract with a waste oil removal company to be designated by Franchisor.

G. ADVERTISING

4.71 Franchisee each year shall spend on advertising and promotion an amount equal to at least two (2%) percent of its annual gross sales. Gross sales shall mean: all cash receipts, receivables, property, or other things of value obtained or derived from the operation of the franchise whether derived from sales, services or any other source. Any refunds, merchandise returns and sales or use taxes related to sales shall be excluded from the computation of gross sales. Franchisee shall account to Franchisor for all such expenditures in advertising and promotion at the end of each calendar year. This two (2%) percent advertising obligation is over and above the one (1%) percent advertising fee set forth in paragraph 4.75.

4.72 All advertising and promotions by Franchisee shall be described in detail in advance to Franchisor. Franchisee shall include all copy, illustration and layout in such submission. No advertising or promotion shall be undertaken by Franchisee until Franchisor shall have given written approval to the form and content of such advertising and promotion. Franchisee may be required to provide Franchisor with documentation demonstrating its advertising expenditures from time to time upon request.

4.73 Franchisee, at its option, may participate in any advertising or promotion undertaken by Franchisor. Expenditures made by Franchisee for such cooperative advertising or promotion may be credited to the two (2%) percent advertising expenditure required by paragraph 4.71.

4.74 Franchisee shall arrange for the names, trademarks, symbols, or color design developed by Franchisor to appear on all paper goods, napkins, sippers, containers, bags, spoons, cups, utensils, matches, menus, and other articles used for or in connection with the sale, dispensing or display of products and merchandise sold at franchised premises. Franchisee shall submit such articles for Franchisor approval prior to the use of such articles.

4.75 In addition to the weekly royalty fee described in paragraph 7.12, Franchisee shall pay to Franchisor on Tuesday of each week a sum equal to one (1%) percent of gross sales during the preceding calendar week. These monies will be used by the Franchisor to do local, regional and national advertising and for the preservation, promotion and enhancement of the value of all franchises. The weekly advertising fee may be raised by an additional one (1%) percent for a total of two (2%) percent by a vote of two-thirds majority of all Franchisees. This advertising fee is in addition to the two (2%) percent advertising obligation described in paragraph 4.71.

4.76 On or before opening day, the Franchisee shall pay Franchisor $5,000 as a grand opening fee which will be used for advertising and promotion of the Store’s grand opening.

H. COMPLIANCE WITH LAW

4.81 Franchisee shall comply with all laws, ordinances, rules and regulations of any governmental agency having jurisdiction over the franchise business or franchised premises.

4.82 Franchisee shall deliver immediately to Franchisor a copy of any notice or other instrument delivered to or served upon Franchisee which alleges any violation of any statute, ordinance, rule or regulation.

I. COMPETITION

4.91 Franchisee, to the exclusion of all other business interests, shall use its best efforts to develop and promote the franchise business at the franchised location.

4.92 During the term of this Agreement and any other renewal thereof, and for a period of two (2) years thereafter, Franchisee will not directly or indirectly own, operate, or have any interest in any other business within twenty-five (25) miles of the franchised premises which is the same or similar to the franchised business, or which may offer merchandise or services in competition with merchandise or services of the franchised business.

Such prohibition shall apply:

(a) If Franchisee is a limited liability company or partnership, to every member or partner who individually or collectively owns any interest in the capital of the joint venture or partnership.

(b) If Franchisee is a corporation to every officer, director and shareholder of such corporation.

4.93 During the term of this Agreement and any other renewal thereof, and for a period of two (2) years thereafter, Franchisee shall not hire or solicit for employment an employee of any other Just Pizza & Wing Co. franchisee while he or she is employed by any other Just Pizza & Wing Co. franchisee and for a period of six (6) months following the termination or resignation, for any reason, of such employee's employment with any other Just Pizza & Wing Co.franchisee.

V.
THIRD PARTIES

A. RELATIONSHIP OF PARTIES

5.11 Nothing in this Agreement shall be construed in any manner to create the relationship of employer-employee, or principal-agent, or joint venturers or partners.

5.12 Neither party to this Agreement shall represent itself or act in such a manner as would imply the existence of any of the relationships described in paragraph 5.11 above.

5.13 Franchisee will prominently display on franchise premises its own name and a notification to the public that it is a Franchisee and not an agent of Franchisor. Such notification shall contain the following legend:

"This Just Pizza & Wing Co. store is operated by _________________, owner/franchisee."

B. INSURANCE

5.21 Franchisee shall purchase and keep in force the following forms of insurance:

(a) General public liability insurance with policy limits of $1,000,000 per occurrence, $3,000,000 aggregate, or in such other amounts as Franchisor shall from time to time reasonably request.

(b) Product liability insurance with policy limits of $1,000,000 per occurrence, $3,000,000 aggregate, or in such other amounts as the Franchisor shall from time to time reasonably request.

(c) Workers' Compensation insurance in such amounts as are required by law.

(d) Auto coverage of hired and Non owned with policy limits of $1,000,000.

(e) Any other insurance which is required by law.

5.22 All such insurance policies shall be issued by insurance companies licensed to do business by the Superintendent of Insurance of the State of New York.

5.23 All such insurance policies shall afford to Franchisor the same protection and coverage as they afford to Franchisee, and such insurance polices shall specifically name Franchisor as an additional insured with a CG2029 endorsment.

5.24 All such policies of insurance will provide that such policies shall not be cancelled or modified without the written notice by the insurer to Franchisor, which said notice shall be given at least twenty (20) days prior to cancellation or modification of such policy.

5.25 Copies of all such policies shall be delivered to Franchisor on an annual basis along with the certificate of insurance and policy forms referencing that Franchisor has extended coverage.

5.26 Franchisee shall require all drivers and delivery persons to keep on file with Franchisee a copy of their driver’s license and insurance card for their vehicles and auto policy declaration page showing limits of a minimum of $300,000 coverage.

