FRANCHISE DISCLOSURE DOCUMENT

Mici Franchising, LLC
a Colorado limited liability company
2373 Central Park Blvd.
Denver, CO 80238
Phone: 720-378-8040
Email: Franchising@MiciItalian.com
www.miciitalian.com

Mici Handcrafted Italian restaurants operate fast casual and delivery Italian restaurants ("Mici Business(es)"). We offer franchises for single Mici Businesses and for the right to open multiple Mici Businesses.

The total investment necessary to begin operation of a franchised Mici Business is between $244,205 and $586,605. This includes $45,000 that must be paid to the franchisor or its affiliate(s).

Mici area developers acquire the right to develop multiple Mici Businesses in a designated development area. The total investment necessary to begin operation as an area developer with two Mici Businesses is between $496,410 and $1,179,210. This includes $90,000 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of 10 Mici Businesses is between $2,387,050 and $5,811,050. This includes $395,000 that must be paid to the franchisor or its affiliates.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Mici Franchising, LLC at 2373 Central Park Blvd, Denver, CO 80238, 720-378-8040 or Franchising@miciitalian.com.

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

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

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

Issuance Date: April 29, 2022

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About ***This*** Franchise

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

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

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

3. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

4. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

5. **Estimated Initial Investment**. The franchisee will be required to make an estimated initial investment ranging from $244,205 and $586,605. This amount exceeds the franchisor's stockholders' equity as of December 31, 2021, which is ($108,200).

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.

NOTICE REQUIRED BY
STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that the franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its terms except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type or under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

TABLE OF CONTENTS

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

To simplify the language in this Franchise Disclosure Document, "MF," "we," "us," and "our" means Mici Franchising, LLC, the franchisor. "You," "your," and "Franchisee" means the person, and its owners if the Franchisee is a business entity, who buys the franchise from MF.

The Franchisor

Mici Franchising, LLC is a Colorado limited liability company formed on February 19, 2020. We operate under our corporate name, the name Mici Handcrafted Italian, Mici Italian, and the name Mici. Our principal business address is 2373 Central Park Blvd, Unit 107, Denver, CO 80238. We offer franchises ("Mici Franchise(s)" or "Franchise(s)") for Mici Businesses and have done so since July 2020. We do not conduct business under any other name or in any other line of business and we do not offer franchises in any other line of business. We do not conduct, and have never conducted, a business of the type described in this Franchise Disclosure Document.

Our parent, MHI Restaurant Group LLC ("MHI") is a Delaware limited liability company formed on July 28, 2017. MHI's principal address is 2373 Central Park Blvd, Unit 107, Denver, CO 80238.

Our affiliate, Mici IP Holdings, LLC ("IP Affiliate") is a Colorado limited liability company formed on February 26, 2020 and has a principal business address of 2373 Central Park Blvd, Unit 107, Denver, CO 80238. IP Affiliate owns and controls all of the intellectual property utilized by all MF restaurants and licenses it to us. IP Affiliate does not conduct business in any other line of business. IP Affiliate does not offer and has never offered franchises for Mici Businesses or in any other line of business.

We have seven other affiliates that operate Mici businesses similar to the Mici Business offered under this Disclosure Document in Colorado. None of these affiliates provides any products or services to our franchisees. None of our affiliates or our parent has offered franchises in any line of business.

Our agent for service of process in Colorado is Jeffrey A. Miceli, 2373 Central Park Blvd, Unit 107, Denver, CO 80238. Our agents for service of process for other states are identified by state in Exhibit A. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

The Franchise

Mici franchisees operate restaurants providing fast casual and delivery Italian food. Our operating system includes recognizable design, décor color scheme, recipes, uniform standards, specifications, rules and procedures of operation, techniques, philosophies, quality and uniformity of goods and services offered and procedures for inventory and management control ("System"). We grant franchises to operate Mici Businesses using the System and our trade names, trademarks, service marks, emblems, logos, slogans and copyrights ("Marks") as authorized by us from an approved retail location ("Restaurant" or "Mici Restaurant"). You must sign our standard franchise agreement attached to this Franchise Disclosure Document as Exhibit C ("Franchise Agreement"). You may operate one Mici Business for each Franchise Agreement you sign.

We also offer to select, qualified persons ("Area Developers") the opportunity to acquire the right to develop multiple Mici Businesses in a designated development area ("Development Territory") in accordance with a specified development schedule ("Development Schedule"). You will sign our standard area development agreement attached to this Franchise Disclosure Document as Exhibit D ("Area Development Agreement"). If you enter into an Area Development Agreement, you must sign a Franchise Agreement for your first Mici Restaurant ("Initial Franchise Agreement") at the same time you sign the Area Development Agreement. For each Mici Business that you develop under the Area Development Agreement, you will be required to sign our then-current form of Mici Franchise Agreement, which may differ from the current Franchise Agreement included with this Franchise Disclosure Document, except that any additional franchise agreements signed pursuant to the Development Schedule will have the same royalty rate as the Initial Franchise Agreement. Unless otherwise stated, any reference in this Franchise Disclosure Document to "you" or "franchisee" includes you both as an Area Developer under an Area Development Agreement and as a franchisee under a Franchise Agreement.

Market and Competition

The primary market for the goods and services offered by the Mici Business is the general public. The goods and services offered by Mici Businesses are not seasonal. The restaurant market, as a whole, is well-developed and highly competitive, and includes retail units, mobile food trucks, and kiosks selling various types of food. You may have to compete with numerous other independent and chain-affiliated restaurants, some of which may be franchised. Many restaurant franchise systems, in particular, have already established national and international brand recognition.

Industry-Specific Laws

Many states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your Mici Restaurant, including those which: (a) establish general standards, specifications and requirements for the construction, design and maintenance of your Restaurant; (b) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements; employee practices concerning the storage, handling, and preparation of food; restrictions on smoking and exposure to tobacco smoke or other carcinogens or reproductive toxicants and saccharin; availability of and requirements for public accommodations, including restrooms; (c) set standards pertaining to employee health and safety; (d) set standards and requirements for fire safety and general emergency preparedness, (e) govern the use of vending machines, (f) regulate the proper use, storage and disposal of waste, insecticides and other hazardous materials, (g) establish general requirements or restrictions on advertising containing false or misleading claims, or health and nutrient claims on menus or otherwise, such as "low calorie" or "fat free", and (h) establish requirements concerning withholdings and employee reporting of taxes on tips. You must also obtain all necessary permits, licenses, and approvals to operate your Mici Business. You do not need to obtain a liquor license for the operation of your Mici Business, but we reserve the right to require one in the future if available in your jurisdiction.

Many local or state jurisdictions require food service permits for those preparing, handling and serving food to the public. You and your employees may be required to pass a test or other certification process to obtain these permits. There may also be local ordinances and regulations governing food storage, preparation and serving.

You are responsible for investigating, understanding, and complying with all applicable laws, regulations, and requirements applicable to you and your Mici Franchise, despite any advice or information that we may give you. You should consult with a legal advisor about whether these and/or other requirements apply to your Mici Business. Failure to comply with laws and regulations is a material breach of the Franchise Agreement.

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer: Elliot Schiffer

Elliot Schiffer has served as our Chief Executive Officer since our inception in February 2020. Mr. Schiffer has also served as MHI's Chief Executive Officer since September 2017 in Denver, Colorado. Mr. Schiffer served as Senior Vice President of Non-Traditional Development for Smashburger in Denver, Colorado from July 2012 to August 2017.

President: Jeffrey Miceli

Jeffrey Miceli has served as our President since our inception in February 2020. Mr. Miceli has also served as the President of MHI since July 2017 in Denver, Colorado. Prior to that, Mr. Miceli served as the Chief Executive Officer of Miceli Vela Enterprises, LLC from July 2004 to July 2017 in Denver, Colorado, which has operated multiple Mici restaurants.

Chief Operating Officer: Joseph Melton

Joseph Melton has served as our Chief Operating Officer since January 2022. Previously, Mr. Melton served as our Senior Vice President of Operations from February 2020 to December 2021. Mr. Melton has also served as the Senior Vice President of Operations for MHI since July 2018 in Denver, Colorado. Prior to that, Mr. Melton served as a joint venture partner of OSI Restaurant Partners LLC (Bloomin' Brands) in Kansas City, Missouri from June 2014 to June 2018.

Vice President of Brand Management: Kimberly Miceli

Kimberly Miceli has served as our Vice President of Brand Management since our inception in February 2020. Ms. Miceli has also served as the Vice President of Brand Management of MHI since July 2017 in Denver, Colorado. Ms. Miceli is also a founder and owner of Miceli Vela Enterprises, LLC in Denver, Colorado which has operated multiple Mici restaurants beginning in July 2004.

Vice President of Operations: Michael Miceli

Michael Miceli has served as our Vice President of Operations since our inception in February 2020. Mr. Miceli has also served as the Vice President of Operations of MHI since July 2017 in Denver, Colorado. Mr. Miceli is also a founder and owner of Miceli Vela Enterprises, LLC in Denver, Colorado, which has operated multiple Mici restaurants beginning in July 2004.

Chief Growth Officer: Matthew Stanton

Mr. Stanton has served as our Chief Growth Officer in Denver, Colorado since October 2021. Prior to that, Mr. Stanton was the Chief Development Officer of Wellbiz Brands Inc. in Englewood, Colorado from December 2017 until October 2021. Previously, he was the Vice President, Development of Taco Bueno Restaurants in Irving, Texas from June 2016 to December 2017.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Franchise Agreement

The "Initial Franchise Fee" for a single Mici Business is $45,000. Each Franchise Agreement will grant you the right to operate one Mici Business. The Initial Franchise Fee is uniform, fully earned by us once paid and is non-refundable under any circumstances. The Initial Franchise Fee is payable when you sign your Franchise Agreement. During our last fiscal year, ended December 31, 2021, we did not collect any initial franchise fees.

Area Development Agreement

Franchisees may also purchase the rights to open additional Mici Businesses by signing our Area Development Agreement and paying a development fee ("Development Fee"). The Development Fee will depend on the number of Mici Businesses we grant you the right to develop within the Development Area and is calculated as follows:

Development Fee:	Number of Units:
$45,000 per unit	1-3 units
$40,000 per unit	4-6 units
$35,000 per unit	7+ units

You must sign our then-current Mici franchise agreement to open additional Mici Businesses under an Area Development Agreement. You will not be required to pay an Initial Franchise Fee for each Mici Franchise purchased under an Area Development Agreement (all other fees will apply). The Development Fee is uniform, payable when you sign your Area Development Agreement and is non-refundable under any circumstances, even if you fail to open any Mici Business.

If you form an entity to open any of the Mici Businesses within the Development Territory, you must own at least 51% of the issued equity securities in each entity. You must provide us with documentation to show your ownership interest.

ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty[2]	6% of Net Sales; may be reduced by no more than 1% for certain non-traditional locations	Due on Monday of each week	The "Royalty" is based on "Net Sales" during the previous week. Your Royalty is an ongoing payment that allows you to use the Marks and the intellectual property of the System and pays for our ongoing support and assistance.

Type of Fee[1]	Amount	Due Date	Remarks
Brand Fund Contribution	Up to 2% of your weekly Net Sales	Same as Royalty	This contribution will be used for a system-wide "Brand Fund" for our use in promoting and building the Mici brand, if established. The Brand Fund contribution will not exceed 2%. We currently do not charge this fee.
Local Advertising Payment	The difference between the amount you spent on local advertising each month and your required local advertising expenditure ($1,500 per month per Mici Business)	On receipt of invoice	If you fail to meet your required local advertising requirement on local advertising, you must pay us or the Brand Fund, if established, the difference between the amount you spent and the required advertising expenditure.
Local and Regional Advertising Cooperatives[3]	Established by cooperative members	Set by cooperative members	We do not currently have a cooperative but reserve the right to require one to be established in the future. Item 11 contains more information about advertising cooperatives.
Unauthorized Advertising Fee	$500 per occurrence	On demand	This fee is payable to us or, if established, the Brand Fund, if you use unauthorized advertising in violation of the terms of the Franchise Agreement.
Insurance	Reimbursement of our costs, plus a 20% administration charge	On demand	If you fail to obtain insurance, we may obtain insurance for you, and you must reimburse us for the cost of insurance obtained plus 20% of the premium for an administrative cost of obtaining the insurance.
Additional Training or Assistance Fees	Then-current fee (currently $6,000 per additional person for initial training and $200 per attendee per day for additional training)	As incurred	We provide initial training at no charge for up to three people, including you or your operating principal and any designated manager. We may charge you for training additional persons, newly hired personnel, refresher training courses, advanced training courses, and additional or special assistance or training you need or request. You must pay any expenses incurred by you or your employees in connection with attending training, including transportation, lodging, meals, wages and other incidentals. If the training program is conducted at your Mici Business, then you must reimburse us for the expenses we or our representatives incur in providing the training.

Type of Fee[1]	Amount	Due Date	Remarks
Technology Fee[4]	Then-current fee (currently $25 per week)	Same as Royalty	This fee covers certain technologies used in the operation of your Mici Business, including email address, POS setup, back-office system setup, review management/SEO, and software maintenance. We reserve the right to upgrade, modify, and add new technologies and software. You will be responsible for any increase in fees that result from any upgrades, modifications, or additional software.
Conference Fee	The then-current fee (currently estimated to be $1,275 per person)	On demand	Payable to us to help defray the cost of your attendance at any annual conference that we choose to hold. This fee is due regardless of whether or not you attend our annual conference in any given year.
Supplier and Product Evaluation Fee	Costs of inspection (estimated to be approximately $100 to $500)	On demand	Payable if we inspect a new product, service, or proposed supplier nominated by you.
Payment Service Fee	Up to 4% of total charge	As incurred	If payment is made to us or our affiliate by credit card for any fee required, we may charge a service charge of up to four percent (4%) of the total charge.
Late Payment Fee	$100 per occurrence, plus the lesser of the daily equivalent of 18% per year simple interest or the highest rate allowed by law	As incurred	Payable if any payment due to us or our affiliates is not made by the due date. Interest accrues from the original due date until payment is received in full.
Non-Sufficient Funds Fee	$100 per occurrence, plus the lesser of the daily equivalent of 18% per year simple interest or the highest rate allowed by law	As incurred	Payable if any check or electronic payment is not successful due to insufficient funds, stop payment, or any similar event.
Audit Expenses	Cost of audit and inspection, any understated amounts, and any related accounting, legal, and travel expenses	On demand	You will be required to pay this if an audit reveals that you understated weekly Net Sales by more than 2% or you fail to submit required reports.

Type of Fee[(1)]	Amount	Due Date	Remarks
Management Fee	$400 per day, plus costs and expenses	As incurred	Payable if we manage the Franchise after (1) you cease to perform your responsibilities (whether due to retirement, death, disability, or for any other reason) and you fail to find an adequate replacement operating principal (defined in Item 15) within 30 days; (2) you are in material breach of the Franchise Agreement; or (3) upon a crisis management event (defined in the Franchise Agreement).
Professional Fees and Expenses	Will vary under circumstances	As incurred	You must reimburse us for any legal, accounting or other professional fees ("Professional Fees") that we incur as a result of any breach or termination of your Franchise Agreement or as a result of your indemnity obligations. You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement.
Indemnification	Will vary under circumstances	As incurred	You must indemnify and reimburse us for any expenses or losses, including Professional Fees that we or our representatives incur related in any way to your Mici Business or Franchise.
Renewal Fee	$10,000	When you sign the new franchise agreement	Payable if you qualify to renew your Franchise Agreement and choose to enter into a successor franchise agreement.
Relocation Fee	$10,000	Upon relocation	You must pay us a relocation fee if we permit you to relocate your Mici Business.
Transfer Fee	50% of the then-current Initial Franchise Fee	$2,000 non-refundable deposit at time of transfer application submittal and the remaining balance at or before the time that you consummate the approved transfer	Payable in connection with the transfer of your Mici Business, a transfer of ownership of your legal entity, or the Franchise Agreement. If we are not offering Franchises at the time of your transfer, the transfer fee will be 50% of the initial franchise fee listed in the most recent Franchise Disclosure Document.
De-Identification	All amounts incurred by us related to de-identification	As incurred	Payable if we must de-identify your Mici Franchise upon termination, relocation or expiration.

Type of Fee[1]	Amount	Due Date	Remarks
Liquidated Damages[5]	Will vary under the circumstances	Within 15 days after termination of the Franchise Agreement	Due only if we terminate the Franchise Agreement before the end of the term because of your material breach.
Food Safety Audit	Cost of audit (estimated to be approximately $2,500)	As incurred	You must undergo an additional food safety audit at your own expense within 45 days if you fail a food safety audit. You will pay the third-party auditor directly upon invoicing or must reimburse us if we are invoiced.
Broker Fees	Our actual cost of the brokerage commissions, finder's fees or similar charges	As incurred	If you transfer your Mici Business to a third party or purchaser, you must reimburse all of our actual costs for commissions, finder's fees and similar charges.

Notes:

1. Fees. All fees paid to us or our affiliates are uniform and not refundable under any circumstances once paid. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers. We currently require you to pay fees and other amounts due to us or our affiliates via electronic funds transfer ("EFT") or other similar means. You are required to complete the ACH authorization (in the form attached to this Franchise Disclosure Document in Exhibit H). We can require an alternative payment method or payment frequency for any fees or amounts owed to us or our affiliates under the Franchise Agreement. If you enter into an Area Development Agreement to operate multiple Mici Businesses, the fees indicated in the chart above are the fees charged and/or incurred for each Mici Restaurant. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement.

2. Royalty. "Net Sales" is equal to Gross Sales less promotion costs (including promotions, complimentary meals, discounts, and coupons). "Gross Sales" means the total of all revenue, income and consideration from the sale of all Mici Business food products, beverages and other related merchandise, products and services (including catering and delivery) to customers, whether or not sold or performed at or from the Mici Business, and whether received in cash, coupon, in services in kind, from barter and/or exchange, on credit (whether or not payment is received) or otherwise. Gross Sales includes all proceeds from any business interruption insurance. If you offer any services, all receipts from these services are included in Gross Sales. You may deduct from Gross Sales for purposes of this computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if the taxes are separately stated when the customer is charged and if the taxes are paid to the appropriate taxing authority. You may also deduct from Gross Sales the amount of any documented refunds, chargebacks, credits, charged tips and allowances you give in good faith to your customers. All barter or exchange transactions in which you furnish goods or services in exchange for goods or services provided to you by a vendor, supplier or customer will, for the purpose of determining Gross Sales, be valued at the full retail value of the goods or services provided to you.

3. Local and Regional Advertising Cooperatives. If a local or regional advertising cooperative is established, contribution amounts will be established by the cooperative members, subject to our approval. We anticipate that each Mici Franchisee and each Mici Franchise that we own will have one vote for each Mici Franchise operated in the designated market. Mici Businesses we own within the cooperative's area are not required to contribute to the cooperative on the same basis as franchisees. No local or regional advertising cooperatives have been established as of the Issuance Date of this Franchise Disclosure Document.

4. Technology Fee. We will provide you with certain technology services in exchange for your weekly technology fee, which may change based on the technology services we provide and/or our costs to provide these services. The current technology fee is $25 per week beginning the week you begin operations. We reserve the right to enter into a master license agreement with any software or technology supplier and sublicense the software or technology to you, in which case we may charge you for all amounts that we must pay to the licensor based on your use of the software or technology. We may create proprietary software or technology that must be used by Mici franchisees, in which case we may require that you enter into a license agreement with us and pay us reasonable initial and ongoing licensing, support and maintenance fees. We can change the software and technology that our franchisees must use at any time, which may result in changes to the technology fee.

5. Liquidated Damages. Liquidated damages are determined by multiplying the combined monthly average of Royalties and Brand Fund contributions (without regard to any fee waivers or other reductions) that you owe to us, beginning with the date you open your Mici Business through the date of early termination, multiplied by the lesser of: (i) 36, or (ii) the number of months remaining in the term of the Franchise Agreement, except that liquidated damages will not, under any circumstances, be less than $30,000.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Franchise Agreement

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Initial Franchise Fee[1]	$45,000	$45,000	Lump Sum	When you sign the Franchise Agreement	Us
Small wares	$11,000	$14,500	As Supplier Requires	As Incurred	Approved Suppliers
Furniture, Fixtures & Equipment[2]	$118,300	$180,500	As Incurred	As Incurred	Third Parties
Audio Video Equipment	$500	$3,000	As Supplier Requires	As Incurred	Approved Suppliers
Restaurant Decorations[3]	$1,000	$3,000	As Supplier Requires	As Incurred	Approved Suppliers
Computer / POS System & KDS For Kitchen Display	$10,000	$14,000	As Incurred	As Incurred	Third Parties

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Leasehold Improvements (net of landlord tenant allowances) [4]	$10,000	$185,000	As Incurred	As Incurred	Landlord and/or Approved Contractors
Signage[5]	$8,000	$15,000	As Incurred	As Incurred	Third Parties
Licenses[6]	$5,500	$9,000	As Incurred	As Incurred	Appropriate State/Local Authorities or Third Parties
Professional Fees[7]	$500	$3,500	As Incurred	As Incurred	Your Attorneys, Advisors, CPAs and Other Professionals
Architecture Fees & Permits[8]	$2,500	$19,000	As Incurred	As Incurred	Architect, Government Agencies
Office Equipment & Supplies	$800	$1,500	As Incurred	As Incurred	Approved Suppliers
Opening Inventory	$6,000	$12,500	As Incurred	Before Opening	Vendors
Training[9]	$3,000	$17,000	As Incurred	As Incurred	Providers of Travel, Lodging, and Food Services
Security Deposits[10]	$0	$8,000	As Incurred	Before Opening	Third Parties, including Utility Companies
Grand Opening Program[11]	$12,000	$12,000	As Incurred	Between 60 days before and 90 days after opening	Third Parties
Additional Funds –3 Months[12]	$10,105	$44,105	As Incurred	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT[13]	$244,205	$586,605			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Mici Franchise. We do not offer direct or indirect financing for these items. All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. All expenses payable to third parties are non-refundable, except as you arrange for utility deposits and other payments.

1. Initial Franchise Fee. You must pay us an Initial Franchise Fee of $45,000 to open a single Mici Business. If you are signing the Franchise Agreement under an Area Development Agreement and have paid the Development Fee, you will not pay an Initial Franchise Fee at the time you execute each Franchise Agreement. Once you open additional Mici Businesses, you will incur the costs listed in this Item 7 (except for the Initial Franchise Fee) at the time you open each additional Mici Business. These costs may increase in the future depending on when you open the additional Mici Businesses. The estimate does not include the build-out of any Mici Business other than the first one.

2. Furniture, Fixtures and Equipment. This estimate involves the furniture, fixtures, and equipment needed to open a Mici Business, including chairs, tables, casework, refrigerators, freezers, grills, ranges, deep fryers, exhaust hoods and other items. Some of these expenses will depend on your Restaurant size, shipping distances, supplier and your credit history.

3. Restaurant Decorations. You are required to purchase themed decorations for your Restaurant.

4. Leasehold Improvements (net of landlord tenant allowances). The typical Mici Restaurant will be approximately 1,300 to 2,500 square feet. Mici Restaurants will most likely be located in retail strip malls, dense urban areas, regional shopping centers and entertainment and travel centers. This estimate includes setup expenses you will incur in building out your location, including all costs required to set up the equipment. Building and construction costs will vary depending upon the condition and size of the premises for your Restaurant and local construction rates. This estimate assumes a range of $0 to $30 per square foot in landlord allowances (tenant improvements, rent deduction and the like), which may or may not be granted by your landlord. Your construction costs may be higher depending on the factors described above.

5. Signage. This estimate is for a single exterior sign and all interior signage. These estimates assume you purchase, and not lease, your exterior signage. The type and size of the signage you install will be based upon the zoning and property use requirements and restrictions. Certain signage may not be permitted because of zoning or use restrictions.

6. Licenses. You may need to obtain business licenses from the local government agencies to operate your Mici Business. A liquor/alcoholic beverage license is not included in this estimate because it is not required at this time.

7. Professional Fees and Expenses. We recommend you hire a lawyer, accountant or other professional to advise you on this Franchise offering and to assist you in setting up your Mici Business. Rates for professionals can vary significantly based on area and experience.

8. Architecture Fees and Permits. If you build your Mici Business in an existing restaurant premises, you may have lower or no architecture fees, depending on how the premises is repurposed.

9. Training. We provide training at our training center in Denver, Colorado or at another location we designate. You must pay for airfare, meals, transportation costs, lodging and incidental expenses for all initial training program attendees. We provide initial training at no charge for three people, which must include you, or if you are an entity, your operating principal and any designated manager, provided all three individuals attend the same initial training program. If we require additional initial training, or we must train more people, we will assess an additional fee.

10. Security Deposits. This estimate includes security deposits required by the landlord, cable and utility companies.

11. Grand Opening Program. You will pay third-party advertising vendors directly, but all grand opening advertising must be agreed upon by you and us in advance, and all advertising must conform to our System Standards. You must spend at least $12,000 on our required grand opening advertising campaign. You must spend at least $6,000 prior to opening and $6,000 during and up to 90 days after opening.

12. Additional Funds. These amounts represent our estimate of the amount needed to cover your expenses for the initial three-month start-up phase of your Restaurant. They include administrative costs, maintenance costs, three months of lease payments for a 1,400 to 2,000 square foot space estimated at $6,000 to $25,000, three months of the $535 Thrive POS fees, QSROnline license fees and three months of insurance premiums with an estimate of $1,000 to $5,000. These figures do not include payroll costs during the first three months of operation, nor any draw or salary for you. These figures also do not include standard pre-opening expenses, Royalties, or advertising fees payable under the Franchise Agreement or debt service and assume that none of your expenses are offset by any sales generated during the start-up phase. For purposes of this disclosure, we estimated the start-up phase to be three months from the date your Mici Business opens for business. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting your Mici Business. Our estimates are based on our experience, the experience of our affiliates, and our current requirements for Mici Franchises. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Mici Franchise may be greater or less than the estimates given, depending upon the location of your Restaurant and current relevant market conditions. Your costs will also depend on factors such as how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our goods and services; the prevailing wage rates; competition; and sales levels reached during your start-up phase, and the size of your Restaurant. You must bear any deviation or escalation in costs from our estimates. Additional funds for the operation of your Mici Franchise will be required after the first three months of operation if sales produced by the Mici Franchise are not sufficient to produce positive cash flow.

13. Total Estimated Initial Investment. This is an estimate of your initial investment and start-up expenses for one Mici Franchise and is based on our estimate of prevailing domestic costs and market conditions as of the Issuance Date of this Franchise Disclosure Document. Figures may vary. Many factors that are unique to your location can make a difference in the estimates provided. You must bear any resulting deviation or escalation in costs from the estimates we have given. You should review these figures carefully with a business advisor, financial consultant or other professional before deciding to purchase a Mici Franchise.

Area Development Agreement

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High			
Development Fee[(1)]	$90,000	$395,000	Lump sum	At the time you sign your Area Development Agreement	Us
Initial Investment for the First Mici Business[(2)]	$199,205	$541,605	Per Table Above	Per Table Above	Per Table Above
TOTAL ESTIMATED INVESTMENT FOR UP TO TWO MICI BUSINESSES[(3)]	$488,410	$1,173,210			
TOTAL ESTIMATED INVESTMENT FOR UP TO TEN MICI BUSINESSES[(3)]	$2,387,050	$5,811,050			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Mici Businesses under an Area Development Agreement. We do not offer direct or indirect financing for these items. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Area Development Franchise may be greater or less than the estimates given depending upon the locations of your Mici Businesses and current relevant market conditions. All expenses payable to the parties are non-refundable, except as you may otherwise arrange.

1. Development Fee. You will pay a Development Fee of $35,000 to $45,000 for each Mici Business to be developed under the Area Development Agreement at the time you sign the Area Development Agreement. Typically, an area developer is expected to develop two to 10 Mici Businesses. This estimate assumes a low of two Mici Businesses and a high of 10 Mici Businesses. The Initial Franchise Fee for any Mici Businesses opened under the Area Development Agreement is waived.

2. Initial Investment for First Mici Business. These are the estimates to start your first Mici Business as described in the single franchise Mici Business chart above, except for the Initial Franchise Fee which is replaced by the Development Fee. Costs associated with starting additional Mici Businesses are subject to factors that we cannot estimate or control, such as inflation, increased labor costs or increased materials costs and will depend on when the additional Mici Businesses open.

3. Figures May Vary. This is only an estimate of your initial investment and is based on our estimate of domestic costs and market conditions prevailing as of the Issuance Date of this Franchise Disclosure Document. You must bear any deviation or escalation in costs from the estimates that we have given. Review these figures carefully with a business advisor and/or legal counsel before deciding to purchase an Area Development Franchise. Many factors that are unique to your location can make a

dramatic difference in the estimates provided. The availability and terms of financing depend on several factors, including the availability of financing, your creditworthiness, collateral you may have, and lending policies of financial institutions. You should review these figures with a business advisor, financial consultant or other professional before deciding to purchase an Area Development Franchise.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your Mici Business according to our System and specifications. This includes purchasing or leasing all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, and real estate related to establishing and operating the Mici Franchise under our specifications, which may include purchasing these items from: (i) our designees, (ii) approved suppliers, and/or (iii) us or our affiliates. You must not deviate from these methods, standards and specifications without our prior written consent, or otherwise operate in any manner which reflects adversely on our Marks or the System.

Our confidential operations manual ("Operations Manual") states our standards, specifications, and guidelines for all products and services we require you to obtain to establish and operate your Mici Franchise and approved vendors for these goods and services. We will notify you of new or modified standards, specifications, and guidelines through periodic amendments or supplements to the Operations Manual or through other written communication (including electronic communication such as email or through a system-wide intranet).

You must purchase, install, maintain in sufficient supply and use, only fixtures, furnishings, equipment, signs and supplies that conform to the standards and specifications described in the Operations Manual or otherwise in writing. You must use our designated vendor for furniture, fixtures and equipment.

We may utilize proprietary food products and recipes and may continue to develop and own proprietary recipes. In order to protect our trade secrets and to monitor the manufacture, packaging, processing and sale of proprietary food products, we or our affiliates may: (i) manufacture, supply and sell proprietary food products to Mici franchisees; and/or (ii) disclose the formula for methods and preparation of the proprietary food products to a limited number of suppliers, including one or more of our affiliates, who we authorize to manufacture these proprietary food products to our precise specifications and sell these products to Mici Franchisees. You must purchase the proprietary products we or our affiliates develop from time to time for proprietary recipes or formulas and purchase them only from us or a third party who we have licensed to prepare and sell the products. All non-proprietary ingredients, beverage products, cooking materials, containers, cartons, bags, menus, napkins, other paper and plastic products, utensils, uniforms, and other supplies and materials used in your Restaurant must strictly conform to our reasonable specifications and quality standards. You must purchase certain products such as plates, cups, boxes and containers bearing the trademarks from certain approved suppliers who are authorized to manufacture these products.

Other than the Store Opening Assistance, we are not currently an approved supplier. We, and our affiliates, reserve the right to become approved suppliers of any proprietary food products and non-proprietary products. Some of our officers own an interest in us. None of our officers owns an interest in any other supplier.

You must at all times maintain an inventory of approved food products, beverages, ingredients and other products in sufficient quantities and variety to realize the full potential of your Restaurant. You must use the menus and menu boards that we designate and serve meals and products in the manner we designate.

You must use the computer hardware and software, including the point-of-sale system ("POS") that we periodically designate to operate your Mici Franchise. You must obtain the computer hardware, software licenses, maintenance and support services, and other related services that meet our specifications from the suppliers we specify. You must obtain the insurance coverage required under the Franchise Agreement, as follows: (1) commercial general liability insurance with limits of at least $1,000,000 per occurrence, at least $2,000,000 aggregate, and a maximum deductible of $5,000; (2) workers compensation insurance consistent with applicable law; and (3) hired and non-owned automobile coverage with a limit of at least $1,000,000. The insurance company must be authorized to do business in the state where your Mici Business is located and must be approved by us. It must also be rated "A" or better by A.M. Best & Company, Inc. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time. All insurance policies must name us and any affiliates we designate as additional named insured parties. Your policy must provide that the insurer will not cancel or materially alter the policies without giving us at least 30 days' prior written notice. Please note that if you have had prior issues or claims from previous operations unrelated to the operation of a Mici Business, your rates may be significantly higher than those estimated above.

We will provide you with a list of our designated and approved suppliers in our Operations Manual. If you want to use or sell a product or service that we have not yet evaluated, or if you want to purchase or lease a product or service from a supplier or provider that we have not yet approved (for goods and services that require supplier approval), you must notify us and submit to us the information, specifications and samples we request. We will use commercially reasonable efforts to notify you within 30 days after receiving all requested information and materials whether you are authorized to purchase or lease the product or service from that supplier or provider. We reserve the right to charge a fee to evaluate the proposed product, service or supplier. We apply the following general criteria in approving a proposed supplier: (1) ability to purchase the product in bulk; (2) quality of services; (3) production and delivery capability; (4) proximity to Mici Franchises to ensure timely deliveries of the product or services; (5) dependability of the supplier; and other factors. The supplier may also need to sign a supplier agreement with us. We may periodically re-inspect approved suppliers' facilities and products and may revoke our approval of any supplier, product or service that does not continue to meet our specifications. We will send written notice of any revocation of an approved supplier, product or service. We do not provide material benefits to you based solely on your use of designated or approved sources.

We estimate that approximately 75% of purchases required to open your Mici Business and 90% of purchases required to operate your Mici Business will be from us or from other approved suppliers or under our specifications. We and our affiliates may receive rebates from some suppliers based on your purchase of goods and services and we have no obligation to pass them on to our franchisees or use them in any particular manner. During our last fiscal year, ended December 31, 2021, neither we, nor our affiliates derived revenue from franchisees' required purchases or leases.

We may negotiate purchase arrangements with suppliers and distributors for the benefit of our franchisees and we may receive rebates or volume discounts from our purchase of equipment and supplies that we resell to you. We currently do not have any purchasing or distribution cooperatives.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation		Section in Franchise Agreement/ Area Development Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Section 7	Items 7 and 11
b.	Pre-opening purchases/leases	Sections 7 and 15	Items 7, 8 and 11
c.	Site development and other pre-opening requirements	Sections 7 and 15	Items 7 and 11
d.	Initial and ongoing training	Section 5	Items 6,7 and 11
e.	Opening	Sections 5, 7 and 11	Items 6,7,9 and 11
f.	Fees	Sections 5, 6, 7, 8, 11, 12, 13, 15, 16 and 19	Items 5, 6 and 7
g.	Compliance with standards and policies/operations manual	Sections 6, 11 and 12	Items 8, 11, 12, 14 and <u>Exhibit G</u>
h.	Trademarks and proprietary information	Sections 12 and 17	Items 13 and 14
i.	Restrictions on products/services offered	Section 12	Items 8 and 16
j.	Warranty and customer service requirements	Section 12	Items 1 and 11
k.	Territorial development and sales quotas	Section 3	Items 1, 11 and 12
l.	On-going product/service purchases	Section 12	Items 8 and 16
m.	Maintenance, appearance, and remodeling requirements	Section 12	Items 7, 8 and 11
n.	Insurance	Section 15	Items 6, 7 and 8
o.	Advertising	Section 11	Items 11, 13 and 14
p.	Indemnification	Section 18	Not Applicable
q.	Owner's participation/management and staffing	Section 8	Items 11, 15 and 17
r.	Records and reports	Section 15	Item 11
s.	Inspections and audits	Section 16	Items 6 and 11
t.	Transfer	Section 19	Item 17
u.	Renewal	Section 4	Item 17
v.	Post-termination obligations	Sections 14 and 21	Item 17
w.	Non-competition covenants	Section 14	Item 17
x.	Dispute resolution	Section 22	Item 17

ITEM 10
FINANCING

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

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

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

Pre-opening Obligations

Before you open your Mici Business, we (or our designee) will provide the following assistance and services to you:

1. Provide an initial training program (See Franchise Agreement - Section 5.1).

2. Loan you one copy of the Operations Manual. The Operations Manual contains approximately 396 pages. The table of contents for the Operations Manual is attached to this Franchise Disclosure Document as Exhibit G (See Franchise Agreement - Section 6.1).

3. Provide you with advice in identifying a suitable location for the Restaurant if you request assistance. We must approve of your real estate broker who will advise and counsel you on site selection for the Restaurant. We will assist with broker vetting and approval, site feasibility studies, LOI review, Real Estate Committee process and approval, and limited remote construction oversight (See Franchise Agreement - Sections 6.2 and 7).

4. Once you have an approved site for your Restaurant, we will designate a territory (See Franchise Agreement - Section 3). If you sign an Area Development Agreement, we will designate the Development Territory before you sign the Area Development Agreement (See Area Development Agreement - Section 1.1).

5. Review your lease for the Restaurant to ensure that its terms contain our required provisions and otherwise meet our minimum standards (See Franchise Agreement - Section 7.2).

6. Provide a copy of our basic specifications for the design and layout of your Restaurant. You are responsible for the costs of preparing architectural, engineering and construction drawings and site plans, which you must submit to us for our review and approval before you begin construction of your Restaurant. You are responsible for the costs of construction and remodeling. We must approve the layout of your Restaurant prior to opening (Franchise Agreement - Section 7.3).

7. Provide you with materials and consultation in connection with the grand opening marketing for your Mici Restaurant (See Franchise Agreement - Sections 6.4, 11.2.2 and 11.5).

We do not provide the above services to renewal franchisees and may not provide all of the above services to franchisees that purchase existing Mici Businesses.

Site Selection

Although we will consult with you on your site and require your site be subject to our final authorization, you have the ultimate responsibility in choosing, obtaining and developing the site for your Restaurant. We do not guarantee the suitability or success of the accepted site. In evaluating a proposed site, we consider such factors as general location and neighborhood, traffic patterns, parking, size, lease terms, income per capita, existence of competitors, and other physical characteristics. Before leasing or purchasing the site for your Restaurant, you must submit to us, in the form we specify, a description of the site, with other information and materials we may reasonably require. We will have 30 days after we receive the information and materials to evaluate the proposed site. If we disapprove of the proposed site, you must select another site, subject to our consent. We must approve the site before you sign the lease. You must purchase or lease the site for your Restaurant within six months after signing the Franchise Agreement. We generally do not own the premises for the Restaurant and lease it to you.

Schedule for Opening

The typical length of time between signing the Franchise Agreement or the payment of any fees and the opening of the Mici Business can vary from six to 12 months. You must open within 12 months of signing the Franchise Agreement, or we can terminate the Franchise Agreement. Some factors, which may affect this timing, are your ability to acquire a location through lease or purchase negotiations, your ability to secure any necessary financing, your ability to comply with local zoning and other ordinances, your ability to obtain any necessary permits and certifications, the timing of the delivery of equipment, tools and inventory, and the time to convert, renovate or build-out your Restaurant.

If you are an Area Developer, you must sign the Initial Franchise Agreement at the same time you sign the Area Development Agreement. The typical length of time between the signing of the Initial Franchise Agreement and the opening of your first Mici Business under an Area Development Agreement is the same as for a single Mici Business. Each additional Mici Business you develop must be opened according to the terms of your Development Schedule. The site selection and approval process for each Mici Business under an Area Development Agreement is the same as that for a single Mici Business and will be governed by the Franchise Agreement signed for that location.

<u>Continuing Obligations</u>

During the operation of your Mici Business, we (or our designee) will provide the following assistance and services to you:

1. Inform you of mandatory specifications, standards and procedures for the operation of your Franchise (See Franchise Agreement - Sections 4.2, 7.3, 12.2, 12.6, 12.7, 12.8 and 17.1).

2. Upon reasonable request, provide advice regarding your Mici Business's operation based on reports or inspections. Advice will be given during our regular business hours and via written materials, electronic media, telephone or other methods in our discretion (See Franchise Agreement - Section 6.3).

3. Provide you with advice and guidance on advertising and marketing (See Franchise Agreement - Sections 6.4 and 11.5).

4. Provide additional training to you for newly hired personnel on the Mici brand and System guidelines, refresher training courses and additional training or assistance that, in our discretion, you need or request. You may be required to pay additional fees for this training or assistance (See Franchise Agreement - Section 5).

5. Allow you to continue to use confidential materials, including the Operations Manual and the Marks (See Franchise Agreement - Sections 6.1, 12.1, 12.2, 14.2 and 17).

<u>Optional Assistance</u>

During the term of the Franchise Agreement, we (or our designee) may, but are not required to, provide the following assistance and services to you:

1. Modify, update or change the System, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new products, new menu items, new equipment or new techniques.

2. Make periodic visits to the Restaurant for the purpose of assisting in all aspects of the operation and management of the Franchise, prepare written reports concerning these visits outlining any suggested changes or improvements in the operation of the Franchise, and detailing any problems in the operations which become evident as a result of any visit. If provided at your request, you must reimburse our expenses and pay our then-current training charges.

3. Maintain and administer a Brand Fund. We may dissolve the Brand Fund upon written notice (See Franchise Agreement - Section 11.1).

4. Hold periodic national or regional conferences to discuss business and operational issues affecting Mici Franchisees.

<u>Advertising</u>

Brand Fund

We reserve the right to create a brand building fund for marketing, developing and promoting the System, the Marks and Mici Businesses ("<u>Brand Fund</u>"). If established, you must pay up to 2% of your weekly Net Sales for the Brand Fund ("<u>Brand Fund Contribution</u>"). Your contribution to the Brand Fund will be in addition to all other advertising requirements set out in this Item 11. Each franchisee will contribute to the Brand Fund, but certain franchisees may contribute on a different basis depending on when they signed their franchise agreement. Mici Businesses we own will contribute to the Brand Fund on the same basis as franchisees.

The Brand Fund will be administered by us, or our affiliate or designees, at our discretion, and we may use a professional advertising agency or media buyer to assist us. The Brand Fund will be in a separate bank account, commercial account or savings account.

We have complete discretion on how the Brand Fund will be utilized. We may use the Brand Fund for local, regional or national marketing, advertising, sales promotion and promotional materials, public and consumer relations, website development and search engine optimization, the development of technology for the System and any other purpose to promote the Mici Handcrafted Italian brand. We may use any media for disseminating Brand Fund advertisements, including direct mail, print ads, the Internet, radio, billboards, and television. We may reimburse ourselves, our authorized representatives or our affiliates from the Brand Fund for administrative costs, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other direct or indirect expenses associated with the programs funded by the Brand Fund. We do not guarantee that advertising expenditures from the Brand Fund will benefit you or any other franchisee directly, on a pro rata basis, or at all. We are not obligated to spend any amount on advertising in the geographical area where you are or will be located. We will not use the Brand Fund contributions for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement or website indicating "Franchises Available" or similar phrasing.

We assume no fiduciary duty to you or other direct or indirect liability or obligation to collect amounts due to the Brand Fund or to maintain, direct or administer the Brand Fund. Any unused funds that were collected in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the Brand Fund on any terms we deem reasonable.

The Brand Fund is not audited. Upon your written request, we will provide to you an annual accounting for the Brand Fund that shows how the Brand Fund proceeds have been spent for the previous year. We did not collect or spend any Brand Fund Contributions during our last fiscal year, ended on December 31, 2021.

Local Advertising

You must spend $1,500 on local advertising ("Local Advertising Requirement") each month beginning with the fourth month of operations. You will provide reports verifying your local advertising expenditures at our request. You agree, at your sole cost and expense, to issue and offer such rebates, giveaways and other promotions in accordance with advertising programs established by us, and further agree to honor the rebates, giveaways, and other promotions issued by other Mici Franchisees under any such program, so long as such compliance does not contravene any applicable law, rule or regulation. You will not create or issue any gift cards/certificates and will only sell gift cards/certificates that have been issued or sponsored by us and which are accepted at all Restaurants, and you will not issue coupons or discounts of any type except as approved by us.

You may be required to participate in any local or regional advertising cooperatives for Mici Franchises that are established. The area of each local and regional advertising cooperative will be defined by us, based on our assessment of the area. Franchisees in each cooperative will contribute an amount to the cooperative for each Mici Franchise that the franchisee owns that exists within the cooperative's area. Each Mici Business we own that exists within the cooperative's area are not required to contribute to the cooperative on the same basis as franchisees. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member. Any contributions made to a local or regional advertising cooperative will count towards your Local Advertising Requirement. We may require that each cooperative operate with governing documents and prepare annual unaudited financial statements. We reserve the right to form, change, dissolve or merge any advertising cooperative formed in the future. If we elect to form such cooperatives, or if such cooperatives already exist near your territory, you must participate in compliance with the provisions of the Operations Manual, which we may periodically modify in our discretion.

You must order sales and marketing material from us or our designated suppliers. It is a material breach of the Franchise Agreement to use other marketing material without obtaining our prior written approval. If you desire to use your own advertising materials you must obtain our prior approval, which may be granted or denied in our sole discretion. We will review your request and respond in writing within 30 days from the date we receive all requested information. Our failure to notify you in the specified time frame will be deemed a disapproval of your request. Use of logos, Marks and other name identification materials must follow our approved standards. You may not use our logos, Marks and other name identification materials on items to be sold or services to be provided without our prior written approval. If you use unauthorized advertising materials, you must pay a fee of $500 per occurrence to us, or if established, the Brand Fund.