C. INDEMNIFICATION

5.31 Franchisee shall hold Franchisor harmless from any and all loss, damage, or liability, including costs for attorney's fees, that Franchisor may suffer from claims made against it which arise out of or in relation to Franchisee's operation or maintenance of the franchised business or premises.

5.32 Franchisee's obligation hereunder to Franchisor is not limited to the extent or amount of any insurance coverage.

VI.
ACCOUNTING AND REPORTS

A. FRANCHISEE'S BOOKS OF ACCOUNT

6.11 Franchisee shall maintain books of account accurately and completely representing all fiscal transactions which may occur in the operation of franchised business. Such books of account shall be organized and conducted according to generally accepted accounting standards. Such books of account shall be kept at franchised premises and shall not be removed therefrom.

6.12 Franchisor shall have the right to examine Franchisee's fiscal records and books of account on premises at any time and without notice to Franchisee in order to verify whether Franchisee's business and franchised premises are being operated and maintained in accordance with Franchisor system and standards of operation, the Operations Manual, and for any other purpose consistent with Franchisor's administration and the enforcement of Franchisor's rights under this Agreement.

6.13 Franchisor has the right to audit the sales reports, financial statements, tax returns and any other records Franchisee is required to retain or submit to Franchisor. In the event any audit discloses an understatement of the royalty sales of the franchised premises for any period or periods, Franchisee must immediately pay on the amount of such understatement the royalty fee of four (4%) percent and all advertising contributions due under this Agreement, plus interest due. Further, in the event such understatement for any period or periods shall be two (2%) percent or more of the royalty sales of the franchised premises or such inspection or audit is made necessary by Franchisee's failure to furnish reports, supporting records, financial statements or other information required by this Agreement or to furnish these reports, records, information or financial statements on a timely basis, Franchisee will be obligated to reimburse Franchisor for the cost of the audit, including the charges of any independent certified public accountant used and the travel expenses, room and board and compensation of Franchisor's employees. In the event Franchisee disputes the results of any audit conducted by Franchisor or its representatives, Franchisee will have the right, upon written notice to Franchisor within ten (10) days of your receipt of the results of the audit, to have the results verified by an independent certified public accountant firm selected by Franchisor's outside accounting firm. The expense of this audit shall be borne by Franchisee unless this further audit discloses that no deficiency is due in which case Franchisor will be obligated to pay for the audit. Franchisor will notify Franchisee within ten (10) days of its receipt of Franchisee's notice when the independent audit will commence. Franchisee agrees to cooperate with all personnel conducting the audit. The results of this independent audit shall be binding upon the parties. Franchisee agrees to pay any deficiencies within ten (10) days after receipt of the audit or, if applicable, the independent audit requested by Franchisee.

B. REPORTS

6.21 Franchisee will report its gross sales by telephone, facsimile, electrically, or by other means Franchisor permits, by 10:00 am after each business day, and within two (2) days after the end of the business week (currently Tuesday). Franchisee will submit weekly summaries showing results of the franchised premises operations by the following Saturday, in writing or in electronic form, as Franchisor permits to locations it designates. Franchisee will use and maintain at the franchised premises a personal computer based point-of-sale system and software compatible with Franchisor's requirements and an address to send and receive electronic mail and attachments on the Internet and access to the World Wide Web. Franchisee agrees to install additions, substitutions, and upgrades to the hardware, software, and other items to maintain full operational efficiency and to keep pace with changing technology and updates to Franchisor's requirements. Franchisee will record all sales and designated business information in its system in the manner specified in the Operations Manual. Franchisee will report its information to Franchisor electronically at weekly or other intervals Franchisor specifies. Franchisee also agrees that Franchisor may call up or poll Franchisee's system to retrieve the information at any time.

6.22 Franchisee shall respond to all specific inquiries directed by Franchisor to Franchisee regarding all operations of franchised business. Also, upon Franchisor's written request, Franchisee will promptly provide to Franchisor exact copies of Franchisee's federal, state and local business income tax returns and state sales tax or equivalent tax returns for any period.

6.23 Franchisee shall, within fifteen (15) days after close of each calendar month, deliver to Franchisor a complete and accurate profit and loss statement. Such statement shall be in hard copy and digital form convertible to Quick Books format. In addition, within thirty (30) days after the close of each calendar quarter, Franchisee shall deliver to Franchisor a full and complete balance sheet as of the end of such period. The form of such statement shall be approved by Franchisor and shall be signed by Franchisee.

VII.
FRANCHISE FEES

7.11(a) Simultaneously with the execution of this Agreement, the Franchisee shall pay to Franchisor the sum of $25,000.00 as the initial franchise fee. Such initial franchise fee shall be paid in addition to any other sums to be paid by the Franchisee to Franchisor pursuant to this Agreement. It is expressly understood and agreed that the initial franchise fee is and shall be fully earned by the Franchisor upon the execution of this Agreement and that no part of the initial franchise fee shall be refunded or forgiven to Franchisee for any reason whatsoever.

(b) Within 10 days after the execution of this Agreement, Franchisee shall deposit the balance of the estimated initial investment in the amount of $211,000.00 into a joint checking account to be used for disbursement of funds for construction, restaurant equipment and all necessary expenses in the process of opening the franchise location. This account shall require signatures of both Franchisee and Franchisor for any disbursement. Any unused funds remaining upon payment of all construction, equipment acquisition, initial fees and other necessary expenses will be returned to Franchisee upon the grand opening.

(c) In the event this Agreement is being executed in conjunction with the renewal of an existing Franchisee's interest in an existing franchise, pursuant to Article VIII hereof, then simultaneously with the execution of this Agreement, the Franchisee shall pay Franchisor the sum of $1,500.00 as a renewal fee, in lieu of the initial start-up franchise fee of $25,000.00 referred to in paragraph 7.11(a) hereof. Such renewal fee shall be paid in addition to any other sums to be paid by the Franchisee to Franchisor pursuant to this Agreement.