Grand Opening Program

You will spend a minimum of $12,000 on approved grand opening marketing, advertising and promotion for your Mici Business during the period commencing 30 days prior to the opening of your Restaurant and ending 90 days after the date on which your Mici Business opens for business. You must spend $6,000 prior to opening and $6,000 in the first 90 days after opening. If requested by us, you will provide us with an accurate accounting (in the form prescribed by us) of your expenditures for grand opening marketing, advertising and promotion within 120 days after the opening of your Mici Business.

All expenditures for grand opening marketing, advertising and promotion will be in addition to your other marketing, advertising and promotion obligations under the Franchise Agreement.

System Website

We have established a website for Mici Businesses ("System Website"). We intend that any franchisee website will be accessed only through our System Website. If you wish to advertise online, you must follow our online policy which is contained in our Operations Manual. Our online policy may change as technology and the internet changes. We may restrict your use of social media. We may not allow you to independently market on the Internet, or use any domain name, address, locator, link, metatag, or search technique with words or symbols similar to the Marks.

As long as we maintain a System Website, we will have the right to use the Brand Fund's assets to develop, maintain and update the System Website. We may update and modify the System Website. You must promptly notify us whenever any information on your listing changes or is not accurate. We have final approval rights of all information on the System Website. We may implement and modify System Standards relating to the System Website.

We are only required to reference your Mici Business on the System Website while you are in full compliance with your Franchise Agreement and all System Standards.

Advisory Council

We currently do not have, but may form, an advisory council ("Council") to advise us on advertising policies. The Council will be governed by bylaws. Members of the Council will consist of both franchisees and corporate representatives. Members of the Council will be selected by way of a voting method specified in the Council's bylaws. The Council will serve in an advisory capacity only. We may form, change or dissolve the Council, in our sole discretion.

Computer System

You must purchase a computer system that consists of the following hardware and software: (a) one desktop computer and one POS package consisting of one server, three POS terminals with cash drawers and printers, three kitchen display monitors and four kitchen printers; and (b) Thrive POS and QSROnline ("Computer System"). We estimate the cost of purchasing the Computer System will be between $7,000 and $13,000. The Computer System will manage the daily workflow of the Mici Business, coordinate the customer ordering experience, track inventory, food costs, labor and other information. You must record all sales on the Computer System. You must pay us our then-current technology fee (currently $25 per week) for maintenance of office software, and you must pay the POS provider their then-current fee (approximately $535 per month) for the Thrive POS and QSROnline licenses. You must store all data and information in the Computer System that we designate, and report data and information in the manner we specify. The Computer System will generate reports on the sales of your Mici Franchise. In addition to offering and accepting Mici gift cards and loyalty cards, you must accept all credit cards and debit cards that we determine. We are not required to provide you with any ongoing maintenance, repairs, upgrades, updates or support for the Computer System (Franchise Agreement – Section 12.6). You must arrange for installation, maintenance and support of the Computer System at your cost. There are no limitations in the Franchise Agreement regarding the costs of such required support, maintenance, repairs or upgrades relating to the Computer System. We cannot estimate the cost of maintaining, updating or upgrading the Computer System or its components because it will depend on your repair history, local costs of computer maintenance services in your area, and technological advances that we cannot predict at this time. In prior years we estimated the annual costs ranged between $1,000 and $3,000, but this could vary (as discussed above). We may revise our specifications for the Computer System periodically. You must upgrade or replace your Computer System when specifications are revised. There is no limitation on the frequency and cost of this obligation.

We (or our designee) have the right to independently access the electronic information and data relating to your Franchise and to collect and use your electronic information and data in any manner, including to promote the System and the sale of Franchises. This may include posting financial information of each franchisee on an intranet website. There is no contractual limitation on our right to receive or use information through our proprietary data management and intranet system. We may access the electronic information and data from your Computer System remotely, in your Restaurant or from other locations.

Training

Initial Training

You or your operating principal and any designated manager (defined in Item 15) or representative that we require must complete the initial training to our reasonable satisfaction, as determined by the specific program instructors, before you open your Mici Business. We provide initial training at our corporate headquarters or another location we may designate at no cost for up to three people, including your operating principal and any designated manager, provided that all persons attend the initial training simultaneously. You must pay a $6,000 fee for training each additional person. Initial training classes are held whenever necessary to train new franchisees. We also provide five days of on-site training at your Restaurant as part of the initial training, which will include three days before opening and two days after opening. You will not receive any compensation or reimbursement for services or expenses for participation in the initial training program. You are responsible for all your and your attendees' expenses to attend any training program, including lodging, transportation, food and similar expenses. We plan to provide the training listed in the table below.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Week 1			
Orientation and BOH	3	0	Denver, Colorado or another location we designate
Daily Lineup, Dishwasher, Prep	1	50	Denver, Colorado or another location we designate
Pasta	1	5	Denver, Colorado or another location we designate
Shells, Pucks, Pizza Topping	1	11	Denver, Colorado or another location we designate

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Week 2			
Expo	1	8	Denver, Colorado or another location we designate
Kitchen Manager	3	24	Denver, Colorado or another location we designate
FOH Driver, Phone	.5	2	Denver, Colorado or another location we designate
FOH Menu	2	10	Denver, Colorado or another location we designate
Managing Labor	3	2	Denver, Colorado or another location we designate
Week 3			
Day in the Life of an Owner	0	8	Denver, Colorado or another location we designate
Final Exam: Day in the Life of an Owner	1	0	Denver, Colorado or another location we designate
Graduation & Transition to Operations Team	.5	.5	Denver, Colorado or another location we designate
TOTAL	17	120.5	

Notes:

1. We may vary the length and content of the initial training program based upon the experience and skill level of the individual attending the initial training program. We will use the Operations Manual as the primary instruction material during the initial training program.

2. Michael Miceli, our Vice President of Operations, currently oversees our training program to which he brings more than 20 years of industry experience and over 15 years with the Franchisor or our affiliates.

3. Other instructors will include experienced Mici store managers and/or assistant managers with at least two years' experience as a Mici Business manager.

Ongoing Training

We may require that you or your operating principal, designated manager and other employees attend system-wide refresher or additional training courses. Some of these courses may be optional while others may be required. If you hire a new designated manager or appoint a new operating principal, that person must attend and successfully complete our initial training program before assuming responsibility for the management of your Mici Business. If we conduct an inspection of your Restaurant and determine you are not operating in compliance with the Franchise Agreement, we may require that you or your operating principal, designated manager and other employees attend remedial training that addresses your operational deficiencies. You may also request that we provide additional training (either at corporate headquarters or at your Restaurant). You must pay us $200 per attendee per day for additional training, and you must pay for airfare, meals, transportation costs, lodging and incidental expenses for all of your training program attendees. If we determine that you are not operating your Mici Business in compliance with the Franchise Agreement or the Operations Manual, we may require that you or your operating principal, designated manager and other employees attend remedial training. If the training program is conducted at your Restaurant, then you must reimburse us for the expenses we or our representatives incur in providing the training. We will not provide general business or operations training to your employees or independent contractors, but we may provide limited training on the System and brand standards to your key employees. You will be responsible for training your employees and independent contractors, including any training on the day-to-day operations of the Mici Business. You will be responsible for hiring, training, directing, scheduling and supervising your employees and independent contractors in the day-to-day operations of the Mici Business.

In addition to participating in ongoing training, you must attend an annual meeting of all franchisees at a location we designate and pay a conference fee if we hold an annual meeting of all franchisees (See Item 6). You must cover all travel and expenses for your attendees.

ITEM 12
TERRITORY

Franchise Agreement

Restaurant

You may operate the Mici Business only at the approved location. The approved location for your Restaurant will be listed in the Franchise Agreement. If you have not identified an approved location for the Restaurant when you sign the Franchise Agreement, as is typically the case, you and we will agree on the approved location in writing and amend the Franchise Agreement after you select, and we approve the approved location. We do not guarantee you any specific approved location and you may not be able to obtain your top choice as your approved location. You may not conduct your business from any other location. You may not relocate the Restaurant without our prior written approval. We may approve a request to relocate the Restaurant in accordance with the provisions of the Franchise Agreement that provide for the relocation of the Restaurant, and our then-current site selection policies and procedures.

Territory

You will receive a designated territory ("Territory"). Except as described below, we will not establish or franchise others to establish another Mici Business within your Territory during the term of the Franchise Agreement, provided you are in compliance. The Territory is determined based on the geographic area and populations properties within that area and other relevant demographic characteristics and will typically be a three-mile radius around your Restaurant. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We may grant franchises for a non-traditional location such as an airport, hotel, convention center, sports arena or stadium, college campus, amusement park, casino, grocery or convenience stores, theaters, malls, or within the premises of another business or a similar venue or other retail locations within your Territory. Similarly, if your Mici Business is located within a non-traditional location, you will not receive a Territory. You are not prohibited from directly marketing to or soliciting customers whose principal residence is outside of your Territory. If you renew your

Franchise, your Territory may be modified depending on the then-current demographics of the Territory and on our then-current standards for territories.

You must follow our off-site policies and procedures in our Operations Manual, which may require you to provide catering and delivery services and/or utilize third-party delivery services. You may be required to use the third-party delivery service(s) with which we have a national contract, and you may not contract with any other delivery platform without our approval. You are not guaranteed any specific territory or area for catering or delivery. We may require you to discontinue catering or delivery services. Our delivery and catering policies and procedures may allow you to provide catering and delivery services in the territories of other Mici Franchises without compensating the operator of those restaurants. These policies may also allow other Mici Franchises to provide catering and delivery services in your Territory without compensating you. We may impose restrictions in the future that prevent you from providing catering and delivery services outside of your Territory.

We, and our affiliates, have the right to operate, and to license others to operate, Mici Businesses at any location outside the Territory, even if doing so will or might affect your operation of your Mici Business. We retain the right, for ourselves and our affiliates, on any terms we deem advisable, and without granting you any rights, to:

1. own, franchise or operate Mici Businesses at any location outside of the Territory, regardless of the proximity to your Mici Restaurant;

2. use the Marks and the System to sell any products or services similar to those which you will sell through any alternate channels of distribution within or outside of the Territory. This includes, but is not limited to, other channels of distribution such as television, catalog sales, wholesale to unrelated retail outlets or over the internet. We reserve the internet as a channel of distribution for us, and you may not independently market on the internet or conduct e-commerce without our permission;

3. produce, offer and sell, and to grant others the right to produce, offer and sell the products and services offered at Mici Businesses and any other proprietary products displaying the Marks or any other marks, at non-traditional venues within or outside of the Territory;

4. use and license the use of other proprietary and non-proprietary marks or methods which are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution or in the operation of a business offering fast casual and delivery Italian food and related goods and services at any location, including within the Territory, which may be similar to or different from the Mici Business operated by you;

5. engage in any transaction, including to purchase or be purchased by, to merge or combine with, to convert to the System or be converted into a new system with any business, whether franchised or corporately owned, including a business that competes directly with your Mici Business, wherever located; provided that in such situations the newly acquired business may not operate under the Marks inside of your Territory;

6. use and license the use of technology to non-franchisee locations inside and outside the Territory;

7. implement multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs; and

8. engage in any other business activities not expressly prohibited by the Franchise Agreement, both within and outside your Territory.

We are not required to pay you if we exercise any of the rights specified above within your Territory. The continuation of the Territory is not dependent upon your achievement of a certain sales volume, market penetration or other contingency. We do not pay compensation for soliciting or accepting orders inside your Territory.

If you wish to purchase an additional Mici Franchise, you must apply to us, and we may, in our discretion, offer an additional Mici Franchise to you. We consider a variety of factors when determining whether to grant additional Mici Franchises. Among the factors we consider, in addition to the then-current requirements for new Mici Franchisees, are whether the franchisee is in compliance with the requirements under their current Franchise Agreement.

You do not receive the right to acquire additional Mici Franchises except as allowed under an Area Development Agreement. You are not given a right of first refusal on the sale of existing Mici Franchises.

Area Development Agreement

Under the Area Development Agreement, you are assigned a Development Territory in which you must develop a designated number of Mici Franchises. The size of the Development Territory will depend on the number of Restaurants to be developed, the demographics of the territory, the population and other factors. In certain densely populated metropolitan areas, a Development Territory may be smaller if it has a high population density, while Development Territories in less densely populated urban areas may have significantly larger areas. The Development Territory will be an exclusive territory for the development of Mici Franchises during the term of the Area Development Agreement so long as you are in compliance with the Area Development Agreement. This exclusivity grants you the exclusive rights to open Restaurants in the Development Territory provided that you follow the terms of the Area Development Agreement. The rights granted under the Area Development Agreement relate only to the development of the Mici Franchises identified in the Area Development Agreement. Except as provided in the Area Development Agreement, and subject to your full compliance with the Area Development Agreement and any other agreement among you or any of your affiliates and us or any of our affiliates, neither we nor our affiliates will establish or authorize any other person or entity, other than you, to establish a Mici Franchise in your Development Territory during the term of the Area Development Agreement. However, we, our affiliates, and any other authorized person or entity (including any other Mici Franchise) may, at any time, conduct any other type of activities within your Development Territory that we are permitted to conduct under the Franchise Agreement. Any existing or future non-traditional venues located within the Development Territory are excluded from the Development Territory and will not be considered part of it. The Development Territory will terminate upon the completion of the Development Schedule or the termination of the Area Development Agreement, whichever occurs first, and the only territorial protections that you will receive upon termination will be those under each individual Franchise Agreement.

Upon your first failure to adhere to the Development Schedule, you will lose the exclusivity granted for the Development Territory. Any second or additional failures to adhere to the Development Schedule will constitute a material event of default under the Area Development Agreement, for which we may, among other things: (i) terminate the Area Development Agreement; (ii) reduce the area of the Development Territory; (iii) permit you to extend the Development Schedule; or (iv) pursue any other remedy we may have at law or in equity, including but not limited to, a suit for non-performance.

The size of the Development Territory may be a single or multi-city area, single county area or some other area, and will be described in Attachment A of your Area Development Agreement. We will determine the Development Territory before you sign the Area Development Agreement based on various market and economic factors.

ITEM 13
TRADEMARKS

The Franchise Agreement and your payment of Royalties grant you the non-exclusive right and license to use the System, which includes the use of the Marks. The Marks and the System are owned by IP Affiliate. IP Affiliate has granted us an exclusive license ("Trademark License") to use the Marks to franchise the System around the world. The Trademark License is for 10 years and began on May 20, 2020. It will automatically renew for subsequent 10-year periods provided we are not in default or do not materially breach the Trademark License by engaging in any activity which damages the Marks or the goodwill of the System. If the Trademark License is terminated, IP Affiliate has agreed to license the Marks directly to our franchisees until each Franchise Agreement expires or is otherwise terminated. IP Affiliate has the following registrations with the United States Patent and Trademark Office ("USPTO") for the following Marks:

Trademark	Registration Number	Date of Registration	Register
MICI HANDCRAFTED ITALIAN	4,688,048	February 17, 2015	Principal
m i c i ~ HANDCRAFTED ITALIAN ~	4,688,045	February 17, 2015	Principal

There are no effective adverse material determinations of the USPTO, the Trademark Trial and Appeal Board or the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation involving the Marks. All required affidavits and renewals have been filed.

Except for the Trademark License, no agreement significantly limits our right to use or license the Marks in any manner material to the Mici Business. We do not know of any superior prior rights or infringing uses that could materially affect your use of the trademarks. You must follow our rules when using the Marks. You cannot use our name or Mark as part of a corporate name or with modifying words, designs or symbols unless you receive our prior written consent. You must indicate to the public in any contract, advertisement and with a conspicuous sign in your Restaurant that you are an independently owned and operated licensed franchisee of Mici Franchising, LLC. You may not use the Marks in the sale of unauthorized services or products or in any manner we do not authorize. You may not use the Marks in any advertising for the transfer, sale or other disposition of the Mici Business, or any interest in the franchise. All rights and goodwill from the use of the Marks accrue to us.

We will defend you against any claim brought against you by a third party that your use of the Marks, in accordance with the Franchise Agreement, infringes upon that party's intellectual property rights. We may require your assistance, but we will exclusively control any proceeding or litigation relating to our Marks. We have no obligation to pursue any infringing users of our Marks. If we learn of an infringing user, we will take the action appropriate, but we are not required to take any action if we do not feel it is warranted. You must notify us within three business days if you learn that any party is using the Marks or a trademark that is confusingly similar to the Marks. We have the sole discretion to take such action as we deem appropriate to exclusively control any litigation or administrative proceeding involving a trademark licensed by us to you.

If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within 30 days after receiving notice. We will not reimburse you for your direct expenses of changing signage, for any loss of revenue or other indirect expenses due to any modified or discontinued Mark, or for your expenses of promoting a modified or substituted trademark or service mark.

You must not directly or indirectly contest our right to the Marks. We may acquire, develop and use additional marks not listed here, and may make those marks available for your use and for use by other franchisees.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

The information in the Operations Manual is proprietary and is protected by copyright and other laws. The designs contained in the Marks, the layout of our advertising materials, the ingredients and formula of our products and recipes, and any other writings and recordings in print or electronic form are also protected by copyright and other laws. Although we have not applied for copyright registration for the Operations Manual, our advertising materials, the content and format of our products or any other writings and recordings, we claim common law and federal copyrights in these items. We grant you the right to use this proprietary and copyrighted information ("Copyrighted Works") for your operation of your Mici Franchise, but such copyrights remain our sole property.

There are no effective determinations of the United States Copyright Office or any court regarding any Copyrighted Works of ours, nor are there any proceedings pending, nor are there any effective agreements between us and third parties pertaining to the Copyrighted Works that will or may significantly limit using our Copyrighted Works.

Our Operations Manual, electronic information and communications, sales and promotional materials, the development and use of our System, standards, specifications, policies, procedures, information, concepts and systems on, knowledge of, and experience in the development, operation and franchising of Mici Franchises, our training materials and techniques, information concerning product and service sales, operating results, financial performance and other financial data of Mici Franchises and other related materials are proprietary and confidential ("Confidential Information") and are our property to be used by you only as described in the Franchise Agreement and the Operations Manual. Where appropriate, certain information has also been identified as trade secrets ("Trade Secrets"). You must maintain the confidentiality of our Confidential Information and Trade Secrets and adopt reasonable procedures to prevent unauthorized disclosure of our Trade Secrets and Confidential Information.

We will disclose parts of the Confidential Information and Trade Secrets to you as we deem necessary or advisable for you to develop your Mici Franchise during training and in guidance and assistance furnished to you under the Franchise Agreement, and you may learn or obtain from us additional Confidential Information and Trade Secrets during the term of the Franchise Agreement. The Confidential Information and Trade Secrets are valuable assets of ours and are disclosed to you on the condition that you, and your owners if you are a business entity, and employees agree to maintain the information in confidence by entering into a confidentiality agreement we can enforce. Nothing in the Franchise

Agreement will be construed to prohibit you from using the Confidential Information or Trade Secrets in the operation of other Mici Franchises during the term of the Franchise Agreement.

You must notify us within three business days after you learn about another's use of language, a visual image or a recording of any kind, that you perceive to be identical or substantially similar to one of our Copyrighted Works or use of our Confidential Information or Trade Secrets, or if someone challenges your use of our Copyrighted Works, Confidential Information or Trade Secrets. We will take whatever action we deem appropriate, in our sole and absolute discretion, to protect our rights in and to the Copyrighted Works, Confidential Information or Trade Secrets, which may include payment of reasonable costs associated with the action. The Franchise Agreement does not require us to take affirmative action in response to any apparent infringement of, or challenge to, your use of any Copyrighted Works, Confidential Information or Trade Secrets or claim by any person of any rights in any Copyrighted Works, Confidential Information or Trade Secrets. You must not directly or indirectly contest our rights to our Copyrighted Works, Confidential Information or Trade Secrets. You may not communicate with anyone except us, our counsel or our designees regarding any infringement, challenge or claim. We will take the action we deem appropriate regarding any infringement, challenge or claim, and the sole right to control, exclusively, any litigation or other proceeding arising out of any infringement, challenge or claim under any Copyrighted Works, Confidential Information or Trade Secrets. You must sign any and all instruments and documents, give the assistance and do acts and things that may, in the opinion of our counsel, be necessary to protect and maintain our interests in any litigation or proceeding, or to protect and maintain our interests in the Copyrighted Works, Confidential Information or Trade Secrets.

You will not have the exclusive right to use any of our, our affiliates', or our owners' patents or patent applications, nor will you acquire, by use or otherwise, any right, title or interest in or to such patents or patent applications, other than as expressly contained in, and limited by, the Franchise Agreement. Your right to use the claimed subject matter of any patents or patent applications is limited and temporary. Upon expiration or termination of the Franchise Agreement, you may not, directly or indirectly, use the claimed subject matter of any patents or patent applications in any manner or for any purpose.

You must immediately notify us of any conduct that could constitute infringement of or challenge to the patents or patent applications. We will decide, in our sole discretion, whether to institute any action in connection with infringement of or challenge to the patents or patent applications and will control all proceedings and litigation. The Franchise Agreement does not require us to take affirmative action when notified of infringement, but indicates we have the sole discretion to take such action as we may deem appropriate. We are not required to protect your right to use the patents or patent applications. As indicated in the Franchise Agreement, we will indemnify you for all damages for which you are held liable in any lawsuit arising out of your proper use of the patents or patent applications in compliance with the Franchise Agreement.

We may, in our sole discretion, modify or discontinue use of the patents or patent applications and/or use other information and/or rights in its place. If we decide to do so, you must do so also, at your expense. The Franchise Agreement does not provide you any additional rights if we require you to modify or discontinue use of the patents or patent applications. If we require you to modify or discontinue use of the patents or patent applications and/or use other information and/or rights in its place at any time other than upon renewal of the Franchise Agreement, and that requirement is a direct result of proceedings or litigation that determined that our and our franchisees' use of the patents or patent applications infringed upon a third party's rights, we will bear the cost of those modifications or discontinuances.

IP Affiliate holds the following utility patent from the USPTO and licenses it to us:

Patent Title	Registration No.	Registration Date	Type	Duration	Status
PIZZA DOUGH PRESS APPARATUS AND METHOD	US 10,687,537	June 23, 2020	Utility	20 years	Issued and Active

The utility patent relates to a press system and method for forming pizza dough into a shape to allow for hand-stretching after being pressed by the press system, to be used for the pizza sold under the trademark "Mici Handcrafted Italian." IP Affiliate has granted us an exclusive license ("Patent License") to use the patent to franchise the System around the world. The Patent License is for 10 years and began on May 20, 2020. It will automatically renew for subsequent 10-year periods provided we are not in default or do not materially breach the Patent License by engaging in any activity which damages the Patent or the goodwill of the System. If the Patent License is terminated, IP Affiliate has agreed to license the patent directly to our franchisees until each Franchise Agreement expires or is otherwise terminated.

Other than stated above, we have no pending patents or patent applications that are material to the Franchise. We do not know of any current material determinations of the USPTO, United States Copyright Office, or of any court, nor do we know of any effective determinations or any material proceedings pending in the USPTO or of any court regarding the patent. We do not know of any patent or copyright infringement that could materially affect your right to use the patent.

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

You must either directly operate your Mici Business or designate a manager ("Designated Manager") who has been approved by us. If you are not an individual, you must designate an "Operating Principal" acceptable to us who will be principally responsible for communicating with us about the Mici Business. The Operating Principal must have the authority and responsibility for the day-to-day operations of your Restaurant and must have at least 10% equity. You or your Operating Principal and your Designated Manager, if any, must successfully complete our training program (See Item 11). We may require that the Designated Manager have an ownership interest in the legal entity of the Franchise owner. If you replace your Operating Principal or Designated Manager, the new Operating Principal or Designated Manager must satisfactorily complete our training program at your own expense.

Any Designated Manager and, if you are an entity, an officer that does not own equity in the franchisee entity, must sign the "System Protection Agreement," which is attached to this Franchise Disclosure Document in Exhibit H. All your employees, independent contractors, agents or representatives that may have access to our confidential information must sign a confidentiality agreement (unless they already signed a System Protection Agreement), which is attached to this Franchise Disclosure Document in Exhibit H. If you are an entity, each direct and indirect owner (i.e., each person holding a direct or indirect ownership interest in you) must sign an owners agreement, the form of which is attached to the Franchise Agreement as Attachment D. We also require that the spouses of the Franchise owners sign the owners agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale only those goods and services authorized by us, and which meet our standards and specifications. Authorized products may differ among our franchisees and may vary depending on the operating season and geographic location of your Restaurant or other factors. You must follow our policies, procedures, methods and techniques. You must sell or offer for sale all types of goods and services specified by us. We may change or add to our required goods and services, at our discretion, with prior notice to you. If we change or add to our required goods and services, the changes or additions will remain in permanent effect, unless we specify otherwise. The amount you must pay for the changes or additions will depend upon the nature and type of changes or additions. There are no limitations on our rights to make changes to the required goods and services offered by you. You must discontinue selling and offering for sale any services or products that we disapprove. We reserve the right to establish minimum and maximum resale prices for use with multi-area marketing programs and special price promotions as allowed by law.

You may not establish an account or participate in any social networking sites or blogs, crowdfunding campaigns or mention or discuss the franchise, us or any of our affiliates, without our prior written consent and as subject to our online policy. Our online policy may completely prohibit you from any use of the Marks in social networking sites or other online use. You may not sell products through other channels of distribution such as wholesale, internet or mail order sales. Otherwise, we place no restrictions upon your ability to serve customers provided you do so from the location of your Restaurant in accordance with our policies.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement 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 franchise term	Section 4.1	Ten years.
b. Renewal or extension of the term	Section 4.1	You may add one successor term of ten years if you are in good standing and you meet other requirements.
c. Requirements for franchisee to renew or extend	Section 4.2	The term "renewal" refers to extending our franchise relationship at the end of your initial term and any other renewal or extension of the initial term. Your successor franchise rights permit you to remain as a Franchise after the initial term of your Franchise Agreement expires if you are in good standing and you upgrade and remodel your Restaurant prior to the expiration of the term; pay the renewal fee; and meet other requirements. You must also sign our then-current Franchise Agreement and ancillary documents for the successor term, and this new franchise agreement may have materially different terms and conditions (including, e.g., higher royalty and advertising contributions) from the Franchise Agreement that covered your initial term.

Provision	Section in Franchise Agreement	Summary
d. Termination by franchisee	Section 20.1	You may terminate the Franchise Agreement if you are in compliance with it, and we are in material breach, and we fail to cure that breach within 30 days of receiving written notice, subject to applicable state law.
e. Termination by franchisor without "cause"	Not applicable	Not applicable.
f. Termination by franchisor with "cause"	Section 20.2	We can terminate upon certain violations of the Franchise Agreement by you.
g. Curable defaults	Sections 20.2 and 20.3	You may cure certain defaults listed in Sections 20.2 and 20.3.
h. Non-curable defaults	Section 20.2	Non-curable defaults: the defaults listed in Section 20.2 of the Franchise Agreement.
i. Franchisee's obligations on termination/non-renewal	Sections 4.3, 20.5, 21.1	Obligations include: ceasing use of Intellectual Property; complete de-identification; cancellation of all fictitious or assumed names; notification to all telephone companies, listing agencies, social media companies and domain name registration companies; payment of amounts due; return of confidential Operations Manual and any proprietary software, all Confidential Information, Trade Secrets and records; and proof of compliance with above obligations within 30 days after the effective date of the termination, expiration, or Transfer of the Franchise Agreement.
j. Assignment of contract by franchisor	Section 19.1	No restriction on our right to assign.
k. "Transfer" by franchisee – defined	Attachment A of Franchise Agreement	Includes any voluntary, involuntary, direct or indirect assignment, sale, gift, exchange, grant of a security interest or change of ownership in the Franchise Agreement, the Franchise or interest in the Franchise.
l. Franchisor approval of transfer by franchisee	Section 19.2	We have the right to approve all transfers.
m. Conditions for franchisor approval of transfer	Section 19.2	We may approve your transfer to a new owner if you are in good standing and meet other requirements listed in Section 19.2.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 19.5	We have 30 days to match any offer for your Mici Business.
o. Franchisor's option to purchase franchisee's business	Section 21.2	We may, but are not required to, purchase your Franchise, inventory or equipment at fair market value if your Franchise is terminated for any reason.
p. Death or disability of franchisee	Section 19.4	The Franchise Agreement must be transferred or assigned to a qualified party within 180 days of death or disability, or the Franchise Agreement may be terminated. Your estate or legal representative must apply to us for the right to transfer to the next of kin within 120 calendar days of your death or disability.

Provision	Section in Franchise Agreement	Summary
q. Non-competition covenants during the term of the Franchise	Section 14.3	You may not participate in a diverting business; have owning interest of more than 5% in a publicly traded company that is a competitive business; divert or attempt to divert business from us; induce any customer to transfer their business to you; or perform services for a competitive business anywhere. You may not interfere with our or our other franchisees' Mici Businesses, subject to applicable state law.
r. Non-competition covenants after the Franchise is terminated or expires	Section 14.4	Owners may not have an interest in, own, manage, operate, finance, control or participate in any competitive business within (i) a 20-mile radius from Franchisee's Mici business (and including the premises of the approved Restaurant location of Franchisee); and (ii) a 20-mile radius from all other Mici businesses that are operating or under construction, for two years. If you or one of your owners engages in any activities prohibited by the Franchise Agreement during the restricted period (other than having an interest in a competitive business that is permitted under Section 14.4), then the restricted period applicable to you or the non-compliant owner shall be extended by the period during which you or the non-compliant owner, as applicable, engaged in the prohibited activities, subject to applicable state law.
s. Modification of agreement	Sections 4, 12.2 and 25.9	No modifications of the Franchise Agreement during the term unless agreed to in writing, but the Operations Manual is subject to change at any time in our discretion. Modifications are permitted on renewal.
t. Integration/merger clause	Section 25.9	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of this Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 22	Except for certain claims, all disputes must be mediated and arbitrated in the principal city closest to our principal place of business (Denver, Colorado), subject to applicable state law.
v. Choice of forum	Section 22	All disputes must be mediated, arbitrated, and if applicable, litigated in the principal city closest to our principal place of business (currently Denver, Colorado), subject to applicable state law.
w. Choice of law	Sections 22 and 25	Colorado law applies, subject to applicable state law.

THE AREA DEVELOPER RELATIONSHIP

This table lists certain important provisions of the Area Development Agreement and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

Provision		Section in Area Development Agreement	Summary
a.	Length of agreement term	1.2	Until the expiration or termination of the Area Development Agreement.
b.	Renewal or extension of the term	Not applicable	Not applicable.
c.	Requirements for area developer to renew or extend	Not applicable	Not applicable.
d.	Termination by area developer	Not applicable	Not applicable.
e.	Termination by franchisor without cause	Not applicable	Not applicable.
f.	Termination by franchisor with cause	Sections 4.2, 7.1 and 7.3	We can terminate if you or any of your affiliates materially default under the Area Development Agreement, any individual Franchise Agreement, or any other agreement with us, or if you fail to comply with the Development Schedule on two or more occasions.
g.	"Cause" defined – curable defaults	Not applicable	Not applicable.
h.	"Cause" defined – non-curable defaults	Sections 4.2, 7.1 and 7.3	If you default under the Area Development Agreement or any individual Franchise Agreement, or any other agreement with us, or if you fail to comply with the Development Schedule on two or more occasions.
i.	Area developer's obligations on termination/non-renewal	Section 7.4	Obligations include the payment of all amounts due. You remain bound by all Franchise Agreements.
j.	Assignment of the contract by franchisor	Section 8.1	No restrictions on our right to assign the Area Development Agreement.
k.	"Transfer" by area developer – definition	Not applicable	Not applicable.
l.	Franchisor approval of transfer by area developer	8.2	You may not assign the Area Development Agreement or any rights to the Development Territory.
m.	Conditions for franchisor approval of transfer	Not applicable	Not applicable.
n.	Franchisor's right of first refusal to acquire area developer's business	Not applicable	Not applicable.

	Provision	Section in Area Development Agreement	Summary
o.	Franchisor's option to purchase area developer's business	Not applicable	Not applicable.
p.	Death or disability of area developer	Section 7.2	The Area Development Agreement must be transferred or assigned to a qualified party within 180 days of death or disability, or the Area Development Agreement may be terminated. Your estate or legal representative must apply to us for the right to transfer to the next of kin within 120 calendar days of your death or disability.
q.	Non-competition covenants during the term of the franchise	Not applicable	Not applicable.
r.	Non-competition covenants after the franchise is terminated or expires	Not applicable	Not applicable.
s.	Modification of the agreement	Section 10	No modifications of the Area Development Agreement unless agreed to in writing.
t.	Integration/merger clause	Section 10	Only the terms of the Area Development Agreement are binding (subject to state law). Any representations or promises outside of this Franchise Disclosure Document and the Area Development Agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 13	Except for certain claims, all disputes must be mediated and arbitrated in the principal city closest to our principal place of business (currently Denver, Colorado), subject to applicable state law.
v.	Choice of forum	Section 13	All disputes must be mediated, arbitrated, and if applicable, litigated in the principal city closest to our principal place of business (currently Denver, Colorado), subject to applicable state law.
w.	Choice of law	Section 13	Colorado law applies, subject to applicable state law.

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 performance at a particular location or under particular circumstances.

The following is a historical financial performance representation for our existing affiliate-owned outlets. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

As of December 31, 2021, there were seven affiliate owned Mici Businesses open and operating ("Affiliate Locations") and no franchised Mici Businesses. This Item 19 presents financial information for the 2021 fiscal period from January 4, 2021 to January 2, 2022 ("Reporting Period") for five Affiliate Locations ("Reporting Group"). Two affiliate owned Mici Businesses opened during the Reporting Period and were not included in the information below.

Franchised Mici Businesses will have reasonably similar operations to Affiliate Locations, including degree of competition and services and goods sold. However, these Affiliate Locations do not pay the Royalty or technology/POS fees and are not subject to the Local Advertising Requirement. We do not currently collect Brand Fund Contributions.

The financial information was prepared from internal accounting records and reports. The numbers have not been audited but we have no reason to doubt their accuracy.

Table 1

Table 1 presents selected historical profit and loss information for the Reporting Group during the Reporting Period.

Table 1

Gross Sales, Selected Costs, and Operating Results for the Reporting Group
January 4, 2021 to January 2, 2022

	Highlands Ranch	**Central Park**	**Parker**	**Colorado Boulevard**	**Lafayette**
Net Sales	**$1,486,819**	**$1,402,707**	**$1,222,667**	**$1,143,894**	**$1,115,678**
Material Cost	($433,925)	($376,489)	($381,583)	($331,551)	($330,509)
Labor	($446,599)	($436,160)	($384,775)	($384,395)	($380,763)
Total Cost of Sales	**($880,525)**	**($812,649)**	**($766,358)**	**($715,946)**	**($711,272)**
% of Net Sales	59.2%	57.9%	62.7%	62.6%	63.8%
Gross Profit	**$606,294**	**$590,059**	**$456,309**	**$427,947**	**$404,407**
% Net Margin	40.8%	42.1%	37.3%	37.4%	36.2%
Occupancy Cost	($82,442)	($96,834)	($122,150)	($121,251)	($86,656)
Other Operating Expenses	($100,115)	($88,794)	($92,215)	($99,581)	($80,537)
Total Occupancy Cost and Other Operating Expenses	**($182,557)**	**($185,628)**	**($214,365)**	**($220,832)**	**($167,193)**

	Highlands Ranch	Central Park	Parker	Colorado Boulevard	Lafayette
% of Net Sales	12.3%	13.2%	17.5%	19.3%	15.0%
EBITDA	**$423,737**	**$404,430**	**$241,944**	**$207,115**	**$237,214**
% Net Margin	28.5%	28.8%	19.8%	18.1%	21.3%
Franchise Related Adjustments (Illustration only)					
Royalty	($89,209)	($84,162)	($73,360)	($68,634)	($66,941)
Local Advertising Payment	($18,000)	($18,000)	($18,000)	($18,000)	($18,000)
Technology Fee	($1,300)	($1,300)	($1,300)	($1,300)	($1,300)
Adjusted EBITDA	**$315,228**	**$300,968**	**$149,284**	**$119,182**	**$150,973**

Notes:

1. The Reporting Group has been in operation since the following dates:

   Highlands Ranch, CO: October 2012
   Central Park, CO: May 2015
   Parker, CO: January 2016 (originally opened in September 2008 in another location)
   Colorado Boulevard, CO: July 2004
   Lafayette, CO: October 2018

2. For purposes of this Item 19, "Net Sales" means the total of all revenues, income and consideration from the sale of all Mici Business food products, beverages and other related merchandise, products, and services (including catering and delivery) to customers whether or not sold or performed at or from the Mici Business, and whether received in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received) or otherwise. We have deducted from Net Sales for purposes of this computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts that, by law, are chargeable to customers, if the taxes are separately stated when the customer is charged and if the taxes are paid to the appropriate taxing authority. We have also deducted from Net Sales the amount of any documented refunds, chargebacks, credits, discounts, coupons and charged tips.

3. Material cost includes cost of food, paper and other packaging costs, net of any applicable vendor rebates. These figures are based on the costs of distribution to the geographical areas above. The costs of sales may vary considerably based on the geographical area in which you operate and those serviced by our approved suppliers and distributors.

4. Salaries and benefits include wages paid to management (but does not include any wages or overhead above the Restaurant management level) and employees of the Mici Business, including shift supervisors, management bonuses, payroll taxes, and workers compensation.

5. Gross profit equals Net Sales less total cost of sales.

6. Occupancy costs include base rent, percentage rent, common area maintenance, real estate taxes, personal property taxes, landlord-billed insurance, and other miscellaneous lease expenses.

7. Other operating expenses include repairs and maintenance, smallwares, cleaning supplies, office supplies, POS fees, POS maintenance, pest control, delivery charges, credit card processing fees, bank charges, telephone and Internet expenses, trash services, equipment rental, property and liability insurance, security expenses, license and state business taxes, cost of utilities, and other miscellaneous expenses. Other operating expenses exclude marketing and technology/POS expenses which have been removed and are reflected in the Franchise Related Adjustments (see Note 10).

8. EBITDA equals earnings before interest, federal tax, depreciation and amortization. It also does not include the excluded expenses listed in Note 9 below and the marketing and technology/POS expenses moved into Franchise Related Adjustments (see Note 10).

9. The financial performance representations above do not reflect all costs or expenses, such as unpaid tickets, cash/credit sales adjustments, bookkeeping costs, miscellaneous payroll expenses and fees, health insurance, other labor expenses, paid time off, training expenses, parking, and other miscellaneous expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

10. Mici Businesses are required to pay a Royalty of 6% of Net Sales and a $25 per week technology fee, and are subject to a Local Advertising Requirement of $1,500 per month. The illustrative adjustments of adding a Royalty, technology fees and Local Advertising Requirement ("Franchise Related Adjustments") in the tables above present financial projections. These projections are based on historical information. Certain assumptions and bases were made for these projections and we present these assumptions below. Any change in these assumptions would require material alterations to the projections.

    In making the Franchise Related Adjustments, we assumed that any additional expenses would not have a direct or indirect material effect on revenue or other expenses.

11. Adjusted EBITDA equals EBITDA less Franchise Related Adjustments.

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

Except for the information in this Item 19, we do not make any representations about a franchisee's future financial performance or the past financial performance of Affiliate or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jeff Miceli at 2373 Central Park Blvd. Unit 107, Denver, CO 80238, Franchising@miciitalian.com, the Federal Trade Commission and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

System-wide Outlet Summary
For Years 2019 - 2021

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2019	0	0	0
	2020	0	0	0
	2021	0	0	0
Company-Owned*	2019	5	6	+1
	2020	6	5	-1
	2021	5	7	+2
Total Outlets	2019	5	6	+1
	2020	6	5	-1
	2021	5	7	+2

*Owned by our affiliates.

Table No. 2

Transfers from Franchisees to New Owners (other than the Franchisor)
For Years 2019-2021

State	Year	Number of Transfers
Totals	2019	0
	2020	0
	2021	0

Table No. 3

Status of Franchised Outlets
For Years 2019-2021

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Total	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0

Table No. 4

Status of Company-Owned* Outlets
For Years 2019-2021

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Colorado	2019	5	1	0	0	0	6
	2020	6	0	0	1	0	5
	2021	5	2	0	0	0	7
Total Outlets	2019	5	1	0	0	0	6
	2020	6	0	0	1	0	5
	2021	5	2	0	0	0	7

*Owned by our affiliates.

Table No. 5

Projected Openings as of
December 31, 2021

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Arizona	3	2	0
Colorado	0	0	2
Michigan	1	1	0
Texas	0	1	0
Total	5	4	2

The names, addresses and telephone numbers of our current franchisees are attached to this Franchise Disclosure Document as Exhibit E. The name and last known address and telephone number of every current franchisee and every franchisee who has had a Mici Franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our franchise agreement during the one-year period ending December 31, 2021, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document, is listed in Exhibit E. In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experiences with us. During the last three years, we have not had any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the Mici System. You may wish to speak with current and former franchisees but know that not all such franchisees can communicate with you. If you buy a Mici Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

As of the Issuance Date of this Franchise Disclosure Document, there are no franchise organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in this Franchise Disclosure Document. We do not have any trademark specific franchisee organizations.

ITEM 21
FINANCIAL STATEMENTS

Exhibit B contains the financial statements required to be included with this Franchise Disclosure Document: our audited financial statements as of December 31, 2020 and December 31, 2021. Our fiscal year end is December 31. We have not been in business for three years and do not have three years of audited financial statements available to include in this Franchise Disclosure Document.

ITEM 22
CONTRACTS

Exhibit C	Franchise Agreement
Exhibit D	Area Development Agreement
Exhibit F	State Addenda and Agreement Riders
Exhibit H	Contracts for use with the Mici Franchise
Exhibit I	Franchise Disclosure Questionnaire

ITEM 23
RECEIPT

The last pages of this Franchise Disclosure Document, Exhibit K, are a detachable document, in duplicate. Please detach, sign, date and return one copy of the Receipt to us, acknowledging you received this Franchise Disclosure Document. Please keep the second copy for your records.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

State Administrator and Agent for Service of Process:

Commissioner
Department of Financial Protection and Innovation
320 W. 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
(866) 275-2677

HAWAII

Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Agent for Service of Process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
Chief, Franchise Division
500 S. Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA

Secretary of State
Securities Division
Room E-018
302 W. Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202
(410) 576-6360

Agent for Service of Process:

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

MICHIGAN

Michigan Department of Attorney General
Consumer Protection Division
525 W. Ottawa Street
Lansing, MI 48913
(517) 373-7117

MINNESOTA

Department of Commerce
Commissioner of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101-3165
(651) 539-1600

NEW YORK

Administrator:

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8285

Agent for Service of Process:

Secretary of State
99 Washington Avenue
Albany, NY 12231

NORTH DAKOTA

North Dakota Securities Department
State Capitol, Fifth Floor, Dept. 414
600 E. Boulevard Avenue
Bismarck, ND 58505-0510
(701) 328-4712

RHODE ISLAND

Department of Business Regulation
1511 Pontiac Avenue, Bldg. 68-2
Cranston, RI 02920
(401) 462-9527

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Agent for Service of Process:

Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, VA 23219

WASHINGTON

State Administrator:

Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507
(360) 902-8760

Agent for Service for Process:

Director of Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501

WISCONSIN

Department of Financial Institutions
Division of Securities
201 W. Washington Avenue
Madison, WI 53703
(608) 266-3364

Rev. 102720

EXHIBIT B

FINANCIAL STATEMENTS

MICI FRANCHISING LLC

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2021 AND 2020

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

MICI FRANCHISING LLC

Table of Contents

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Member
Mici Franchising LLC
Denver, Colorado

Opinion

We have audited the accompanying financial statements of Mici Franchising LLC, which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations, member's equity (deficit), 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 Mici Franchising LLC as of December 31, 2021 and 2020, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our 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 within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.