(d) In the event this Agreement is being executed in conjunction with the sale, transfer or assignment of an existing Franchisee's interest in an existing franchise, the initial franchise fee of $25,000.00 as specified in paragraph 7.11(a) hereof is waived for the purchaser, transferee or assignee as the new Franchisee, provided that new Franchisee was an existing Just Pizza & Wing Co. Franchisee at the time of transfer, sale or assignment.

7.12 Franchisee shall pay to Franchisor as full payment for all additional services and royalties pursuant to this Agreement, a sum equal to 4% of gross sales of all merchandise sold by Franchisee, whether sales be retail, wholesale or otherwise; said sums to be payable weekly. Gross sales shall mean all cash receipts, receivables, property, or other things of value obtained or derived from the operation of the franchise whether derived from sales, services, or any other source. Any refunds, merchandise returns, and sales or use taxes related to sales shall be excluded from the computation of gross sales. It is expressly agreed and understood by the Franchisee that the sum paid by it to Franchisor as a franchise royalty fee is not necessarily the same amount as may be paid by other Franchisees to Franchisor. It is recognized that some sums may vary based upon business opportunities present, desirability of franchised territory, business conditions prevailing at the time, or any other economic reason.

7.13 On Monday of each week, Franchisee shall furnish to Franchisor its written report on forms furnished by Franchisor stating Franchisee's gross receipts from operations during the previous week. Franchisee shall, at the same time, furnish register tapes evidencing sales during the previous week. Such items shall be delivered, together with payment of all sums due for the previous week pursuant to paragraph 7.12.

7.14 All sales at franchised premises shall be tallied on cash registers approved by Franchisor.

7.15 All royalty fees, advertising contributions and all other amounts owed to Franchisor pursuant to this Agreement will bear interest after the due date at the rate of one and one-half (1½) percent per month or at the highest legal rate for open account business credit in the state in which the franchised premises is located, whichever is lower.

7.16 Franchisor has the right to require Franchisee to participate in an electronic funds transfer program under which royalty fees and advertising contribution payments are deducted or paid electronically from Franchisee’s bank account. Franchisor may permit Franchisee to initiate payments via a system established or approved by Franchisor, or at its option, require Franchisee to authorize Franchisor to initiate debit and/or credit entries and/or credit correction entries to Franchisee’s bank operating account (the “Account”) for payment of royalty fees and advertising contributions on forms Franchisor prescribes. In the event

Franchisee is required to authorize Franchisor to initiate debit entries, Franchisee agrees to make the funds available in the Account for withdrawal by electronic transfer no later than the due date for payment. The amount actually transferred from the Account to pay royalty fees and advertising contributions will be based on the Franchisee's royalty sales reported to Franchisor. If Franchisee has not reported royalty sales to Franchisor for any reporting period, Franchisor will be authorized to debit the Account in an amount equal to the royalty fee transferred from the Account for the last reporting period for which a report of the royalty sales was provided to Franchisor. If at any time Franchisor determines that Franchisee has under-reported the royalty sales or underpaid royalty fees or advertising contributions due Franchisor under this Agreement, Franchisor will be authorized to initiate immediately a debit to the Account in the appropriate amount in accordance with the foregoing procedure, including interest as provided for in this Agreement. An overpayment will be credited to the Account through a credit effective as of the first reporting date after the parties determine that such credit is due. Franchisor's use of electronic funds transfers as a method of collecting royalty fees and advertising contributions due it does not constitute a waiver of any of Franchisee's obligations to provide Franchisor with weekly sales reports as provided in paragraph 7.13 nor shall it be deemed a waiver of any of the rights and remedies available to Franchisor under this Agreement.

7.17 When Franchisor receives a payment from Franchisee, Franchisor has the right in Franchisor's sole discretion to apply it as Franchisor sees fit to any past due indebtedness due to Franchisor, whether for royalties, advertising contributions, purchases, interest, or for any other reason, regardless of how Franchisee may designate a particular payment to be applied.

VIII.
TERM AND TERMINATION

A. TERM

8.11 The term of this Agreement shall commence on the date of this execution and shall continue for a period of ten (10) years from "opening day" as herein defined unless terminated earlier pursuant to the provisions contained in this Agreement.

8.12 Franchisee, after the execution of this Agreement, shall promptly commence the construction or remodeling required by the plans and specifications set out in Appendix A. Such alteration or construction shall be completed on or about _________.

8.13 Franchisee shall notify Franchisor in writing upon completion of such construction or alteration.

8.14 Opening day shall be the first date that franchised premises are open for retail sales to the public. Such date shall occur no later than seven (7) days after completion date as defined in paragraph 8.12.

8.15 In the event that Franchisee fails to perform any provision of this Article VIII in a timely manner, Franchisor, at its option, upon ten (10) days written notice to

Licensee, may elect to hold Franchisee in default and terminate this Agreement. In such event, Franchisor shall retain Franchisee's initial franchise fee of $25,000.00 as liquidated damages for breach of this Agreement.

B. <u>FRANCHISEE'S OPTION TO RENEW</u>

8.21 After at least nine (9) years of the initial term of this Agreement has passed, Franchisee shall have the right to renew this Agreement on the same terms and conditions for a period of ten (10) years provided that: (a) Franchisee is not in default at the time of the exercise of such option in performance of any term of this Agreement or the Lease Agreement; (b) Franchisee has brought the franchise into full compliance with the specifications and standards then applicable to Franchisor Pizzas facilities and presents evidence satisfactory to Franchisor that it has the right to remain on the premises for the duration of any renewal term; (c) Franchisee has given notice of renewal to Franchisor as provided hereinafter; (d) Franchisee has executed upon renewal Franchisor's then current form of Franchise Agreement (with appropriate modifications to reflect the fact that the Agreement relates to the grant of a renewal franchise), which agreement shall supersede in all respects this Agreement, and the terms of which may differ from the terms of this Agreement, including, without limitation, a different percentage for royalties and advertising contributions; provided, however, Franchisee shall not be required to pay the then-current initial franchise fee or its equivalent; (e) Franchisee has executed a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor, and its owners, officers, directors, agents, shareholders and employees; and (f) Franchisee has paid Franchisor the $1,500 renewal fee specified in paragraph 7.11 (b) hereof.

8.22 Franchisee's right to renew shall be exercised by the Franchisee's notifying Franchisor in writing, by Certified Mail, of its intention to renew. Such notification shall be made to Franchisor no less than 90 days nor more than 180 days before the expected renewal date of this Agreement; provided that nine (9) years have passed on the initial term of Franchisee's existing Franchise Agreement. Within 30 days after its receipt of such timely notice, Franchisor shall furnish Franchisee with written notice of reasons which could cause Franchisor not to accept any such renewal notice including, but not limited to, any deficiencies which require correction and a schedule for correction thereof by Franchisee and Franchisor's then-current requirements relating to the image, appearance, decoration, furnishing, equipping and stocking of Franchisor Pizzas facilities, and a schedule for effecting, upgrading or implementing modifications in order to bring the facility in compliance therewith, as a condition for renewal.

C. <u>TERMINATION OF AGREEMENT</u>

8.31 Franchisor, at its option, may elect to terminate this Agreement prior to the expiration of its term for any of the following reasons:

(a) Franchisee's failure to pay any sum of money due pursuant to this Agreement when the same shall become due and payable.

(b) Franchisee's breach or failure to perform any other obligation of this

Agreement or any mandatory specification, standard or operating procedure by it to be performed.

(c) Franchisee's breach or failure to perform any obligation under any ancillary agreement existing between the parties to this Agreement.

(d) Franchisee's breach or failure to perform any obligation under any lease of franchised premises, or the termination or cancellation of such lease.

(e) any misrepresentation of fact made by Franchisee which is material in inducing Franchisor to enter into this Agreement.

(f) The attachment or sale under judgment execution of Franchisee's interest in this Agreement.

(g) The commission of any act of bankruptcy by Franchisee as defined by the Bankruptcy Code of the United States.

(h) Franchisee's voluntary petition in bankruptcy or assignment for benefit of creditors.

(i) The filing of an involuntary petition in bankruptcy against Franchisee which said involuntary petition is not dismissed within thirty (30) days after filing.

(j) Appointment of a receiver to operate Franchisee's business.

(k) The employment of any other remedy sought by or against the Franchisee under the Bankruptcy Law of the United States of America.

(l) Voluntary or involuntary sale or assignment of the franchise delivered herein by the Franchisee without Franchisor permission.

(m)Transfer of Franchisee's corporate stock without Franchisor permission.

(n) Any violation of any trademark, trade name or trade secret by Franchisee.

(o) Franchisee's conviction or pleading no contest to a felony or any crime or offense that is likely to adversely affect the reputation of Franchisor and the good will associated with Franchisor trademarks.

(p) Franchisee's violation of any health or safety law, ordinance or regulation or operation of the franchise in a manner that presents a health or safety hazard to its employees, customers or the public.

(q) Franchisee's abandonment or failure to continuously and actively operate the franchise under any lease of the franchised premises.

(r) Franchisee's engaging in any conduct which in Franchisor judgment adversely affects the reputation of Franchisor or the goodwill associated with Franchisor trademark.

(s) Franchisee's violating any child labor laws in connection with operation of the franchise.

(t) Franchisee's failure to pay any creditor or supplier of the franchise or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings).

(u) Franchisee’s failure to timely make sufficient funds available for scheduled electronic funds transfers of royalty payments to Franchisor three times in any six month period.

8.32 Upon Franchisor obtaining knowledge of the occurrence of any event specified in paragraphs 8.31(a), (b), (c), (d), (f), (m), (n), (p), (q), (r), (s), (t) or (u), Franchisor may give Franchisee notice in writing in person or by Certified Mail directing that Franchisee cure the specific defect or default within ten (10) days. If Franchisee fails to cure such defect or default within the appointed time Franchisor may, at its option, terminate this Agreement. Franchisor may terminate this Agreement immediately upon the occurrence of any event specified in paragraphs 8.32(e), (g), (h), (i), (j), (k), (l), and (o).

8.33 The exercise of the right of termination of this Agreement by Franchisor in no way constitutes the waiver of any other right or remedy which Franchisor might possess.

D. <u>RIGHTS UPON EXPIRATION OR TERMINATION</u>

Upon the expiration of the term of this Agreement, or upon the termination of this Agreement under circumstances described in this Article:

8.41 All fees due and owing by Franchisee to Franchisor shall be immediately due and payable.

8.42 Franchisee shall, within ten (10) days, account to Franchisor for all retail sales and fiscal transactions disclosing to Franchisor all accounts receivable and accounts payable. In addition, Franchisee shall present to Franchisor a statement certified by a Certified Public Accountant, setting forth all debts or claims known to exist or exerted or held by Franchisee against any person, and setting forth all debts or claims known to exist, asserted or held by any person against Franchisee.

8.43 Franchisee covenants that for a period of two (2) years after the expiration of the term of this Agreement, or any renewal thereof, or after termination of this Agreement pursuant to the conditions herein contained, Franchisee, shall not in any capacity, directly or indirectly, engage in or be financially interested in or associated with any business which manufactures or sells at retail, pizzas, sandwiches or similar food products, within a radius of 25 miles of the franchised premises. All shareholders, officers and directors of Franchisee shall simultaneously with the execution of this Agreement, or upon becoming such officer, director, or stockholder, separately and individually execute undertakings personally binding themselves to the terms of this paragraph.