Kezos & Dunlavy

St. George, Utah
April 29, 2022

MICI FRANCHISING LLC
BALANCE SHEETS
As of December 31, 2021 and 2020

	2021	2020
Assets		
Current assets		
Cash and cash equivalents	$ 284,950	$ 82,179
Total current assets	284,950	82,179
Total assets	$ 284,950	$ 82,179
Liabilities and Member's Equity (Deficit)		
Current liabilities		
Accounts payable	$ 8,150	$ -
Line of credit	250,000	-
Deferred revenue	135,000	-
Total current liabilities	393,150	-
Total liabilities	393,150	-
Member's equity (deficit)	(108,200)	82,179
Total liabilities and member's equity (deficit)	$ 284,950	$ 82,179

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

MICI FRANCHISING LLC
STATEMENTS OF OPERATIONS
For the years ended December 31, 2021 and 2020

	2021	2020
Operating revenues	$ -	$ -
Operating expenses		
Professional fees	25,274	31,052
General and administrative	86,586	40
Total operating expenses	111,860	31,092
Net loss	$ (111,860)	$ (31,092)

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

MICI FRANCHISING LLC
STATEMENTS OF MEMBER'S EQUITY (DEFICIT)
For the years ended December 31, 2021 and 2020

Balance as of February 19, 2020	$ -
Member contributions	113,271
Net loss	(31,092)
Balance as of December 31, 2020	82,179
Member contributions	21,481
Member distributions	(100,000)
Net loss	(111,860)
Balance as of December 31, 2021	$ (108,200)

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

MICI FRANCHISING LLC
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities		
Net loss	$ (111,860)	$ (31,092)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Change in operating assets and liabilities:		
Accounts payable	8,150	-
Deferred revenue	135,000	-
Net cash provided (used) by operating activities	31,290	(31,092)
Cash flows from financing activities		
Net draws on line of credit	250,000	-
Member contributions	21,481	113,271
Member distributions	(100,000)	-
Net cash provided by financing activities	171,481	113,271
Net change in cash and cash equivalents	202,771	82,179
Cash and cash equivalents at beginning of period	82,179	-
Cash and cash equivalents at end of period	$ 284,950	$ 82,179
Supplemental disclosures of cash flow		
Cash paid for interest and taxes	$ -	$ -

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

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Mici Franchising LLC (the "Company") was formed on February 19, 2020 as a Colorado limited liability company. The Company offers a unique Italian restaurant with headquarters in Denver, Colorado.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission (SEC), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. Also included within cash equivalents are deposits in-transit from banks for payments related to third-party credit card and debit card transactions. As of December 31, 2021 and 2020, the Company had cash and cash equivalents of $284,950 and $82,179, respectively.

(e) Revenue Recognition

The Company's revenues consist of fees from franchised locations operated by conventional franchisees. Revenues from franchisees consist of initial franchise fees, and royalties based on a percentage of gross revenues.

The Company has adopted ASC 606, *Revenue from Contracts with Customers* upon commencement of operations. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue.

For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the transaction price and the Company's performance obligations.

Upon evaluation of the five-step process, the Company has determined royalties are to be recognized in the period in which the underlying sales occur. In allocating the transaction price and recognizing the revenue associated with initial franchise fees, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. The practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation. These pre-opening services include the following:

- Assistance in the selection of a site
- Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural, and engineering services, and lease negotiation
- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business
- Inspection, testing, and other quality control programs

The Company has determined that the fair value of pre-opening services exceeds the initial fees received; as such, the initial fees are allocated to the pre-opening services, which are recognized as revenue upon commencement of operations.

(f) Income Taxes

The Company is structured as a limited liability company under the laws of the state of Colorado. Accordingly, the income or loss of the Company will be included in the income tax returns of the member. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under Accounting Standards Codification ("ASC") Topic 740, Accounting for Uncertainty in Income Taxes. ASC Topic 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the member rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2021, the 2020 tax year is subject to examination.

(g) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents and accounts payable, the carrying amounts approximate fair value due to their short maturities. The amounts shown for notes payable also approximate fair value because current interest rates and terms offered to the Company for similar debt are substantially the same.

(h) Concentration of Risk

The Company maintains its cash in bank deposit accounts which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(2) Line of Credit

During the year ended December 31, 2021, the Company entered into a $500,000 line of credit agreement with a bank. Borrowings under the line bear interest payable monthly at 6% APR. The balances payable under this arrangement are due on demand. As of December 31, 2021, outstanding borrowings were $250,000.

(3) Franchise Agreements

The Company's franchise agreements generally provide for a payment of initial fees as well as continuing royalty and marketing fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Mici system for a period of ten years. Under the Company's revenue recognition policy, franchise fees and any corresponding commissions are recognized when the franchisee begins operations. For any franchisees that have not yet begun operations as of year-end, the Company defers both the revenues and commissions. All locations that are expected to begin operations within the following year are categorized as current, while all others are classified as non-current. As of December 31, 2021 and 2020, the Company had deferred revenue of $135,000 and $0, respectively, all of which was classified as current.

(4) Related Party Transactions

The Company pays a management fee to its parent for services performed. During the year ended December 31, 2021, the total management fee was $86,093.

During the year ended December 31, 2020, the Company did not incur rent or other typical operating expenses. An affiliate through common ownership provided office space, telephone services, and labor at no charge. The Company is not expected to reimburse these costs. Were these expenses to be charged, the Company's net loss would increase, and member's equity would decrease for the year ended December 31, 2020.

(5) Commitments and Contingencies

(a) Litigation

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(b) COVID-19

On March 11, 2020, the World Health Organization classified the outbreak of a new strain of the coronavirus ("COVID-19") as a pandemic. The COVID-19 outbreak in the United States began in mid-March 2020 and has continued through 2021 and subsequent to the fiscal year end. It is continuing to disrupt supply chains and affect production and sales across a range of industries. Management believes the pandemic has had a material effect on the Company's operations, reducing revenue from both new and existing franchisees. The extent of the impact of COVID-19 on the Company's future operational and financial performance continues to evolve and will depend on certain ongoing developments, including the duration and spread of the outbreak, impact on the Company's customers and vendors all of which are uncertain and cannot be reasonably estimated. At this point, the full extent to which COVID-19 may impact the Company's future financial condition or results of operations is uncertain.

(6) Subsequent Events

Management has reviewed and evaluated subsequent events through April 29, 2022, the date on which the financial statements were issued.

EXHIBIT C

FRANCHISE AGREEMENT

EXHIBIT C

MICI FRANCHISING, LLC

FRANCHISE AGREEMENT

Franchise #: ______________________________

Franchisee: ______________________________

Date: ______________________________

Location: See Attachment B-1

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MICI FRANCHISING, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Franchise Agreement") is made, entered into and effective as of the "Effective Date" set forth in Attachment B to this Franchise Agreement, by and between Mici Franchising, LLC, a Colorado limited liability company ("we," "us," or "our"), and the franchisee set forth in Attachment B to this Franchise Agreement ("you" or "your"). If more than one person or entity is listed as the franchisee, each such person or entity shall be jointly and severally liable for all rights, duties, restrictions and obligations under this Franchise Agreement.

This Franchise Agreement has been written in an informal style in order to make it more easily readable and to be sure that you become completely familiar with all of the important rights and obligations this Franchise Agreement covers before you sign it.

This Franchise Agreement includes several attachments, each of which are legally binding and are a part of the complete Franchise Agreement, including an Owners Agreement which is attached to this Franchise Agreement as Attachment D ("Owners Agreement"). If you are signing this Franchise Agreement as a legal Entity (for example, a limited liability company or corporation), certain provisions in this Franchise Agreement will also apply to all direct or indirect owners ("Owners") and their spouses. Each Owner and each Owner's spouse is required to sign the Owners Agreement.

It is your responsibility to read through the entire Franchise Agreement. This Franchise Agreement creates legal obligations that you must follow. We recommend that you consult with a legal professional to ensure that you understand these obligations. If you have any questions, or if you do not understand a certain provision or section, please review it with us or your legal and financial advisors before you sign this Franchise Agreement.

1. DEFINITIONS. This Franchise Agreement has defined terms. A defined term is a shorthand reference within a document that refers to another name or idea in the document. Defined terms are underlined and surrounded by double quotes, typically with capitalized first letters, and may be contained in parentheses. Some defined terms are in Attachment A of this Franchise Agreement.

2. GRANT OF FRANCHISE. We hereby grant you a license to own and operate a Mici franchised business ("Mici Business") using our Intellectual Property from a single location that we approve ("Mici Restaurant"). As a Mici franchisee, you will operate a Mici Restaurant providing fast casual and delivery Italian food. The menu items are subject to change and we do not represent that your Mici Business will always be permitted or required to offer all of the menu items currently offered. You must follow our off-site policies and procedures in our Operations Manual, which may require you to provide catering and delivery services and/or utilize third-party delivery services. You may be required to use the third-party delivery service(s) with which we have a national contract, and you may not contract with any other delivery platform without our approval. The license to operate a Mici Franchise contained in this Franchise Agreement does not permit you, at or through any location, to: (i) operate any food trucks; (ii) offer catering or delivery services in areas we have not approved; (iii) sell any items offered by your Mici Business outside of your Mici Restaurant, approved delivery areas or approved catering areas; or (iv) offer products for sale online or through the Internet, or at any Non-Traditional Location without our express written consent or except as expressly permitted by the Operations Manual. We reserve all rights not expressly granted to you.

3. TERRITORIAL RIGHTS AND LIMITATIONS. If your Mici Business is operated at a Non-Traditional Location, you will not receive any territorial protections. For all other Mici Businesses, except as provided in this Section 3, we will grant you a non-exclusive territory consisting of the geographic area identified in Attachment B ("Territory"). If you receive a Territory, we will not operate, or grant a franchise or license to a third party to operate, a Mici Business that is physically located within your Territory during the Term of the Franchise Agreement, provided you are in compliance with this Franchise Agreement. However, you are not guaranteed any specific territory or territorial rights for catering or delivery. We may provide and we may grant third parties, including other Mici franchisees, the right to provide delivery services and offer catering within your Territory without any compensation to you.

We further retain the right, for ourselves and our affiliates, on any terms we deem advisable, and without granting you any rights:

(i) to own, franchise or operate Mici Businesses at any location outside of the Territory, regardless of the proximity to your Mici Restaurant;

(ii) to use the Marks and the System to sell any products or services similar to those which you will sell through any alternate channels of distribution within or outside of the Territory. This includes, but is not limited to, other channels of distribution such as television, catalog sales, wholesale to unrelated retail outlets or over the Internet. We reserve the Internet as a channel of distribution for us, and you may not independently market on the Internet or conduct e-commerce without our permission;

(iii) to produce, offer and sell, and to grant others the right to produce, offer and sell the products and services offered at Mici Businesses and any other proprietary products displaying the Marks or any other marks, through Non-Traditional Locations within or outside of the Territory;

(iv) to use and license the use of other proprietary and non-proprietary marks or methods which are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution or in the operation of a business offering fast casual and delivery Italian food and related goods and services at any location, including within the Territory, which may be similar to or different from the Mici Business operated by you;

(v) to engage in any transaction, including to purchase or be purchased by, to merge or combine with, to convert to the System or be converted into a new system with any business, whether franchised or corporately owned, including a business that competes directly with your Mici Business, wherever located; provided that in such situations the newly acquired business may not operate under the Marks inside of your Territory;

(vi) to use and license the use of technology to non-franchisee locations inside and outside the Territory;

(vii) to implement multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs; and

(viii) to engage in any other business activities not expressly prohibited by this Franchise Agreement, both within and outside your Territory.

We have no express obligation or implied duty to insulate or protect you from or against erosion in your revenues or market share as the result of your Mici Business competing with other foodservice businesses, Non-Traditional Locations, catering or delivery services within or outside your Territory, or in the ways and to the extent this Section provides or contemplates. You waive any right to assert any Claim against us based on the existence, actual or arguable, of any such obligation or duty. We are not required to pay you if we exercise any of the rights specified above within your Territory. The continuation of the Territory is not dependent upon your achievement of a certain sales volume, market penetration or other contingency. We do not pay compensation for soliciting or accepting orders inside your Territory.

4. TERM AND RENEWAL.

4.1. Generally. The term of this Franchise Agreement will begin on the Effective Date and continue for ten years ("Term"). If this Franchise Agreement is the initial franchise agreement for your Mici Business, you may enter into one successor franchise agreement (a "Successor Agreement"), as long as you meet the conditions for renewal specified below. The Successor Agreement shall be the current form of franchise agreement that we use in granting Mici Franchises as of the expiration of the Term. The terms and conditions of the Successor Agreement may vary materially and substantially from the terms and conditions of this Franchise Agreement. The successor term will be ten years. If you are signing this Franchise Agreement as a Successor Agreement, the references to "Term" shall mean the applicable renewal term of the Successor Agreement. Except as provided in Section 4.3 below, you will have no further right to operate your Mici Business following the expiration of the successor term unless we grant you another Franchise, in our sole discretion. If you are renewing a prior franchise agreement with us under this Franchise Agreement, the renewal provisions in your initial franchise agreement will dictate the length of the Term of this Franchise Agreement, as well as your remaining renewal rights, if any.

4.2. Renewal Requirements. In order to enter into a Successor Agreement, you and each of your Owners (as applicable) must: (i) notify us in writing of your desire to enter into a Successor Agreement not less than 60 days nor more than 180 days before the expiration of the Term; (ii) not be in default under this Franchise Agreement or any other agreement with us or any affiliate of ours at the time you send the renewal notice or the time you sign the Successor Agreement; (iii) sign the Successor Agreement and all ancillary documents that we require franchisees to sign, which may have materially different terms that are less favorable to you, including higher Royalty and other fees or smaller Territory; (iv) sign a General Release; (v) pay or reimburse our costs (including attorneys' fees) up to $10,000, payable at the time you sign the new franchise agreement; (vi) at least 60 days but not more than 180 days before the expiration of the Term, you must upgrade and remodel your Mici Restaurant in accordance with Section 12.8 to comply with our then-current standards and specifications; (vii) have the right under your lease to maintain possession of the premises where your Mici Restaurant is located for the duration of the successor term; and (viii) take any additional actions that we reasonably require.

4.3. Interim Term. If you do not sign a Successor Agreement after the expiration of the Term and you continue to accept the benefits of this Franchise Agreement, then, at our option, this Franchise Agreement may be treated either as: (i) expired as of the date of the expiration with you then operating without a Franchise to do so and in violation of our rights; or (ii) continued on a month-to-month basis ("Interim Term") until either party provides the other party with 30 days' prior written notice of the party's intention to terminate the Interim Term. In the latter case, all of your obligations will remain in full force and effect during the Interim Term as if this Franchise Agreement had not expired, and all obligations and restrictions imposed on you upon the expiration or termination of this Franchise Agreement will be deemed to take effect upon the termination of the Interim Term. Except as otherwise permitted by this Section 4.3, you have no right to continue to operate your Mici Business following the expiration of the Term.

5. TRAINING AND CONFERENCES.

5.1. <u>Initial Training</u>. We will provide our initial training program ("<u>Initial Training Program</u>") at no charge for up to three people, which must include you, or, if you are an Entity, your Operating Principal (as defined in Section 8.1), and your Designated Manager (if applicable) or other representative that we require; provided that all persons attend the Initial Training Program simultaneously. We also provide five days of on-site training at your Restaurant as part of the initial training, which will include three days before opening and two days after opening. You are responsible for all your expenses for persons that attend the Initial Training Program, including lodging, transportation, food, and similar expenses. If you hire a new Designated Manager or appoint a new Operating Principal after we conduct our pre-opening Initial Training Program, the new Designated Manager or Operating Principal, as applicable, must attend and successfully complete our then-current Initial Training Program at your cost prior to assuming responsibility for your Mici Business. We may charge you our then-current fee for providing training to additional persons, newly-hired personnel, or any person who must retake training after failing to successfully complete training on a prior attempt, as well as refresher training courses, advanced training courses, and any other additional or special assistance or training you need or request. If we send a trainer to your Mici Restaurant, you will also be required to pay their travel and living expenses. You, or if you are an Entity, your Operating Principal and your Designated Manager, if any, must attend and successfully complete our initial training program before you open your Mici Business.

5.2. <u>Periodic Training and Conferences</u>. We may offer periodic refresher or additional training courses for you or your Operating Principal, Designated Manager and other employees. Attendance at these training programs may be optional or mandatory. You agree to attend an annual conference of all franchisees at a location we designate if we require you to do so. You will be responsible for all costs associated with attendance at any such conference. You are responsible for paying our then-current conference fee, whether or not you attend the conference in any given year.

5.3. <u>Training Fees and Expenses</u>. You are solely responsible for all expenses and costs that you, or if you are an Entity, your Operating Principal, Designated Manager (if any) and each of your trainees incur for all trainings and conferences under this Section 5, including wages, travel, lodging and living expenses. You also agree to reimburse us for all expenses and costs that we incur to travel to your Mici Restaurant under this Section 5, including transportation, food, lodging and travel expenses. All training fees and expense reimbursements must be paid to us within ten days after invoicing.

6. OTHER ASSISTANCE.

6.1. <u>Operations Manual</u>. We will provide you with access to a copy of our current Operations Manual for the Term of this Franchise Agreement, and we will later provide you with all periodic modifications thereto and any other manual we may develop specifying the System standards (collectively, the "<u>Operations Manual</u>"). If the copy of the Operations Manual loaned to you is lost, stolen, destroyed or significantly damaged before you return it to us, you must pay us our then-current replacement fee. We reserve the right to provide the Operations Manual electronically, such as by an intranet or password-protected website. You acknowledge that your compliance with the Operations Manual is vitally important to us and other System franchisees and is necessary to protect our reputation and the goodwill of the Marks and to maintain the uniform quality of operation throughout the System. It is not designed to control the day-to-day operation of the Mici Business.

6.2. <u>Site Selection</u>. We will provide you with advice and general specifications for identifying a suitable location for the Restaurant, as further described in Section 7.1.

6.3. **General Guidance**. We will, upon reasonable request, provide advice or guidance regarding your Mici Business's operation based on reports or inspections or discussions with you. Advice will be given during our regular business hours and via written materials, electronic media, telephone or other methods, in our discretion.

6.4. **Marketing Assistance**. As further described in Section 11, we will provide you with other marketing assistance.

6.5. **Website**. We will maintain a website ("System Website") for Mici restaurants that will include the information about your Mici Business that we deem appropriate. We may modify the content of and/or discontinue the System Website at any time in our sole discretion. We are only required to reference your Mici Business on the System Website while you are in full compliance with this Franchise Agreement and all System standards. If you wish to advertise online, you must follow our online policy, which is contained in our Operations Manual and discussed in Section 11.2.5 below. We must approve all content on your webpage. We will own the System Website (including any webpages for your Mici Business) and domain name at all times.

6.6. **Supplier Agreements**. We may, but are not required to, negotiate agreements with suppliers and distributors to obtain discounted prices for us and our franchisees. If we succeed in negotiating an agreement, we may arrange for you to be able to purchase the products directly from the supplier at the discounted prices that we negotiate (subject to any rebates the supplier pays to us). We may also purchase certain items from suppliers in bulk and resell them to you at our cost (including overhead and salaries), plus shipping fees and a reasonable markup, in our sole discretion.

6.7. **Proprietary Products**. We utilize Mici proprietary food products and recipes and may continue to develop and own proprietary recipes. You must purchase the proprietary products we or our affiliates develop only from us, our affiliates or a third party who we have licensed to prepare and sell the products. You agree to maintain a reasonable inventory of approved food products, beverages, ingredients and other products in sufficient quantities and variety at your Mici Business at all times.

6.8. **Notice**. If you believe that we or our affiliates have failed to adequately provide any assistance or services to you as provided in this Franchise Agreement, you will notify us in writing within 30 days following ours or our affiliates' provision of such services. Without the timely provision of such notice to us, you will be deemed to conclusively acknowledge that all such assistance or services required to be provided by us or our affiliates were sufficient and satisfactory in your judgment.

7. ESTABLISHING YOUR MICI BUSINESS.

7.1. **Site Selection**. Your Mici Restaurant must be located within the Territory identified in Attachment B-1 and must conform to our minimum site selection criteria. We must approve of your real estate broker who will advise and counsel you on site selection for the Mici Restaurant and we will provide you with assistance with broker vetting and approval, site feasibility studies, LOI review, real estate committee process and approval, and limited remote construction oversight, or other services we deem appropriate. In addition, we recommend that you retain: (a) an experienced commercial real estate broker or salesperson to advise and counsel you on price, economics, viability, location and acquisition or lease of the site for the Mici Restaurant; and (b) an experienced attorney to provide advice and counsel you on your Mici Business and the terms, conditions and economics of the legal and other documents required to lease or purchase the site. We must approve of the site for the Mici Restaurant before you enter into a lease or a purchase contract. Before leasing or purchasing a commercial site for your Mici Restaurant, you must submit to us, in the form we specify, a description of the site, with other information and materials we may reasonably require. You must send us a complete site report (containing the demographic, commercial and other information, photographs and video tapes that we may reasonably require) for your proposed site. Upon receiving the information regarding a proposed site, we will review the information and either accept or reject the proposed site. If we do not accept your proposed site within 30 days after your submission (or 30 days after you provide any supplemental information we request), the site will be deemed rejected. If we disapprove of the proposed site, you must select another site, subject to our consent. You agree to locate and obtain our approval of the Mici Restaurant within 180 days after the Effective Date. If you do not locate a site for the Mici Restaurant which is acceptable to us within 180 days after the Effective Date, we may terminate this Franchise Agreement. We have the right to accept or reject all proposed sites in our commercially reasonable judgment. Our approval shall be evidenced by the execution of Attachment B-1 by you and us. You may only operate the Mici Business at the location specified in Attachment B-1. You understand that our approval of a site does not constitute a representation or warranty of any kind, express or implied, of the suitability of the site for a Mici Restaurant. Our approval of the site indicates only that we believe the site meets our minimum criteria.

7.2. **Lease**. If you lease the premises for your Mici Restaurant, before doing so, you must submit to us, in the form we specify, a description of the site, a proposed copy of the lease and such other information and materials we may reasonably require. You must also provide us with a proposed copy of the lease for the premises at least ten days before signing. We will only review the lease to determine whether it complies with the terms of this Franchise Agreement and will not review the lease for or provide you with any business, economic, legal or real estate analysis or advice. If you hire our approved vendor, they may assist you in negotiating the lease for your Mici Restaurant. However, you are solely responsible for the terms of the lease and any no-objection letter we provide for the lease does not provide any representation or warranty of any kind, express or implied, concerning the terms of the lease or the viability or suitability of the site for the Mici Restaurant. You will ensure your landlord either: (1) signs the Lease Addendum that is attached to the Franchise Disclosure Document in Exhibit H; or (2) incorporates the terms of the Lease Addendum into the lease for the Mici Restaurant. If your landlord refuses, we have the right to disapprove of your lease, in which case you must find a new site for your Mici Restaurant. You and the landlord must sign a lease and Lease Addendum within 180 days of the Effective Date. You must promptly send us a copy of your fully executed lease and any Lease Addendum for our records. Your landlord may require you and, if you are an Entity, the owners and spouses to sign a personal guaranty.