8.44 Franchisee shall cease using the names "Just Pizza & Wing Co." or "Just Pizza" and shall cease doing business and advertising as a Franchisee. Franchisee agrees that if it does not cease using the names "Just Pizza & Wing Co." or "Just Pizza" within ten (10) days after termination or expiration of this Agreement, that Franchisor shall be entitled to liquidated damages in the amount of $1,000 per day for each day until Franchisee shall cease use of said name and cease doing business and advertising as a Franchisee. In addition, Franchisor shall be entitled to seek and obtain injunctive relief against such use, and reserves the right to pursue other available legal remedies.

8.45 Franchisee shall cease using all telephone numbers and listings used in connection with the franchise.

8.46 Franchisor is hereby irrevocably appointed as Franchisee's attorney-in-fact to execute in Franchisee's name and on Franchisee's behalf all documents necessary to discontinue Franchisee's use of the franchise name.

IX.
SALE, TRANSFER, ASSIGNMENT

A. LIMITATION

9.11 Without prior written consent of Franchisor, Franchisee's interest in this franchise shall not be assigned or otherwise transferred, sold, mortgaged, posted as security for financing, or hypothecated in whole or in part (whether voluntarily or by operation of law) directly, indirectly, or contingently, and then, only in accordance with the terms of this Article IX.

B. DEATH OR PERMANENT INCAPACITY OF FRANCHISEE

9.21 Upon the death or permanent incapacity of the Franchisee, or of any stockholder or member holding any more than five (5%) percent of the issued and outstanding capital stock or limited liability company interest of the Franchisee if said Franchisee be a corporation or limited liability company, the interest of said Franchisee or stockholder or member may be assigned pursuant to section 9.41 below, or to one or more of the following persons: spouse, heirs, or nearest relatives by blood or marriage, subject to the following conditions:

(a) If in the sole discretion of Franchisor such persons shall be capable of conducting the franchise business in accordance with the terms and conditions of this Agreement, and

(b) If such person shall also execute an agreement by which he or she personally assumes full and unconditional liability for, and agrees to perform all the terms and conditions of this Agreement to the same extent as the original Franchisee.

9.22 If, in Franchisor's sole discretion, such person cannot devote his full time and efforts to the operation of the franchise business or lacks the capacity to operate the franchise business in accordance with this Agreement, Franchisor shall have an option to operate and manage the franchise business for the account of the Franchisee or of his estate until the deceased or incapacitated Franchisee's interest is transferred to another party acceptable to Franchisor in accordance with the terms and conditions of this Agreement. However, in no event shall Franchisor operation and management of the franchised business exceed a period of nine (9) full calendar months. In the event that Franchisor so operates or manages the franchise business, Franchisor shall make a complete account to and return the net income from such operation to the Franchisee or to his estate, less a reasonable management fee and expenses.

9.23 If the disposition of the franchised business to a party acceptable to

Franchisor has not taken place within nine (9) months from the date of death or incapacity of Franchisee, then Franchisor shall have the option to terminate this Agreement.

C. ASSIGNMENT TO FRANCHISEE'S CORPORATION OR LIMITED LIABILITY COMPANY

9.31 Franchisor shall consent to an assignment to a corporation or limited liability company whose shares or interests are wholly owned and controlled by Franchisee; however, all certificates of capital stock or interests shall bear a legend that the transfer of the stock is subject to the Franchise Agreement. Furthermore, Franchisor consent to such an assignment shall also be conditioned upon the assignee's execution of an agreement by which it assumes full and unconditional liability for and agrees to perform from the date of such assignment, all obligations, covenants, and agreements contained in this Agreement to the same extent as if such corporate assignee had been an original party to this Agreement. The name of the corporation or limited liability company shall not include any of the names or trademarks granted by this Agreement. In the event of an assignment to such a corporation or limited liability company, however, Franchisee shall remain fully liable and obligated to perform all of the terms and conditions in this Agreement, and such assignment shall in no way limit or release Franchisee from such obligations and liability. Any subsequent assignment or transfer, either voluntary or by operation of law, of all or any part of said share shall be made in compliance with the conditions set forth in paragraphs 9.21, 9.22, 9.41 and 9.51 of this Agreement.

D. FIRST OPTION TO PURCHASE

9.41 Franchisee or its representatives shall give Franchisor thirty (30) days notice in writing of its intention to sell or otherwise transfer its franchise pursuant to paragraph 9.51 of this Agreement. Notice shall set forth the name and address of the proposed purchaser and all the terms and conditions of any bona fide offer. Franchisor shall have the first option to purchase the franchised business by giving written notice to Franchisee of its intention to purchase on the same terms of such bona fide offer, within twenty (20) days following Franchisor receipt of such notice. However, if Franchisor fails to exercise its option and the franchised business is not subsequently sold to the proposed purchaser for any reason, Franchisor shall continue to have, upon the same conditions, a first option to purchase the franchised business upon the terms and conditions of any subsequent offer.

E. OTHER ASSIGNMENT

9.51 In addition to any assignments or contingent assignments contemplated by the terms of paragraphs 9.21 and 9.31 of this Agreement, Franchisee shall not sell, transfer, assign, pledge, mortgage, encumber or otherwise hypothecate its rights under this Agreement, including by way of transfer of corporate stock or limited liability company interests, to any person or persons without Franchisor prior written consent. Such consent shall not be unreasonably withheld.