7.3. **Design and Construction**. We will provide you with specifications for the design and layout for a Mici Restaurant. You must hire an architect approved by us in order to modify these plans to comply with all local ordinances, building codes, permit requirements, and lease requirements and restrictions applicable to the premises. You must first review and accept the architect's drafted floor plan and submit your floor plan to us for our review and acceptance. Once we accept your floor plan, the architect must develop your full construction drawings for the Mici Restaurant. Upon your review and acceptance, you must submit your construction drawings to us for our final review and approval. Once we accept your floor plan and approve your construction drawings, drawings and specifications may not be changed or modified without our prior written approval. Once accepted by us, you must, at your sole expense, construct and equip the Mici Restaurant to the specifications contained in the Operations Manual and purchase (or lease) and install the equipment, fixtures, furnishings, signs and other items that we require. All exterior and interior signs of the Mici Restaurant must comply with the specifications that we provide to you. We must approve the architects, contractors and other suppliers you use to construct your Mici Restaurant. You agree to provide us with weekly status updates as to construction of the Mici Restaurant. You acknowledge these requirements are necessary and reasonable to preserve the identity, reputation and goodwill we developed and the value of the Mici System. We must approve the layout of your Mici Restaurant prior to opening.

7.4. Opening. You must open your Mici Business to the public within 12 months of the Effective Date. You may not open your Mici Business before: (i) successful completion of the initial training program by you or your Operating Principal and your Designated Manager, if you have one; (ii) you purchase all required insurance; (iii) you obtain all required licenses, permits and other governmental approvals; and (iv) we provide our written approval of the construction, buildout and layout of your Mici Restaurant. We may conduct a pre-opening inspection of your Mici Restaurant and you agree to make any changes we require before opening. By virtue of opening your Mici Business, you acknowledge that we have fulfilled all of our pre-opening obligations to you.

7.5. Relocation. You may relocate your Mici Restaurant within your Territory with our prior written approval, which we will not unreasonably withhold. If we allow you to relocate within your Territory, you must: (i) comply with Sections 7.1 through Section 7.3 of this Franchise Agreement with respect to your new Mici Restaurant (excluding the 12-month opening period); (ii) open your new Mici Restaurant and resume operations within 30 days after closing your prior Mici Restaurant; and (iii) pay us a $10,000 relocation fee. You may not relocate your Mici Restaurant outside of your Territory without our prior written approval, which we may withhold in our sole discretion. We may require that your Territory be modified as a condition to our approval of you relocating your Restaurant. Upon our approval of the relocation of your Mici Restaurant, Attachment B shall be updated with the new location, and the remainder of this Franchise Agreement shall remain in full force and effect.

8. MANAGEMENT AND STAFFING.

8.1. Owner Participation. You acknowledge that a major requirement for the success of your Mici Business is the active, continuing and substantial personal involvement and hands-on supervision by you or your Operating Principal, who must at all times be actively involved in the operation of the Mici Business on a full-time basis and provide on-site management and supervision, unless we authorize you to delegate management functions to a Designated Manager (defined below in Section 8.2). If you are not an individual, you must designate an Operating Principal ("Operating Principal") acceptable to us who will be principally responsible for communicating with us about the Mici Business. The Operating Principal: (i) must have the authority and responsibility for the day-to-day operations of your Mici Business; (ii) must successfully complete the Initial Training Program; and (iii) must have at least ten percent (10%) equity in you.

8.2. Designated Manager. You may hire a manager to assume responsibility for the daily on-site management and supervision of your Mici Business ("Designated Manager"), but only if: (i) we approve the Designated Manager in our commercially reasonable discretion; (ii) the Designated Manager successfully completes the Initial Training Program; and (iii) you or your Operating Principal agree to assume responsibility for the on-site management and supervision of your Mici Business if the Designated Manager is unable to perform his or her duties due to death, disability, termination of employment, or for any other reason, until such time that you obtain a suitable replacement Designated Manager. We may require that the Designated Manager have an ownership interest in you.

8.3. Employees. You must determine appropriate staffing levels for your Mici Business to ensure full compliance with this Franchise Agreement and our System standards. You are solely responsible to hire, train and supervise employees or independent contractors to assist you with the proper operation of the Mici Business. You must pay all wages, commissions, fringe benefits, worker's compensation premiums and payroll taxes (and other withholdings levied or fixed by any city, state or federal governmental agency, or otherwise required by law) due for your employees. These employees and independent contractors will be employees of yours and not of ours. We do not control the day-to-day activities of your employees or independent contractors or the manner in which they perform their assigned tasks. You must inform your employees and independent contractors that you are exclusively responsible for supervising their activities and dictating the manner in which they perform their assigned tasks. In this regard, you must use your legal business entity name (not our Marks or a fictitious name) on all employee applications, paystubs, pay checks, employment agreements, consulting agreements, timecards and similar items. We also do not control the hiring or firing of your employees or independent contractors. You have sole responsibility and authority for all employment-related decisions, including employee selection and promotion, firing, hours worked, rates of pay and other benefits, work assignments, training and working conditions, compliance with wage and hour requirements, personnel policies, recordkeeping, supervision and discipline. We will not provide you with any advice or guidance on these matters. You must require your employees and independent contractors to review and sign any acknowledgment form we prescribe that explains the nature of the franchise relationship and notifies the employee or independent contractor that you are his or her sole employer. You must also post a conspicuous notice for employees and independent contractors in the back-of-the-house area explaining your franchise relationship with us and that you (and not we) are the sole employer. We may prescribe the form and content of this notice. You agree that any direction you receive from us regarding employment policies should be considered as examples, that you alone are responsible for establishing and implementing your own policies, and that you understand that you should do so in consultation with local legal counsel competent in employment law.

8.4. **Interim Manager**. We have the right, but not the obligation, to designate an individual of our choosing to manage your Mici Business ("Interim Manager") if: (i) you or your Operating Principal cease to perform the responsibilities of an Operating Principal (whether due to retirement, death, disability, or for any other reason) and you fail to find an adequate replacement Operating Principal within 30 days; (ii) you are in material breach of this Franchise Agreement; or (iii) upon a Crisis Management Event. The Interim Manager will cease to manage your Mici Business at such time that you hire an adequate replacement Operating Principal who has completed training, you cure the material breach, or the Crisis Management Event ends, as applicable. If we appoint an Interim Manager, you agree to pay us a management fee of $400 per day per representative, plus costs and expenses incurred by us, including our reasonable attorney, accountant and other professional fees and costs. The Interim Manager will have no liability to you except in the case of its direct gross negligence or willful misconduct. We will have no liability to you for the activities of an Interim Manager unless we are grossly negligent in appointing the Interim Manager. Nothing contained herein shall prevent us from exercising any other right that we may have under this Franchise Agreement, including, without limitation, termination of the Franchise Agreement.

9. **FRANCHISEE AS ENTITY**. If you are an Entity, you agree to undertake each obligation under this Section 9. You must provide us with a list of all of the Owners. You must execute a resolution of the Entity authorizing the execution of this Franchise Agreement and provide us a copy of the Entity's organizational documents and a current Certificate of Good Standing (or the functional equivalent thereof). You represent as of the Effective Date, and covenant during the Term (and any extensions thereof) to ensure that the Entity is duly formed and validly existing under the laws of the state of its formation or incorporation. You are, and will continue to be during the Term (and any extensions thereof), qualified and authorized to do business in the jurisdiction where the Mici Restaurant is to be located and in each jurisdiction where it conducts business, maintains offices, owns real estate or where qualification is required by law. You agree to ensure that your organizational documents will at all times provide your business activities will be confined exclusively to the ownership and operation of the Mici Business, unless otherwise consented to in writing by us. You agree that Attachment C to this Franchise Agreement completely and accurately describes all of the Owners and their interests in you as of the Effective Date. You and the Owners agree to sign and deliver to us revised versions of Attachment C periodically to reflect any permitted changes in the information that Attachment C now contains. You agree to, at all times, maintain a current schedule of the Owners of you and their ownership interests and to immediately provide us with a copy of the updated ownership schedule whenever there is any change of ownership to you. You acknowledge that you and the Owners have no material liabilities, adverse claims, commitments or obligations of any nature as of the Effective Date, whether accrued, unliquidated, absolute, contingent or otherwise, except as disclosed to us in writing or set forth in any financial statements that have been provided to us. You will, at all times, maintain sufficient working capital to operate the Mici Business and to fulfill its obligations under this Franchise Agreement, and will take steps to ensure availability of capital to fulfill your obligations to maintain and remodel the Mici Restaurant premises in accordance with this Franchise Agreement. You agree not to use the name "MICI" or any derivative thereof in the name of your Entity. You further acknowledge that the acknowledgements, representations, covenants and warranties contained in this Section are continuing obligations of you and the Owners and that any failure to comply with such representations, warranties and covenants will constitute a material breach of this Franchise Agreement.

10. OWNERS AGREEMENT. If you are an Entity, all Owners (whether direct or indirect) and their spouses must sign the Owners Agreement, attached as Attachment D to this Franchise Agreement, agreeing to be personally bound by all of this Franchise Agreement's terms. You agree that, if any person or Entity ceases to be one of your Owners, or if any individual or Entity becomes an Owner of you (such ownership change must comply with the Transfer requirements discussed in Section 19.2 below), you will require the new Owner (and the new Owner's spouse) to execute all documents required by us, including the Owners Agreement.

11. ADVERTISING AND MARKETING.

11.1. Brand Fund.

11.1.1. Administration. We reserve the right to establish and maintain a brand building fund ("Brand Fund") for marketing, developing, and promoting the System, the Marks and Mici Businesses. The Brand Fund may be administered by us or our affiliate or designees, at our discretion. We may use the Brand Fund to pay for any of the following in our sole discretion: (i) developing, maintaining, administering, directing, preparing or reviewing advertising and marketing materials, promotions and programs, including social media management; (ii) public awareness of any of the Marks; (iii) public and consumer relations and publicity; (iv) brand development; (v) research and development of technology, products and services; (vi) website development, maintenance and updates; and search engine optimization; (vii) development and implementation of quality control programs; (viii) conducting market research; (ix) changes and improvements to the System; (x) the fees and expenses of any advertising agency we engage to assist in producing or conducting advertising or marketing efforts; (xi) collecting and accounting for Brand Fund Contributions; (xii) preparing and distributing financial accountings of the Brand Fund; (xiii) conducting food audit programs and other reputation management functions; (xiv) any other programs or activities that we deem necessary or appropriate to promote or improve the System; (xv) our and our affiliates' expenses associated with direct or indirect labor, administrative, overhead, or other expenses incurred in relation to any of these activities; and (xvi) any other purpose. We have sole discretion in determining the content, concepts, materials, media, endorsements, frequency, placement, location, and all other matters pertaining to any of the foregoing activities. Any surplus of monies in the Brand Fund may be invested. Any unused funds that were collected in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the Brand Fund on any terms we deem reasonable. The Brand Fund is not a trust, and we have no fiduciary obligations to you with respect to our administration of the Brand Fund. An unaudited financial accounting of the operations of the Brand Fund, including deposits into and disbursements from the Brand Fund, will be prepared annually and made available to you upon written request. We do not ensure that our expenditures from the Brand Fund in or affecting any geographic area are proportionate or equivalent to the Brand Fund Contribution by our franchisees operating in that geographic area or that any of our franchisees benefit directly or in proportion to their Brand Fund Contribution. We reserve the right to change, merge, re-form or dissolve the Brand Fund in our discretion. We will not use the Brand Fund for advertising that is principally a solicitation for the sale of Franchises, but we reserve the right to include a notation in any advertisement or website indicating "Franchises Available" or similar phrasing.

11.1.2. Brand Fund Contribution. We currently do not charge, but reserve the right to require that on the same day your Royalty (defined below in Section 13.2) payment is due, you contribute to the Brand Fund the amount that we specify in our Operations Manual ("Brand Fund Contribution"), not to exceed two percent (2%) of your weekly Net Sales.

11.1.3. Brand Fund Termination. We may, upon 30 days' prior written notice to you, reduce or suspend Brand Fund Contribution and operations for one or more periods of any length and terminate and/or reinstate the Brand Fund. If we terminate the Brand Fund, we may either spend the remaining amounts or distribute all unused contributions to contributing then- current franchisees, and to us or our affiliates, in proportion to respective contributions during the preceding 24-month period.

Your Marketing Activities.

11.1.4. Local Advertising Requirement. In addition to any required Brand Fund Contribution, you must spend $1,500 on local advertising each month (beginning in your fourth month of operations) to promote your Mici Business ("Local Advertising Requirement"). You will provide reports verifying your local advertising expenditures at our request. We must approve all local advertising in accordance with Section 11.2.4. You agree to participate at your own expense in all advertising, promotional and marketing programs that we require, including any advertising cooperative that we establish pursuant to Section 11.3.

11.1.5. Grand Opening Advertising Program. You will spend a minimum of $12,000 on approved grand opening marketing, advertising and promotion for your Mici Business ("Grand Opening Program"), as follows: (i) $6,000 shall be spent during the period commencing 60 days prior to the opening of your Mici Business; and (ii) $6,000 shall be spent during the 90 days after the date on which your Mici Business opens for business. We will consult with you in connection with your Grand Opening Program, and all grand opening advertising must be agreed upon by you and us in advance and conform to our System Standards. You agree to provide us with an accounting (in the form prescribed by us) of your expenditures for grand opening marketing, advertising and promotion within 120 days after the opening of your Mici Business upon our request. All expenditures for grand opening marketing, advertising and promotion will be in addition to your other marketing, advertising and promotion obligations under the Franchise Agreement.

11.1.6. Standards for Advertising. You must order sales and marketing material from us or our designated suppliers. All advertisements and promotions that you create or use must be completely factual and conform to the highest standards of ethical advertising and comply with all federal, state and local laws, rules and regulations. You must ensure that your advertisements and promotional materials do not infringe upon the intellectual property or legal rights of others. You are not prohibited from directly marketing to or soliciting customers whose principal residence is outside of your Territory.

11.1.7. Approval of Advertising. We must pre-approve all advertising and promotional materials that we did not prepare or previously approve (including materials that we prepared or approved, and you modify). We will be deemed to have disapproved the materials if we fail to issue our written approval within 30 days after receipt. You may not use any advertising or promotional materials that we have disapproved (including materials that we previously approved and later disapprove). If you use unauthorized advertising materials, you must pay a fee of $500 per occurrence to us, or, if established, to the Brand Fund.

11.1.8. Internet and Websites. We may require that you utilize our designated supplier for social media marketing services at your expense. If you wish to utilize social media or advertise online, you must follow our online policy which is contained in our Operations Manual. Our online policy may change as technology and the Internet changes. We may restrict your use of social media. You may not establish an account or participate in any social networking sites (including, without limitation, any social or professional networking site, blog, or crowdfunding campaign) or mention or discuss the franchise, us or any of our affiliates, without our prior written consent and as subject to our online policy. Subject to Section 3 above, we restrict your ability to independently market on the Internet, and we may not allow you to use any domain name, address, locator, link, metatag or search technique with words or symbols similar to the Marks. We intend that any franchisee website will be accessed only through our home page. At this time, we do not allow our franchisees to maintain their own websites (other than the localized webpage that we provide) or market their Mici Business on the Internet (other than through approved social media outlets). Accordingly, you may not maintain a separate website, conduct e-commerce, or otherwise maintain a presence or advertise on the Internet or any other public computer network in connection with your Mici Business without our express written permission, which we may revoke at any time, in our sole discretion.

11.2. Advertising Cooperatives. We have the right, but not the obligation, to create one or more local or regional advertising cooperatives ("Cooperatives") for the purpose of creating and/or purchasing advertising programs for the benefit of all franchisees operating within a particular region in which you may be required to participate. Members of the Cooperative will be responsible for administering the Cooperative, including determining the amount of contributions from each member. Any contributions made to a Cooperative will count towards your Local Advertising Requirement. We may require that each Cooperative operate with governing documents and prepare annual unaudited financial statements. We reserve the right to form, change, dissolve or merge any Cooperative formed in the future. Upon our request, you will be required to participate in compliance with the provisions of the Operations Manual, which we may periodically modify at our discretion. We have the right to determine the composition of all geographic territories and market areas for each Cooperative. Franchisees in each Cooperative will contribute an amount to the Cooperative for each Mici Franchise that the franchisee owns that exists within any Cooperative's geographic area. Mici Businesses we own within the Cooperative's area are not required to contribute to the Cooperative on the same basis as franchisees.

11.3. Advisory Council. We also have the right to establish an advisory council ("Council") to advise us on advertising policies and to promote communications between us and all franchisees. If the Council is formed, it will be governed by bylaws that will specify that members of the Council would consist of both franchisees and corporate representatives and will specify the manner in which members are selected, subject to any changes to such bylaws or structure that we deem necessary in our sole discretion. The Council would serve in an advisory capacity only. We reserve the right to grant to the Council any operation or decision-making powers that we deem appropriate. We reserve the right to form, change, merge or dissolve the Council, in our sole discretion.

11.4. Marketing Assistance from Us. We may create and make available to you, advertising and other marketing materials for your purchase. We may use the Brand Fund to pay for the creation and distribution of these materials, in which case there will be no additional charge. We may make these materials available over the Internet (in which case you must arrange for printing the materials and paying all printing costs). We may also enter into relationships with third-party suppliers who will create the advertising or marketing materials for your purchase.

12. BRAND STANDARDS.

12.1. Generally. You agree to operate your Mici Business: (i) in a manner that will promote the goodwill of the Marks; and (ii) in full compliance with our standards and all other terms of this Franchise Agreement and the Operations Manual. Any required standards exist to protect our interests in the System and the Marks, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Operations Manual or other written materials. The Operations Manual will also include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative; provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the System and Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

12.2. Operations Manual. You agree to establish and operate your Mici Business in accordance with the Operations Manual. The Operations Manual may contain, among other things: (i) a description of the authorized products and services that you may offer at your Mici Business; (ii) mandatory and suggested specifications, operating procedures, and quality standards for goods, products, services, ingredients and menu items that you use or offer at your Mici Business; (iii) policies and procedures that we prescribe from time to time for our franchisees; (iv) mandatory reporting and insurance requirements; (iv) mandatory and suggested specifications for your Mici Business; (vi) policies and procedures pertaining to any gift card program that we establish; (vii) policies and procedures pertaining to catering and delivery services and/or utilizing third-party delivery services (e.g., Uber Eats, Grubhub, etc.); and (viii) a written list of furniture, fixtures, equipment, products and services (or specifications for such items) you must purchase for the development and operation of your Mici Business and a list of any designated or approved suppliers for such items. The Operations Manual is designed to establish and protect our brand standards and the uniformity and quality of the products and services offered by our franchisees. We can modify the Operations Manual at any time, but such modifications will not alter your rights under this Franchise Agreement. The modifications will become binding immediately when we send you notice of the modification. All mandatory provisions contained in the Operations Manual (whether they are included now or in the future) are binding on you.

12.3. Authorized Products and Services. You agree to offer all goods and services that we require from time to time. You may not offer any other products or services at your Mici Business without our prior written permission. You may not use your Mici Restaurant or permit your Mici Restaurant to be used for any purpose other than offering the products and services that we authorize. We may, without obligation to do so, add, modify or delete authorized goods and services, and you must do the same upon notice from us. Our addition, modification or deletion of one or more products or services shall not constitute a termination of the Franchise or this Franchise Agreement. You will not enter into any agreements with any third parties that can process orders for you on your behalf. You must follow our off-site policies and procedures in our Operations Manual, which may allow you to provide catering and delivery services in the territories of other Mici Businesses without compensating the operator of those businesses. These policies may allow other Mici Businesses to provide catering and delivery services in your Territory without compensating you. We may impose restrictions in the future that prevent you from providing catering and delivery services outside of your Territory. We also reserve the right to require you to discontinue catering or delivery services at any time.

12.4. **Suppliers and Purchasing**. You agree to purchase or lease all products, supplies, equipment, services and other items specified in the Operations Manual. If required by the Operations Manual, you agree to purchase certain products and services only from suppliers designated or approved by us (which may include, or be limited exclusively to, us or our affiliates). You agree to use the technology, ordering system or service provider designated by us and to pay all ordering or service fees associated with such orders assessed by our approved or designated suppliers. You acknowledge that our right to specify the suppliers that you may use and add or remove suppliers is necessary and desirable so that we can control the uniformity and quality of products and services used, sold or distributed in connection with the development and ongoing operation of your Mici Business, maintain the confidentiality of our trade secrets, obtain discounted prices for our franchisees if we choose to do so, and protect the reputation and goodwill associated with the System and the Marks. If we or our affiliates receive rebates or other financial consideration from these suppliers based upon your purchases or any other of our franchisee's purchases, we have no obligation to pass these amounts on to you or to use them for your benefit. If you want us to approve a supplier, product or service that you propose, you must send us a written notice specifying the supplier's name and qualifications or product information and provide any additional information that we request. We will approve or reject your request within 30 days after we receive your notice and all additional information (and samples) that we require. We shall be deemed to have rejected your request if we fail to issue our approval within the 30-day period. You agree to reimburse us for all costs and expenses that we incur in reviewing a proposed supplier within ten days after invoicing.

12.5. **Equipment Maintenance and Changes**. You agree to maintain all of your equipment in good condition and promptly replace or repair any equipment that is damaged, worn out or obsolete. We may require that you add new equipment or change, upgrade or replace your equipment, which may require you to make additional investments. You acknowledge that our ability to require franchisees to make significant changes to their equipment is critical to our ability to administer and change the System, and you agree to comply with any such required change within the time period that we reasonably prescribe.

12.6. **Software and Technology**. You will, at your expense, purchase and maintain any point-of-sale system, cash register, computer hardware and software, communication equipment, communication services, Internet services (including the requirement to maintain a high-speed Internet connection), dedicated telephone and power lines, modems, printers, and other related accessories or peripheral equipment that we may specify for use in the Mici Business from the suppliers that we specify. You will provide any assistance we require to connect your point-of-sale systems or computer systems with our computer system. We (or our designee) will have the right at any time to retrieve data and other information from your point-of-sale systems or computer systems as we, in our sole discretion, deem necessary or desirable. You shall ensure that we have access at all times to your point-of-sale systems, at your cost. You must provide us with any and all codes, passwords and information necessary to access your computer network. You must receive our prior approval before changing such codes, passwords and other necessary information. You will strictly comply with the policies and procedures specified in the Operations Manual for all items associated with your point-of-sale systems, computer systems and communication equipment and services. You will keep the point-of-sale systems, computer systems and communication equipment in good maintenance and repair, and you will promptly install, at your expense, any additions, changes, modifications or substitutions to your point-of-sale systems, computer hardware, software, communication equipment, telephone and power lines, and other related accessories or peripheral equipment, as we may specify periodically. You will utilize the point-of-sale systems, computer systems and communication equipment and services in connection with the Mici Business pursuant to our policies and procedures as contained in the Operations Manual.