9.52 In determining whether to grant or withhold such consent, Franchisor shall consider of each prospective transferee, by way of illustration and not limitation, the following:

(a) Work experience and aptitude.
(b) Financial background
(c) Character.
(d) Ability to personally devote full time and best efforts to managing the franchised business.
(e) Residence in the locality of the franchised business.
(f) Equity interest in the franchised business.
(g) Conflicting interests, and
(h) Such other criteria and conditions as Franchisor shall then apply in the case of an application for a new Franchisee to operate a franchise business. Franchisor's consent shall also be conditioned, at its discretion, upon each such transferee's execution of any and all agreements that Franchisor is at that particular time requiring of newly franchised “Just Pizza & Wing Co.” franchises, with appropriate modifications to reflect the fact that the agreements relate to a transferred franchise, together with an agreement by which he personally assumes full and unconditional liability for and agrees to perform from the date of such transfer, all obligations, covenants, and agreements contained in this Agreement to the same extent as if he had been an original party to this Agreement.

9.53 Franchisee-transferor shall continue to remain personally liable for all affirmative obligations, covenants and agreements contained herein for the full term of this Agreement or for such shorter period as Franchisor may, in its sole discretion determine.

9.54 Franchisee-transferor shall pay to Franchisor a transfer fee in the amount of $2,500.00 if the transferee is an existing Just Pizza & Wing Co. Franchisee, and in the amount of $25,000.00 if the transferee was not an existing Just Pizza & Wing Co. Franchisee, prior to any transfer being effectuated under paragraph 9.51.

X.
MISCELLANEOUS

A. ADDITIONAL REMEDIES

10.11 In any action commenced in any court of competent jurisdiction by Franchisor against Franchisee, it is stipulated and agreed that any violation of any term or condition of this Agreement by Franchisee results in irreparable damage to Franchisor. In any such action, upon a showing of violation of any term or condition of this Agreement by Franchisee, Franchisor will be entitled to an ex parte temporary restraining order upon the initiation of this action followed in normal procedure by temporary and permanent injunctions against the Franchisee restraining said Franchisee from such violation.

10.12 Should Franchisor retain counsel to enforce the terms or conditions of this Agreement, Franchisor shall be entitled to recover all of its reasonable expenses, including attorneys' fees, costs and other expenses necessarily incurred.

B. LAW AND JURISDICTION

10.21 This Agreement, and all ancillary agreements between the parties relating to the franchised business, shall be governed by the laws of the State of New York, except that the laws of the state in which the franchised business is located shall govern the registration and regulation of franchises.

10.22 Any suit brought by any party to this Agreement relating to this Agreement, any ancillary agreement between the parties, or the conduct of the franchised business and franchised premises shall be brought and maintained in the Supreme Court of the State of New York, County of Erie.

10.23 The parties to this Agreement hereby submit to the jurisdiction of the State of New York and agree that service of process out of such court may be made in any manner permitted by the New York State Civil Practice Law and Rules.

C. NOTICES

10.31 All notices, requests, demands and reports to be given under this Agreement are to be in writing, delivered by hand, certified or mail, or courier service guaranteeing overnight delivery, except that regular weekly reports from Franchisee may be sent out by regular mail or fax to the following address and fax number:

Franchisor: Just Pizza Franchise Systems, Inc.
Attn: Rudolph Alloy, Jr.
803 Military Road
Kenmore, NY 14217
Fax: (716) 886-8600

Franchisee: ____________________
____
____

Notice by mail shall be deemed received on the third business day after mailing or upon actual receipt, whichever is earlier.

D. MODIFICATION AND WAIVER

10.41 This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersedes any and all prior negotiations, understandings, representations, and agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document furnished to Franchisee.

Franchisee acknowledges that it is entering into this Agreement as a result of its own independent investigation of Franchisor's franchised business and not as a result of any representation about Franchisor made by its shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

10.42 Neither party herein shall be bound by any warranty or representation except to the extent expressly contained in this Agreement, or specifically set forth in writing in any correspondence, document or application which induces this Agreement.

10.43 Neither this Agreement or any provision thereof may be modified, waived, discharged, or terminated orally, and this Agreement may only be modified in writing signed by both parties. The waiver of any provision of this Agreement:

(a) Shall be valid in the instance for which given and shall not be deemed to be continuing,
(b) Shall not be construed as a waiver of any other provision.

E. <u>OTHER AGREEMENTS</u>

10.51 In the event of any conflict between the terms of this Franchise Agreement and any other agreement between the parties with respect to the franchised business or franchised premises, that which gives Franchisor greater rights shall prevail.

IN WITNESS WHEREOF, the parties have signed this agreement this __ day of _____, 20__.

FRANCHISOR: JUST PIZZA FRANCHISE SYSTEMS, INC.	FRANCHISEE:
By: ______________________________ Rudolph Alloy, Jr., its President	______________________________

SCHEDULE A

CONDITIONAL ASSIGNMENT OF LEASE

THIS AGREEMENT dated this ___ day of __________, 20___ by and among Just Pizza Franchise Systems, Inc. (the Franchisor) and ____ (the Landlord) and ____ (the Franchisee/Tenant).

WHEREAS, the Landlord and the Franchisee/Tenant are parties to a certain Lease/Sublease Agreement dated the ___ day of _________, 20___ (the Lease) relating to premises described in Schedule A-1 annexed here (the Premises); and

WHEREAS, the Franchisee/Tenant has entered into a Franchise Agreement (the Franchise Agreement) with the Franchisor to operate a Just Pizza & Wing Co. store; and

WHEREAS, in order to provide continuity of this Just Pizza & Wing Co. store, the Landlord desires to grant certain rights to the Franchisor under the Lease to protect Franchisor's interest under the Franchise Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Notwithstanding anything to the contrary contained in the Lease:

   A. The premises shall be used solely for the purpose of operating a Just Pizza & Wing Co. store.

   B. In the event the Franchise Agreement between the Franchisor and the Franchisee/Tenant shall expire or terminate, then the Franchisee/Tenant's rights pursuant to the Lease shall, at the option of the Franchisor, be assigned and transferred to it provided that the Franchisor shall assume and be liable for all of Franchisee/Tenant's obligations, duties, and liabilities pursuant to the Lease.

2. The Franchisor shall exercise said option by sending the Landlord written notice of its intention to succeed to Franchisee/Tenant's rights under the Lease by certified mail, return receipt requested within thirty (30) days after the expiration or termination of the Franchise Agreement. Said notice shall, without any further action, operate as an Assignment of Franchisee/Tenant's rights under the Lease and the assumption by the Franchisor of the obligations, liabilities, and duties of Franchisee/Tenant pursuant to the Lease. The Franchisor may thereafter assign the Lease to any Just Pizza & Wing Co. Franchisee, subject to Landlord's approval, which approval will not be unreasonably withheld or delayed.

3. <u>Notices of Default</u>

   The Landlord shall mail, within five (5) days of receipt, by first class mail, postage prepaid, to the Franchisor at the address below, copies of all written notices sent to or received from the Franchisee/Tenant, including without limitation all notices of default:

Just Pizza Franchise Systems, Inc.
Attn: Rudolph Alloy, Jr.
803 Military Road
Kenmore, NY 14217
(716) 886-8600

4. Right to Cure

In the event the Franchisee/Tenant shall be in default under the Lease, the Franchisor may (but shall be under no obligation to), within thirty (30) days after receipt of written notice from the Landlord, cure such default (or such longer period of time if such default is not capable of being cured within thirty (30) days and the Franchisor is diligently proceeding to cure the default) and take immediate occupancy of the Premises without the Landlord's consent. The Franchisor may at any time before or after taking occupancy, relet the Premises to another Just Pizza & Wing Co. Franchisee with the Landlord's written approval of the new Franchisee/Tenant, which consent shall not be unreasonably withheld or delayed.

5. Right to Assign

The Franchisee/Tenant shall be permitted to assign its interest under the Lease any and all rights and obligations thereunder at any time to the Franchisor without the Landlord's consent. The Franchisor shall be permitted to assign the Lease and all rights and obligations thereunder to another Just Pizza & Wing Co. Franchisee/Tenant upon the Landlord's written approval of the new Franchisee/Tenant, which approval shall not be unreasonably withheld or delayed.

6. Acknowledgment of Rights

The Landlord acknowledges the Franchisor's rights under the Franchise Agreement, upon reasonable notice to the Landlord, to enter the premises to take such steps as may be necessary to protect its interest under the Franchise Agreement including the removal of any signs and other proprietary marks of the Franchisor (without damage to the Premises).

7. Modification of Lease

The Landlord and the Franchisee/Tenant will not make any material modifications to the Lease without the Franchisor's prior written consent, which consent shall not be unreasonably withheld or delayed.

8. Conflict

In the event of any inconsistency between the terms of this Agreement and the terms of the Lease, the terms of this Agreement shall supercede and control.

9. Binding Effect

This Agreement shall be binding upon the personal representatives, heirs, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, this Agreement has been executed the date and year here written.

FRANCHISOR:

JUST PIZZA FRANCHISE SYSTEMS, INC.

By: ___________________________
Name:
Title:

LANDLORD:

____

By: ___________________________
Name:
Title:

____
Address

FRANCHISEE/TENANT:

____

By: ___________________________
Name:
Title:

____
Address

SCHEDULE A-1

LEASE

EXHIBIT C

LIST OF STATE AGENTS FOR SERVICE OF PROCESS

AND STATE ADMINISTRATORS

NEW YORK

NYS Department of Law
Investor Protection Bureau
28 Liberty St., 21st Floor
New York, NY 10005
212-416-8222

For Service of Process:

Secretary of State
99 Washington Ave.
Albany, NY 12231

EXHIBIT D
Owner's Operating Manual

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EXHIBIT E
TELEPHONE NUMBER USE AGREEMENT

Date: _____________

I acknowledge that the telephone numbers listed below are the property of Just Pizza Franchise Systems, Inc. I also acknowledge that such numbers are assigned for use at my Just Pizza located at ______________________ ____________________________________ during the term of my Just Pizza Franchise Agreement.

I acknowledge that such telephone numbers published for my Just Pizza will appear under Just Pizza's trade name or trademark in directory listings, advertising and yellow pages advertising. I further acknowledge that Just Pizza may transfer, suspend or remove such telephone numbers in the event of termination, rejection, expiration or rescission of my Just Pizza Franchise Agreement.

I acknowledge that I may not make any service order changes to these numbers including, but not limited to, change of authorized parties, change of local providers, and termination or transfer of such telephone numbers, and that any such attempted changes to the account shall be null and void. I agree and acknowledge that if I violate this agreement, Just Pizza will suffer damage in an amount difficult to ascertain.

Accordingly, in the event of a breach of this agreement, I agree that Just Pizza shall be entitled to recover from me as liquidated damages, and not a penalty, the amount of two hundred fifty dollars ($250.00) per day for each day that the telephone number(s) listed below is(are) converted from the control of Just Pizza. This remedy is in addition to, and not in place of, other remedies that may be available to Just Pizza in law or in equity.

____
Franchisee

Please list all numbers in use:

1. ______________________
2. ______________________
3. ______________________
4. ______________________
5. ______________________

EXHIBIT F
CONFIDENTIAL INFORMATION
COVENANT NOT TO COMPETE AGREEMENT

THIS AGREEMENT (hereinafter "confidentiality agreement") is entered into this ____ day of _________, 20___, by and between Just Pizza Franchise Systems, Inc., 803 Military Road, Kenmore, NY 14217 (hereinafter "Franchisor"), and __________________________________ of ____ Tel. (___) _________, manager or officer, employee, principal, owner, partner, shareholder or other agent or representative of the franchise governed by the Franchise Agreement to which this confidentiality agreement is executed (hereinafter "franchisee representative").

1. Franchisor is the owner of proprietary or confidential information concerning the franchise program and its business operations, services, confidential operating manual, suppliers and customers (hereinafter referred to individually or collectively as "information") which may be communicated to the Franchisee and franchisee representative during the term of the franchise granted by the Franchise Agreement. Any of such information designated as confidential shall be deemed confidential except such information which the franchisee representative can demonstrate came to his/her attention prior to the disclosure hereof by the Franchisor to the Franchisee or franchisee representative.