You are required to pay our then-current technology fee ("Technology Fee"), currently $25 per week beginning the week you begin operations, in accordance with the terms of this Section 12.6 and Section 13 of this Franchise Agreement, for the use of certain technologies used in the operation of your Mici Business, such as email address, System Website and other software costs, and you must also pay the point-of-sale system provider their then-current fee for all software licenses we require. We reserve the right to upgrade, modify and add new systems and software, which may result in additional initial and ongoing expenses that you will be responsible for. You will be responsible for any increase in fees that result from any upgrades, modifications or additional systems or software. You are required to purchase or license and use our then-current point-of-sale system and pay our designated vendor the then-current fee for the point-of-sale license and support. You acknowledge and agree that changes to technology are dynamic and not predictable within the Term of this Franchise Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we will have the right to establish, in writing, reasonable new standards for the implementation of technology in the System and you agree to comply with those reasonable new standards that we establish as if we periodically revised this Section for that purpose. There is no limitation on the frequency and cost of your obligation to maintain, update or upgrade your computer system or its components. We reserve the right to: (i) change or add approved suppliers of these services at any time in our sole discretion; (ii) enter into a master license agreement with any software or technology supplier and sublicense the software or technology to you, in which case we may charge you for all amounts that we must pay to the licensor based on your use of the software or technology; (iii) create proprietary software or technology that must be used by Mici franchisees, in which case we may require that you enter into a license agreement with us and pay us reasonable initial and ongoing licensing, support and maintenance fees; and (iv) increase or decrease the Technology Fee and other technology and licensing and expenses that you are required to pay under this Franchise Agreement. It is your responsibility to make sure that you are in compliance with all laws that are applicable to the computer system, your point-of-sale system or other technology used in the operation of your Mici Business, including all data protection or security laws, as well as Payment Card Industry compliance.

12.7. Maintenance. You agree to maintain your Mici Restaurant in good order and condition, reasonable wear and tear excepted, and make all necessary repairs, including replacements, renewals and alterations at your sole expense, to comply with our standards and specifications. Without limiting the generality of the foregoing, you agree to take the following actions at your sole expense: (i) thorough cleaning, repainting and redecorating of the interior and exterior of the Mici Restaurant at the intervals we may prescribe (or at such earlier times that such actions are required or advisable); and (ii) interior and exterior repair of the Mici Restaurant as needed. You agree to comply with any maintenance, cleaning or facility upkeep schedule that we prescribe from time to time.

12.8. Remodeling. You agree to remodel and make all improvements and alterations to your Mici Restaurant that we reasonably require from time to time to reflect our then-current image, appearance and facility specifications. There is no limitation on the cost of any remodeling that we may require. You will not install or permit to be installed on or about the Mici Restaurant premises any furnishings, fixtures, equipment, signs, décor, ATM machines, vending machines, video games, juke boxes, public telephone or other type of vending machine, whether or not coin-operated or the like, that we have not previously approved. The revenues you receive from any approved machines shall be included in your Net Sales. You may not remodel or significantly alter your Mici Restaurant without our prior written approval, which will not be unreasonably withheld. However, we will not be required to approve any proposed remodeling or alteration if the same would not conform to our then-current standards, specifications or image requirements. You agree to complete any remodel of the Mici Restaurant within 12 months after receiving our written request specifying the requirements. Except for maintenance under Section 12.7, we will not require that you remodel the Mici Restaurant more than once per initial or successor term.

12.9. <u>Hours of Operation</u>. You must keep your Mici Business open for the minimum hours and minimum days of operation as specified in the Operations Manual, which may change over the Term. Your Mici Business must be open every day of the year, other than federal holidays, unless otherwise agreed to by us. You must establish specific hours of operation and submit those hours to us for approval.

12.10. <u>Customer Complaints</u>. If you receive a customer complaint, you must follow the complaint resolution process that we specify to protect the goodwill associated with the Marks.

12.11. <u>Food Safety Audit</u>. At any time, we reserve the right to engage the services of one or more mystery shoppers or quality assurance inspection firms who will inspect your Mici Restaurant for quality control purposes. These inspections may address a variety of issues, including, but not limited to, customer service, food safety, sanitation and inventory rotation. You agree to fully cooperate with any such inspection. If we implement such a program, you may be invoiced directly by the mystery shopper or quality assurance firm for the services rendered. Alternatively, we may be invoiced by the mystery shopper or quality assurance firm, in which case you must pay your proportional share of the total fee based on number of inspections performed. You agree to pay us this fee within ten days after invoicing. If you fail a food safety audit, we will require you to undergo an additional food safety audit at your own expense within 45 days.

12.12. <u>Compliance with Standards</u>. You acknowledge the importance of every one of our standards and operating procedures to the reputation and integrity of the System and the goodwill associated with the Marks.

12.13. <u>Methods of Payment and Data Security</u>. You agree to maintain, at all times, credit card relationships with the credit and debit card issuers or sponsors, check or credit verification services, financial center services, merchant service providers, loyalty and gift cards, and electronic fund transfer systems (together, "<u>Credit Card Vendors</u>") that we may periodically designate as mandatory. The term Credit Card Vendors includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, Apple Pay and Google Wallet). You agree not to use any Credit Card Vendor for which we have not given you our prior written approval or as to which we have revoked our earlier approval. We have the right to modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke our approval of any service provider. You agree to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council, LLC (see www.pcisecuritystandards.org), or any successor organization or standards that we may reasonably specify. Among other things, you agree to implement the enhancements, security requirements and other standards that the PCI Security Standards Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards.

12.14. <u>Crisis Management Event</u>. You agree to notify us immediately by telephone and email upon the occurrence of a Crisis Management Event. We may establish emergency procedures which may require you to temporarily close the Mici Business to the public, in which case you agree that we will not be held liable to you for any losses or costs.

12.15. Gift and Loyalty Cards. You agree to participate in our gift and loyalty card programs, if any, and agree to make gift and loyalty cards available for purchase and redemption at your Mici Restaurant.

12.16. Privacy. You agree to comply with all applicable laws pertaining to the privacy of customer, employee and transactional information ("Privacy Laws"). You also agree to comply with our standards and policies pertaining to Privacy Laws.

12.17. Music and Vending. You agree to only play the music selections and purchase the music equipment that has been approved by us in writing and in accordance with the Operations Manual. Without our prior approval, you agree not to install any jukeboxes, vending machines, electronic games, ATM machines, newspaper racks, entertainment devices or gambling devices at the Mici Restaurant and agree to not sell any tickets, subscriptions, chances, raffles or lottery tickets.

13. FEES.

13.1. Initial Franchise Fee. You agree to pay us an initial franchise fee ("Initial Franchise Fee") in the amount set forth in Attachment B in one lump sum at the time you sign this Franchise Agreement. The Initial Franchise Fee is fully earned by us and is non-refundable once this Franchise Agreement has been signed. If this Franchise Agreement is being signed under an area development agreement between you and us, or if this Franchise Agreement is the renewal of a prior franchise agreement with us for an existing Mici Business, then no Initial Franchise Fee is due (all other fees will apply).

13.2. Royalty. On Monday of each week (or such other date as we designate), you agree to pay us a royalty fee ("Royalty") equal to six percent (6%) of Net Sales during the previous week (Monday through Sunday). If the Restaurant is to be operated from a Non-Traditional Location we may, in our sole discretion, reduce the Royalty percentage in the preceding sentence to no less than five percent (5%) of Net Sales, as indicated in Attachment B. This Royalty is an ongoing payment that allows you to use the Marks and Intellectual Property of the System and pays for our ongoing support and assistance.

13.3. Technology Fee. On Monday of each week (or such other date as we designate), you must pay us our then-current Technology Fee (currently $25 per week).

13.4. Late Fee. If any sums due under this Franchise Agreement have not been received by us or our affiliates when due then, in addition to those sums, you must pay us $100 per occurrence, plus the lesser of the daily equivalent of eighteen percent (18%) per year simple interest or the highest rate allowed by law. If no due date has been specified by us, then interest accrues from the original due date until payment is received in full.

13.5. Other Fees and Payments. You agree to pay all other fees, expense reimbursements, and all other amounts specified in this Franchise Agreement in a timely manner as if fully set forth in this Section 13. You also agree to promptly pay us an amount equal to all taxes levied or assessed against us based upon products or services that you sell or based upon products or services that we furnish to you (other than income taxes that we pay based on amounts that you pay us under this Franchise Agreement).

13.6. Method of Payment. You must complete and send us an ACH Authorization Form allowing us to electronically debit a banking account that you designate ("Account") for: (i) all fees payable to us pursuant to this Franchise Agreement (other than the Initial Franchise Fee); and (ii) any amounts that you owe to us or any of our affiliates for the purchase of products or services. We will debit your Account for these payments on or after the due date. Our current form of ACH Authorization Form is attached to the Franchise Disclosure Document in Exhibit H. You must sign and deliver to us any other documents that we or your bank may require authorizing us to debit your Account for these amounts. You must deposit into the Account all revenues that you generate from the operation of your Mici Business. You must make sufficient funds available for withdrawal by electronic transfer before each due date. If any check or electronic payment is not successful due to insufficient funds, stop payment, or any similar event, any excess amounts that you owe will be payable upon demand, together with a non-sufficient funds fee of $100 per occurrence, plus the lesser of the daily equivalent of eighteen percent (18%) per year simple interest or the highest rate allowed by law, and any late charge imposed pursuant to Section 13.5. If you make any payment to us or our affiliate(s) by credit card for any fee required, we may charge a payment service fee of up to four percent (4%) of the total charge. We reserve the right to periodically specify (in the Operations Manual or otherwise in writing) different required payment methods for any payment due to us or our affiliates.

13.7. <u>Payment Frequency</u>. We reserve the right to periodically specify (in the Operations Manual or otherwise in writing) different payment frequencies (for example, weekly/ biweekly/ monthly payments) for any payment due to us or our affiliates.

13.8. <u>Application of Payments</u>. We have sole discretion to apply any payments from you to any past due indebtedness of yours or in any other manner we feel appropriate. We will not be bound by any instructions for allocation you specify. All fees paid to us unless otherwise specified are non-refundable.

13.9. <u>Payment Obligations</u>. Your obligations to pay us the fees under this Franchise Agreement are absolute and unconditional, and will remain in full force and effect throughout the entire duration of this Franchise Agreement, and shall continue for such period of time thereafter as you owe us fees under this Franchise Agreement. You will have no right to offset any fees paid to us and must pay us all fees regardless of any Claims you may have against us. We will have the right, at any time before or after termination of this Franchise Agreement, without notice to you, to offset any amounts or liabilities that you may owe to us against any amounts or liabilities that we may owe you under this Franchise Agreement or any other agreement, loan, transaction or relationship between the parties.

14. BRAND PROTECTION COVENANT.

14.1. <u>Reason for Covenants</u>. You acknowledge that the Intellectual Property and the training and assistance that we provide would not be acquired except through implementation of this Franchise Agreement. You also acknowledge that competition by you, the Owners, or persons associated with you or the Owners (including family members) could seriously jeopardize the entire System because you and the Owners have received an advantage through knowledge of our day-to-day operations and Confidential Information related to the System. Accordingly, you and the Owners agree to comply with the covenants described in this Section to protect the Intellectual Property and our System.

14.2. <u>Our Confidential Information</u>. You will use the Confidential Information only in the operation of the Mici Business, and you will not disclose Confidential Information to others, except as expressly authorized by this Franchise Agreement. You will take all appropriate actions to preserve the confidentiality of all Confidential Information, including keeping the Operations Manual in a secure location. Access to Confidential Information must be limited to only your employees or independent contractors who need the Confidential Information to perform their jobs and who are subject to your general policy on maintaining confidentiality as a condition of employment or who have first signed our System Protection Agreement or Confidentiality Agreement (the forms of which are attached to the Franchise Disclosure Document in Exhibit H). You will not copy or permit copying of Confidential Information. Your obligations under this section begin when you sign this Franchise Agreement and continue for trade secrets as long as they remain secret, and, for other Confidential Information, for as long as we continue to use the information in confidence (even if edited or revised) plus three years. We will respond promptly and in good faith to any inquiry by you about continued protection of any Confidential Information.

All data that you collect, create, provide or otherwise develop (including, but not limited to, customer information) is (and will be) owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. Copies and/or originals of such data must be provided to us upon our request. We hereby license use of such data back to you, at no additional cost, solely for the Term of this Franchise Agreement and solely for your use in connection with the Mici Business. You agree to provide us with the information that we reasonably require with respect to data and cybersecurity requirements. You agree to indemnify us for any loss of data, including, but not limited to, customer information resulting from a breach of such data caused, in whole or in part, by you.

The restrictions on the disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information: (i) made in confidence to a government official, either directly or indirectly, or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; or (iii) made in cases of suit for retaliation based on the reporting of a suspected violation of law, disclosure of Confidential Information to an attorney, and for use of the Confidential Information in such court proceeding, so long as any document containing the Confidential Information is filed under seal and Confidential Information is not otherwise disclosed except pursuant to court order.

14.3. Competition during Term. You and the Owners agree not to compete with us during the Term by engaging in any of the following activities ("Prohibited Activities"): (i) owning, operating or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent, or in any similar capacity) in any Competitive Business, other than owning an interest of five percent (5%) or less in a publicly traded company that is a Competitive Business; (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); or (iii) inducing any customer of ours (or of one of our affiliates' or franchisees') to transfer their business to you or to any other person that is not then a franchisee of ours.

14.4. Competition after Term. During the Post-Term Restricted Period, you and the Owners agree not to engage in any Prohibited Activities. Notwithstanding the foregoing, you and the Owners may have an interest in a Competitive Business during the Post-Term Restricted Period as long as the Competitive Business is not located within, and does not provide competitive products or services to, customers who are located within the Restricted Territory. If you or an Owner engages in a Prohibited Activity during the Post-Term Restricted Period (other than having an interest in a Competitive Business that is permitted under this Section), then the Post-Term Restricted Period applicable to you or the non-compliant Owner shall be extended by the period of time during which you or the non-compliant Owner, as applicable, engaged in the Prohibited Activity.

14.5. Employees and Others Associated with You. Any Designated Manager and, if you are an Entity, any officer that does not own equity in you must sign our System Protection Agreement, the form of which is attached to the Franchise Disclosure Document in Exhibit H. You must ensure that all of your employees, officers, directors, partners, members, independent contractors, agents, representatives and other persons associated with you or your Mici Business who may have access to our Confidential Information, and who are not required to sign a System Protection Agreement, sign and send us a Confidentiality Agreement, the form of which is attached to the Franchise Disclosure Document in Exhibit H, before having access to our Confidential Information. You must use your best efforts to ensure that these individuals comply with the terms of the Confidentiality Agreements and System Protection Agreements, and you must immediately notify us of any breach that comes to your attention. You agree to reimburse us for all reasonable expenses that we incur in enforcing a Confidentiality Agreement or System Protection Agreement, including reasonable attorney fees and court costs.

14.6. Covenants Reasonable. You and the Owners acknowledge and agree that: (i) the terms of this Franchise Agreement are reasonable both in time and in scope of geographic area; (ii) our use and enforcement of covenants similar to those described above with respect to other Mici franchisees benefits you and the Owners in that it prevents others from unfairly competing with your Mici Business; and (iii) you and the Owners have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Franchise Agreement. You and the Owners hereby waive any right to challenge the terms of this Section 14 as being overly broad, unreasonable or otherwise unenforceable.

14.7. Breach of Covenants. You and the Owners agree that failure to comply with the terms of this Section 14 will cause substantial and irreparable damage to us and/or other Mici franchisees for which there is no adequate remedy at law. Therefore, you and the Owners agree that any violation of the terms of this Section 14 will entitle us to injunctive relief. We may apply for such injunctive relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all Claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Franchise Agreement are exclusive of any other, but may be combined with others under this Franchise Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages. Any Claim, defense or cause of action that you or an Owner may have against us, regardless of cause or origin, cannot be used as a defense against our enforcement of this Section 14.

14.8. Ownership of Public Companies. Notwithstanding the provisions of this Section 14, you and the Owners will have the right to own up to five percent (5%) of any publicly-held company or mutual fund that owns, operates, has an interest in, or controls any Competitive Business; provided that such company has a class of securities that is publicly traded on a national exchange or quotation system and is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended.

15. YOUR OTHER RESPONSIBILITIES.

15.1. Insurance. Before your Mici Business first opens for business, you will obtain insurance in the types and amounts specified herein. You will maintain all required insurance in force during the Term of this Franchise Agreement, and you will obtain and maintain any additional or substituted insurance coverage, limits and amounts as we may periodically require. Your compliance with these insurance provisions does not relieve you of any liability under any indemnity provisions of this Franchise Agreement.

We currently require you to maintain the following insurance coverages: (1) commercial general liability insurance with limits of at least $1,000,000 per occurrence, at least $2,000,000 aggregate, and a maximum deductible of $5,000; (2) workers compensation insurance consistent with applicable law; and (3) hired and non-owned automobile coverage with a limit of at least $1,000,000. Our insurance requirements are subject to change during the term of this Franchise Agreement, and you agree to comply with each such change. You agree to provide us a copy of your Certificate of Insurance or other proof of coverage prior to opening, within ten days of any renewal of a policy, and at any other time on demand. You agree to obtain these insurance policies from insurance carriers that are rated "A" or better by A.M. Best & Company, Inc. and that are licensed and admitted in the state in which you operate your Mici Business, which must be approved by us. All insurance policies must be endorsed to: (i) name us and any affiliates we designate (and our members, officers, directors and employees) as additional insureds; (ii) contain a waiver by the insurance carrier of all subrogation rights against us; and (iii) provide that we receive 30-days' prior written notice of the termination, expiration, cancellation or modification of the policy. If any of your policies fail to meet these criteria, then we may disapprove the policy and you must immediately find additional coverage with an alternative carrier satisfactory to us. Upon ten days' notice to you, we may increase the minimum protection requirement as of the renewal date of any policy and require different or additional types of insurance at any time, including excess liability (umbrella) insurance, to reflect inflation, identification of special risks, changes in law or standards or liability, higher damage awards, or other relevant changes in circumstances. If you fail to maintain any required insurance coverage, we have the right to obtain the coverage on your behalf (which right shall be at our option and in addition to our other rights and remedies in this Franchise Agreement), and you must promptly sign all applications and other forms and instruments required to obtain the insurance and pay to us, within ten days after invoicing, all costs and premiums that we incur, plus a twenty percent (20%) administrative surcharge.

15.2. __Books and Records__. You agree to prepare and maintain for at least seven years after their preparation, complete and accurate books, records, accounts and tax returns pertaining to your Mici Business. You must send us copies of your books and records within five days of our request.

15.3. __Reports__. You will prepare written periodic reports, in the forms that we require, containing the information we require about your operations during each reporting period. You will submit all required weekly reports by Monday each week for the preceding business week (Monday through Sunday). We may modify the deadline days and times for submission of all reports. You will submit all required semi-monthly reports to us within 15 days after the semi-monthly period to which they relate. You will submit all required monthly reports to us within 15 days after the month to which they relate, and all other reports within the time period required by the Operations Manual. You will prepare and submit other reports and information about your operations as we may reasonably request in writing or as required by the Operations Manual. We may require, at our option, that certain reports you are required to submit be certified as accurate and complete by you, your owners or your chief financial officer, and that certain reports be submitted using the formats and communication media that we specify. If requested by us, your profit and loss statements and balance sheets must be certified by a certified public accountant at your expense, and you will cause your certified public accountant, if any, to consult with us concerning such statements and balance sheets at your cost.

15.4. __Financial and Tax Statements__. You will deliver monthly Financial Statements to us within 20 days of the end of each calendar month, which must be certified by you as complete and accurate. You must also prepare annual Financial Statements within 45 days of the end of your fiscal year. All Financial Statements must be in the form specified by us and must conform to our standard chart of accounts as prescribed by us. You must also provide us with complete signed copies of all state sales tax returns and state and federal income tax returns covering the operation of the Mici Business within 30 days of filing. If you do not submit the Financial Statements or tax returns to us by the deadline, you will be required to pay a late fee of $100 per occurrence and $100 per week until you submit required Financial Statements or tax returns. These fees will be deposited into the Brand Fund, if established, or us.

15.5. __Legal Compliance__. You are solely responsible for complying with all federal, state and local tax laws, agree to timely pay all applicable federal, state and local taxes, and timely file all returns, notices and other forms required to comply with all federal, state and local tax laws in connection with the operation of the Mici Business. You will indemnify us for any taxes that arise out of or result from your operation of the Mici Business. If any franchise, sales or other tax which is based upon the revenues, receipts, sales, business activities or operation of the Mici Business is imposed on us by any taxing authority, you will reimburse us for all such taxes paid by us within 15 days of receiving an invoice from us for such taxes. You must secure and maintain in force all required licenses, permits and regulatory approvals for the operation of your Mici Business, and operate and manage your Mici Business in full compliance with all applicable laws, ordinances, rules and regulations. You must notify us in writing within three business days of the beginning of any action, suit, investigation or proceeding, or of the issuance of any order, writ, injunction, disciplinary action, award or decree of any court, agency or other governmental instrumentality which may adversely affect the operation of your Mici Business or your financial condition. You must immediately deliver to us a copy of any inspection report, warning, certificate or rating by any governmental agency involving any health or safety law, rule or regulation that reflects your failure to fully comply with the law, rule or regulation.

You and the Owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and the Owners certify, represent and warrant that none of your property or interests is subject to being blocked under, and that you and the owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, rules, regulations, policies, lists and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or the Owners, or any blocking of your or the Owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Franchise Agreement.

15.6. Photo/Video Release. You acknowledge and authorize us to use your likeness in a photograph in any and all of our publications, including printed and digital publications and on websites. You agree and understand that any photograph using your likeness will become our property and will not be returned. You agree and irrevocably authorize us to edit, alter, copy, exhibit, publish or distribute any photograph of you for any lawful purpose. You agree and waive any rights to royalties or any other compensation related to our use of any photograph of you. You agree to hold harmless and forever discharge us from all Claims, demands and causes of action which you may have in connection with this authorization.

15.7. Alcoholic Beverages. You may not serve any alcoholic beverages at the Mici Restaurant without our prior written consent, which may be withheld in our sole discretion. If we require or allow you to sell alcoholic beverages at the Mici Restaurant, then you agree to comply with all applicable federal, state, municipal licensing, insurance and other laws, rules and regulations applicable to the sale of alcoholic beverages and to obtain the liquor liability insurance requirements set forth in the Operations Manual.