2. Franchisor is the sole owner and has controlling rights to the customer database, including phone numbers and address information.

3. Franchisee representative shall divulge only such information as may be necessary in order to conduct the Just Pizza franchise. Franchisee representative shall exercise reasonable care to limit access to or prevent unnecessary or unauthorized disclosure of information provided by Franchisor or Franchisee.

4. All information disclosed to franchisee representative shall remain the property of Franchisor and may be recalled by Franchisor at any time. Franchisee representative shall promptly return any information and all copies thereof to Franchisor at Franchisor's request.

5. Franchisee representative agrees that during the term of his/her employment, ownership or association with the Just Pizza franchise, he/she shall not either directly or indirectly engage in any other business which manufactures and sells pizzas and sandwiches or engages in any of the activities which the Franchise Agreement contemplates will be engaged in by the Franchisee, or which offers or sells any other services or products which comprise or may in the future comprise a part of the Just Pizza System either as a proprietor, partner, investor, shareholder, director, officer, employee, principal, agent, advisor, or consultant. In addition,

franchisee representative shall not divert any business that should be handled by the Franchisee to any other entity or business. It is the intention of this provision to preclude not only direct competition but also all forms of indirect competition such as consultation for competitive businesses, service as an independent contractor for such competitive businesses or any assistance or transmission of information of any kind which would be of any material assistance to a competitor.

6. Franchisee representative agrees that for a period of two (2) years following termination of ownership, employment or other association with Franchisee, he/she will not hire any personnel of Franchisor or Franchisee or any other Just Pizza franchise, and shall not directly or indirectly, for himself/herself, or through or on behalf or in conjunction with any person, persons, partnership, or corporation, own, maintain, advice, help, invest in, make loans to, be employed by, engage in, or have any interest in any business specializing in whole or in part in the activities conducted by the Franchisee which is located within a radius of ten (10) miles of the Franchisee's location or any other Just Pizza franchise.

7. This confidentiality agreement shall be binding on the parties and their respective executors, administrators, heirs, successors and assigns.

8. Franchise representative agrees to reimburse and indemnify Franchisor for all costs, expenses, damages, court costs and attorneys' fees incurred or sustained by Franchisor in enforcing this Confidentiality Agreement or incurred or sustained by Franchisor in connection with any claim, suit, action or proceeding seeking redress for any breach or violation of any provision of this Confidentiality Agreement by franchisee representative.

9. This Confidentiality Agreement shall be construed in accordance with and governed by the laws of the state of the Just Pizza shop location and represents the entire agreement between the parties with respect to the subject matter herein. This Confidentiality Agreement may only be amended in a writing signed by all parties hereto.

Franchise Name and Location

____

____

____

In witness whereof, the parties hereto have caused this Confidentiality Agreement to be executed as of the date first indicated.

WITNESS:

____

FRANCHISOR:

By __________________________

Its __________________________

FRANCHISEE REPRESENTATIVE:

____

(Each signatory should print his/her name beneath his/her signature.)

EXHIBIT G - NEW YORK STATE ADDENDUM

1. The following information is added to the cover page of the Franchise Disclosure Document:

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

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

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

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

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

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

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

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

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
New York	April 9, 2026

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT H - RECEIPT

JUST PIZZA FRANCHISE SYSTEMS, INC.
Franchise Disclosure Document

THIS DISCLOSURE DOCUMENT SUMMARIZES CERTAIN PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF JUST PIZZA FRANCHISE SYSTEMS, INC. OFFERS YOU A FRANCHISE, JUST PIZZA FRANCHISE SYSTEMS, INC. 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 THAT WE GIVE YOU THIS 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 JUST PIZZA FRANCHISE SYSTEMS, INC. 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, D.C. 20580.

The name, principal business address, and telephone number of each franchise seller offering the franchise:
Rudolph Alloy, Jr., 803 Military Road, Kenmore, NY 14217, 716-886-8600.

JUST PIZZA FRANCHISE SYSTEMS, INC., authorizes any officer or director of JUST PIZZA FRANCHISE SYSTEMS, INC., 803 Military Road, Kenmore, NY 14217, to receive service of process for JUST PIZZA FRANCHISE SYSTEMS, INC.

I have received a Disclosure Document of JUST PIZZA FRANCHISE SYSTEMS, INC., effective as of April 9, 2026. This Disclosure Document includes the following:

EXHIBITS

Franchise Disclosure Document Receipt .... H

I acknowledge that the information contained in the Franchise Disclosure Document of JUST PIZZA FRANCHISE SYSTEMS, INC. is confidential and proprietary. I agree that this information will be used only for purposes of evaluating the possible purchase of a "Just Pizza" franchise, and will not be disclosed to any person other than my legal and financial advisors.

Signed:____________________	Signed:____________________
Print Name:________________	Print Name:________________
Address:__________________	Address:__________________
City:_____________________	City:_____________________
Telephone:( )______________	Telephone:( )______________
Dated:____________________	Dated:____________________

Copy To:

Just Pizza Franchise Systems, Inc.
803 Military Road
Kenmore, NY 14217

Franchisee

EXHIBIT G - RECEIPT

JUST PIZZA FRANCHISE SYSTEMS, INC.
Franchise Disclosure Document

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Signed:______________________________	Signed:______________________________
Print Name:__________________________	Print Name:__________________________
Address:_____________________________	Address:_____________________________
City:________________________________	City:________________________________
Telephone:(___)_____________________	Telephone:(___)_____________________
Dated:_______________________________	Dated:_______________________________

Copy To:

Just Pizza Franchise Systems, Inc.
803 Military Road
Kenmore, NY 14217

Franchisee