16. INSPECTION AND AUDIT.

16.1. Inspections. To ensure compliance with this Franchise Agreement, we or our representatives will have the right to enter your Mici Restaurant, evaluate your operations, and inspect or examine your books, records, accounts and tax returns. Our evaluation may include observing or participating during business hours. We may conduct our evaluation at any time and without prior notice. During the course of our inspections, we and our representatives will use reasonable efforts to minimize our interference with the operation of your Mici Business, and you, your employees and independent contractors will cooperate and not interfere with our inspection. You consent to us accessing your computer system and retrieving any information that we deem appropriate in conducting the inspection. You agree to pay to us the reasonable costs we incur for conducting on-site inspections of your Mici Restaurant if we determine that your operations have deviated from the System standards or determine that you are in violation of this Franchise Agreement as a result of such inspection.

16.2. **Audit**. We have the right, at any time, to have an independent audit made of your books and financial records. You agree to fully cooperate with us and any third parties that we hire to conduct the audit. Any audit will be performed at our cost and expense unless the audit: (i) is necessitated by your failure to provide the information requested or to preserve records or file reports as required by this Franchise Agreement; or (ii) reveals an understatement of any amount due to us by at least two percent (2%) in any week, in which case you agree to reimburse us for the cost of the audit and inspection, including, without limitation, any amount that you owe us, together with any related expenses and late fees payable pursuant to Section 13.5, and reasonable accounting and legal expenses and travel and lodging expenses that we or our representatives incur. The audit cost reimbursements will be due ten days after invoicing.

We shall not be deemed to have waived our right to terminate this Franchise Agreement by accepting reimbursements of our audit costs.

17. INTELLECTUAL PROPERTY.

17.1. **Ownership and Use of Intellectual Property**. You acknowledge that: (i) we and our affiliates own and/or hold the sole legal rights to the Intellectual Property and the goodwill associated with the Marks; (ii) your right to use the Intellectual Property is derived solely from this Franchise Agreement with us; and (iii) your non-exclusive right to use the Intellectual Property is limited to a license granted by us to operate your Mici Franchise during the Term pursuant to, and only in compliance with, this Franchise Agreement, the Operations Manual, and all applicable standards, specifications and operating procedures that we prescribe from time to time. You may not use any of the Intellectual Property in connection with the sale of any unauthorized product or service, or in any other manner not expressly authorized by us. Any unauthorized use of the Intellectual Property constitutes an infringement of our rights. You agree to comply with all provisions of the Operations Manual governing your use of the Intellectual Property. This Franchise Agreement does not confer to you any goodwill, title or interest in any of the Intellectual Property.

17.2. **Changes to Intellectual Property**. We have the right to modify the Intellectual Property at any time in our sole and absolute discretion, including by changing the Marks, the System, the Copyrighted Works or the Confidential Information. If we modify or discontinue use of any of the Intellectual Property, then you must comply with any such instructions from us within 30 days at your expense. We will not be liable to you for any expenses, losses or damages that you incur (including the loss of any goodwill associated with a Mark) because of any addition, modification, substitution or discontinuation of the Intellectual Property.

17.3. **Use of Marks**. You agree to use the Marks as the sole identification of your Mici Business; provided, however, you must identify yourself as the independent owner of your Mici Business in the manner that we prescribe. You may not use any Marks in any modified form or as part of any corporate or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to you by this Franchise Agreement). You agree to: (i) prominently display the Marks on or in connection with any media advertising, promotional materials, posters and displays, receipts, stationery and forms that we designate, and in the manner that we prescribe to give notice of trade and service mark registrations and copyrights; and (ii) obtain any fictitious or assumed name registrations required under applicable law. You may not use the Marks in signing any contract, lease, mortgage, check, purchase agreement, negotiable instrument, or other legal obligation or in any manner that is likely to confuse or result in liability to us for any indebtedness or obligation of yours.

17.4. **Use of Confidential Information**. We will disclose the Confidential Information to you in the initial training program, the Operations Manual, and in other guidance furnished to you during the Term. You agree that you will not acquire any interest in the Confidential Information other than the right to utilize it in strict accordance with the terms of this Franchise Agreement in the development and operation of your Mici Business. You acknowledge that the Confidential Information is proprietary and is disclosed to you solely for use in the development and operation of your Mici Business during the Term.

17.5. **Improvements**. If you conceive of or develop any improvements or additions to the marketing, method of operation, or the products or services offered by a Mici Business (collectively, "Improvements"), you agree to promptly and fully disclose the Improvements to us without disclosing the Improvements to others. You must obtain our approval prior to using any such Improvements. Any Improvement that we approve may be used by us and any third parties that we authorize to operate a Mici Franchise, without any obligation to pay you royalties or other fees. You must assign to us or our designee, without charge, all rights to any such Improvement, including the right to grant sublicenses. In return, we will authorize you to use any Improvements that we or other franchisees develop that we authorize for general use in connection with the operation of a Mici Business.

17.6. **Notification of Infringements and Claims**. You must notify us as soon as possible, but no later than three business days of any: (i) apparent infringement of any of the Intellectual Property; (ii) challenge to your use of any of the Intellectual Property; or (iii) claim by any person of any rights in any of the Intellectual Property. You may not communicate with any person other than us and our counsel in connection with any such infringement, challenge or claim. We will have sole discretion to take such action as we deem appropriate. We have the right to exclusively control any litigation, Patent and Trademark Office proceeding, or other proceeding arising out of any such infringement, challenge or claim. You agree to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of our counsel, be necessary or advisable to protect and maintain our interest in any such litigation, Patent and Trademark Office proceeding, or other proceeding, or to otherwise protect and maintain our interest in the Intellectual Property.

18. **INDEMNITY**. You agree to indemnify the Indemnified Parties and hold them harmless for, from and against any and all Losses and Expenses incurred by any of them as a result of or in connection with any of the following: (i) the marketing, use or operation of your Mici Business or any other use of the Mici Business, including the preparation and sale of any product made in or sold from the Mici Restaurant, or your performance and/or breach of any of your obligations under this Franchise Agreement; (ii) any Claim relating to taxes or penalties assessed by any governmental entity against us that are directly related to your failure to pay or perform functions required of you under this Franchise Agreement; (iii) any labor, employment or similar type of Claim pertaining to your employees, including claims alleging that we are a joint employer of your employees; (iv) any actions, investigations, rulings or proceedings conducted by any state or federal agency relating to your employees, including, without limitation, the United States Department of Labor, the Equal Employment Opportunity Commission, and the National Labor Relations Board; (v) your failure to pay the monies payable to any Indemnified Party pursuant to this Franchise Agreement, or to do and perform any other act, matter or thing required by this Franchise Agreement; or (vi) any action by an Indemnified Party to obtain performance by you of any act, matter or thing required by this Franchise Agreement. You and the Owners agree to give us notice of any action, suit, proceeding, Claim, demand, inquiry or investigation described above. The Indemnified Parties shall have the right, in their sole discretion to: (A) retain counsel of their own choosing to represent them with respect to any Claim; and (B) control the response thereto and the defense thereof, including the right to enter into an agreement to settle such Claim. You may participate in such defense at your own expense. You agree to give your full cooperation to the Indemnified Parties in assisting the Indemnified Parties with the defense of any such Claim, and to reimburse the Indemnified Parties for all of their costs and expenses in defending any such Claim, including court costs and reasonable attorney fees, within ten days of the date of each invoice delivered by such Indemnified Party to you enumerating such costs, expenses and attorney fees.

19. TRANSFERS.

19.1. <u>By Us</u>. This Franchise Agreement is fully assignable by us (without prior notice to you) and shall inure to the benefit of any assignee(s) or other legal successor(s) to our interest in this Franchise Agreement; provided that we shall, subsequent to any such assignment, remain liable for the performance of our obligations under this Franchise Agreement up to the effective date of the assignment. We may also delegate some or all of our obligations under this Franchise Agreement to one or more persons without assigning this Franchise Agreement.

19.2. <u>By You</u>. You understand that the rights and duties created by this Franchise Agreement are personal to you and the Owners and that we have granted the Mici Franchise in reliance upon the individual or collective character, skill, aptitude, attitude, business ability and financial capacity of you and the Owners. Neither you nor any Owner may engage in any Transfer without our prior written approval. Any Transfer without our approval shall be void and constitute a breach of this Franchise Agreement. We will not unreasonably withhold our approval of any proposed Transfer; provided that the following conditions are all satisfied:

(i) you have provided us with written notice of the proposed Transfer at least 45 days prior to the transaction;

(ii) the proposed transferee is, in our opinion, an individual of good moral character who has sufficient business experience, aptitude and financial resources to own and operate a Mici Business and otherwise meets all of our then-applicable standards for franchisees;

(iii) all of your monetary obligations to us have been paid in full and you and the Owners are in full compliance with the terms of this Franchise Agreement and all other agreements with us or our affiliate(s);

(iv) all of the owners of the transferee have successfully completed, or made arrangements to attend, the initial training program (and the transferee has paid us the training fee for each new person who must attend training);

(v) your landlord consents to your assignment of the lease to the transferee, or the transferee is diligently pursuing an approved substitute location within the Territory;

(vi) the transferee and its owners, to the extent necessary, have obtained all licenses and permits required by applicable law in order to own and operate the Mici Business;

(vii) the transferee and its owners sign our then-current form of franchise agreement and related documents, including, but limited to, our then-current form of Owners Agreement or other guaranty (unless we, in our sole discretion, instruct you to assign this Franchise Agreement to the transferee), except that: (a) the Term and successor term(s) shall be the Term and successor term(s) remaining under this Franchise Agreement; and (b) the transferee need not pay a separate initial franchise fee;

(viii) you must remodel your Mici Restaurant in accordance with Section 12.8 to comply with our then-current standards and specifications, or you obtain a written commitment from the transferee to do so;

(ix) you or the transferee pays us a transfer fee equal to fifty percent (50%) of the then-current Initial Franchise Fee (or, if we are not offering franchises at the time of the transfer, fifty percent (50%) of the initial franchise fee listed in our most recent franchise disclosure document), as follows: (1) $2,000 non-refundable deposit at the time of your transfer application request; and (2) the remaining balance shall be due at or before the time that you consummate the approved Transfer;

(x) you and the Owners sign a General Release for all Claims arising before or contemporaneously with the Transfer;

(xi) you enter into an agreement with us to subordinate the transferee's obligations to you to the transferee's financial obligations owed to us pursuant to the Franchise Agreement;

(xii) we do not elect to exercise our right of first refusal described in Section 19.5;

(xiii) you or the transferring Owner, as applicable, and the transferee have satisfied any other conditions we reasonably require as a condition to our approval of the Transfer; and

(xiv) you must reimburse us for our costs that we incur as a result of the Transfer, including, but not limited to, attorney fees, broker fees, commissions or other placement fees.

Our consent to a Transfer shall not constitute a waiver of any Claims we may have against you or the Owners, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of the Franchise Agreement by the transferee.

19.3. Transfer to an Entity. If you are an individual or general partnership, you may transfer your ownership interests to an Entity provided that the Owner or Owners of the Entity are the same persons who signed this Franchise Agreement and comply with all conditions set forth in Section 19.2. Our right of first refusal in Section 19.5 will not apply for a Transfer conducted under this Section 19.3. In lieu of the transfer fee set forth in Section 19.2(ix), you must reimburse us for all of our fees and costs, including attorney fees, associated with your Transfer to the Entity.

19.4. Death or Disability of an Owner. Upon the death or Permanent Disability (as defined below) of an Owner, the Owner's ownership interest in you or the Mici Franchise, as applicable, must be assigned to another Owner or to a third party approved by us within 180 days of such Owner's death or disability, as the case may be. For purposes of this Section, "Permanent Disability" shall mean any physical, emotional or mental injury, illness, or incapacity that would prevent the person from substantially complying with his or her obligations under this Franchise Agreement or otherwise operating the Mici Business in the manner required by this Franchise Agreement and the Operations Manual for a continuous period of at least 90 consecutive calendar days, and from which condition recovery within 90 days from the date of determination of disability is unlikely. If the parties disagree as to whether a person is disabled, the existence of disability will be determined by a licensed practicing physician selected by us, upon examination of the person; or if the person refuses to submit to an examination, then (for the purpose of this Section 19.4) the person automatically will be considered disabled as of the date of refusal. You must promptly notify us of any death or Permanent Disability of an Owner within 15 days of its occurrence. Your estate or legal representative must apply to us for the right to Transfer to another Owner or third party within 120 calendar days after your or your Owner's death or disability. We may appoint an Interim Manager and charge you the applicable fee under Section 8.4 if the death or disability of any Owner or ownership interest in you or the Franchise has any impact on the Mici Business.

19.5. **Our Right of First Refusal**. If you or an Owner desires to engage in a Transfer, you or the Owner, as applicable, must obtain a bona fide, signed written offer from the fully disclosed purchaser and submit an exact copy of the offer to us. We will have 30 days after receipt of the offer to decide whether we will purchase the Mici Business. If we notify you that we intend to purchase the Mici Business within such 30-day period, you or the Owner, as applicable, must sell the Mici Business to us on the same terms as are contained in the offer that you received; provided that we may substitute cash for any non-cash form of payment proposed in the offer. We will have at least an additional 30 days to conduct a due diligence review and to prepare for closing. You agree to provide us with all information and records that we request concerning the Mici Business, and we will have the absolute right to terminate the obligation to purchase the Mici Business for any reason during the due diligence period. You and we will act in good faith to agree on the terms and conditions of the written offer, and closing will take place on the 61st day following receipt of your offer. We will be entitled to receive from you or the Owner, as applicable, all customary representations and warranties given by you as the seller of the assets or the Owner as the seller of the ownership interest or, at our election, the representations and warranties contained in the offer. If we do not exercise our right of first refusal, you or the Owner, as applicable, may complete the Transfer to the purchaser pursuant to and on the terms of the offer, subject to the requirements of Section 19.2 (including our approval of the transferee). However, if the sale to the purchaser is not completed within 120 days after delivery of the offer to us, or there is a material change in the terms of the sale, we will again have the right of first refusal specified in this Section.

20. TERMINATION.

20.1. **By You**. You may terminate this Franchise Agreement if you are in full compliance and we materially breach this Franchise Agreement and fail to cure the breach within 30 days after you send us a written notice specifying the nature of the breach. If you terminate this Franchise Agreement, you must still comply with your post-termination obligations described in Section 21 and all other obligations that survive the expiration or termination of this Franchise Agreement.

20.2. **Termination by Us without Cure Period**. We may, in our sole discretion, terminate this Franchise Agreement immediately upon written notice to you, without opportunity to cure, for any of the following reasons, all of which constitute material events of default under this Franchise Agreement:

(i) if you or your Operating Principal fails to satisfactorily complete the initial training program and you fail to appoint someone within 30 days that can;

(ii) if you fail to obtain our approval of your site within the time period required;

(iii) if you fail to secure a fully executed lease and Lease Addendum within the time period required;

(iv) if you fail to open your Mici Business within the time period required;

(v) if you become insolvent by reason of your inability to pay your debts as they become due or you file a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, dissolution, or composition or other settlement with creditors under any law, or are the subject of an involuntary bankruptcy (which may or may not be enforceable under the Bankruptcy Reform Act of 1978);

(vi) if your Mici Franchise, or a substantial portion of the assets associated with your Mici Franchise, are: (a) seized, taken over or foreclosed by a government official in the exercise of his or her duties; or (b) seized, taken over or foreclosed by a creditor, lienholder or lessor; or (c) a final judgment against you remains unsatisfied for 30 days (unless a supersedes or other appeal bond has been filed); or (d) a levy of execution has been made upon the license granted by this Franchise Agreement or upon any property used in your Mici Restaurant, and it is not discharged within five days of the levy;

(vii) if you abandon or fail to operate your Mici Business for three consecutive business days, unless the failure is due to an event of force majeure or another reason that we previously approved;

(viii) if a regulatory authority suspends or revokes a license or permit held by you or an Owner that is required to operate the Mici Business, even if you or the Owner still maintain appeal rights;

(ix) if you or an Owner: (a) is convicted of or pleads no contest to a felony, a crime involving moral turpitude, or any crime which impairs the reputation of the System or the goodwill associated with the Marks; (b) is subject to any material administrative disciplinary action; or (c) fails to comply with any material federal, state or local law, rule or regulation applicable to your Mici Business;

(x) if you or an Owner commits an act that can reasonably be expected to adversely affect the reputation of the System or the goodwill associated with the Marks;

(xi) if you manage or operate your Mici Business in a manner that presents a health or safety hazard to your customers, employees or the public;

(xii) if you or an Owner make any material misrepresentation to us, whether occurring before or after being granted the Mici Franchise;

(xiii) if you fail to pay any amount owed to us or an affiliate of ours within ten days after receipt of a demand for payment;

(xiv) if you understate or underreport any amount owed to us by at least two percent (2%), after having already committed a similar breach that had been cured;

(xv) if you make an unauthorized Transfer;

(xvi) if you make an unauthorized use of the Intellectual Property;

(xvii) if you breach any of the brand protection covenants;

(xviii) if any Owner, or the spouse of any Owner, breaches an Owners Agreement;

(xix) if you commit a default of any obligation under this Franchise Agreement and have previously received two or more written notices of default from us within the preceding 12 months, regardless of whether any default is cured;

(xx) if the lease for your Mici Restaurant is terminated due to your default;

(xxi) if you are an Entity and you are dissolved;

(xxii) if a final judgment against you in any amount we deem material (but in no event less than $25,000) remains unsatisfied or of record for 30 days or longer (unless a supersedeas bond is filed); or

(xxiii) if we terminate any other agreement between you and us or if any affiliate of ours terminates any agreement between you and the affiliate because of your default.

20.3. **Additional Conditions of Termination**. In addition to our termination rights in Section 20.2, we may, in our sole discretion, terminate this Franchise Agreement upon 30 days' written notice if you or an Owner fails to comply with any other provision of this Franchise Agreement (including failure to comply with any provision in the Operations Manual) or any other agreement with us, unless such default is cured, as determined by us in our sole discretion, within such 30-day notice period. If we deliver a notice of default to you pursuant to this Section 20.3, we may suspend performance of any of our obligations under this Franchise Agreement until you fully cure the breach.

20.4. **Mutual Agreement to Terminate**. If you and we mutually agree in writing to terminate this Franchise Agreement, you and we will be deemed to have waived any required notice period.

20.5. **Liquidated Damages**. Upon termination of this Franchise Agreement by us before the end of the Term and due to your material default of this Franchise Agreement, you agree to pay to us, within 15 days after the effective date of this Franchise Agreement's termination, in addition to the amounts owed hereunder, liquidated damages equal to the average monthly Royalties and Brand Fund Contributions you paid during the total months of operation preceding the effective date of termination multiplied by: (a) 36; or (b) the number of months remaining in this Franchise Agreement had it not been terminated, whichever is less, but in no case will such damages be less than $30,000.

You and we acknowledge and agree that it would be impracticable to determine precisely the damages we would incur from this Franchise Agreement's termination and the loss of cash flow from Royalties due to, among other things, the complications of determining what costs, if any, we might have saved and how much the Royalties would have grown over what would have been this Franchise Agreement's remaining Term. You and we consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

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

21. POST-TERM OBLIGATIONS.

21.1. Obligations of You and the Owners. After the termination, expiration or Transfer of this Franchise Agreement, you and the Owners agree to:

(i) immediately cease to use the Intellectual Property;

(ii) pay all amounts that you owe us or our affiliates;

(iii) comply with all covenants described in Section 14 that apply after the expiration, termination or Transfer of this Franchise Agreement or the disposal of an ownership interest by an Owner;

(iv) return all copies of the Operations Manual, or any portions thereof, as well as all signs, sign faces, brochures, advertising and promotional materials, forms and any other materials bearing or containing any of the Marks, Copyrighted Works or other identification relating to a Mici Business, unless we allow you to Transfer such items to an approved transferee;

(v) return all copies of any software we license to you (and delete all such software from your computer memory and storage);

(vi) take such action as may be required to cancel all fictitious or assumed names or equivalent registrations relating to your use of any of the Marks;

(vii) make such modifications and alterations to the premises that are necessary or that we require to prevent any association between us or the System and any business subsequently operated by you or any third party at the premises; provided, however, that this subsection shall not apply if your Mici Franchise is transferred to an approved transferee or if we exercise our right to purchase your entire Mici Business. If you fail to do so, you must pay us any expenses we incur to de-identify your Mici Restaurant;

(viii) notify all telephone companies, listing, social media companies and domain name registration companies (collectively, the "Agencies") of the termination or expiration of your right to use: (a) the telephone numbers, accounts and/or domain names, if applicable, related to the operation of your Mici Business; and (b) any regular, classified or other telephone directory listings associated with the Marks (you hereby authorize the Agencies to transfer such telephone numbers, domain names and listings to us and you authorize us, and appoint us and any officer we designate as your attorney-in-fact to direct the Agencies to transfer the telephone numbers, domain names and listings to us if you fail or refuse to do so); and

(ix) provide us with satisfactory evidence of your compliance with the above obligations within 30 days after the effective date of the termination, expiration or Transfer of this Franchise Agreement.

21.2. Right to Purchase.

21.2.1. Generally. Upon the termination or expiration of this Franchise Agreement, we shall have the right, but not the obligation, to purchase your Mici Business and/or its assets at fair market value. If you and we are unable to agree upon a fair market value, the fair market value will be ascertained by an independent business appraiser according to the provisions of this Section 21.2 below. If we elect to exercise this option, the date of determination of the fair market value shall be the effective date of the termination or expiration of this Franchise Agreement ("Appraisal Date") and, if we elect to make such purchase, we shall give you notice of our intent within 30 days following termination or expiration. We will notify you of the specific items that we wish to purchase ("Acquired Assets"). We may also require that you assign your lease to us at no additional charge.

21.2.2. Selecting Qualified Appraisers. You and we each shall appoint an appraiser with experience appraising businesses comparable to your Mici Business in the United States ("Qualified Appraiser"). This appointment of the appraisers shall be made within 30 days after the Appraisal Date by giving written notice to the other party of the name and address of the Qualified Appraiser. If either of us fails to appoint a Qualified Appraiser within the 30-day period, the appraisal shall be made by the sole Qualified Appraiser appointed within that period. If each of us shall have appointed a Qualified Appraiser within the 30-day period, then within 30 days after that, the two Qualified Appraisers shall appoint a third Qualified Appraiser. If the two Qualified Appraisers fail to agree on the appointment of a third Qualified Appraiser within the 30-day period, then a third Qualified Appraiser shall be appointed by the American Arbitration Association (acting through its office located closest to our corporate headquarters) as promptly as possible after that, upon application by either us or you. Nothing in this provision shall prohibit us and you from jointly approving a single appraiser, nor shall it obligate us or you to do so.

21.2.3. Information for Appraisal. You must furnish to the Qualified Appraisers a copy of your current Financial Statements, as well as your Financial Statements for the prior three years (or the period of time that you have operated your Mici Business, if less than three years), together with the work papers and other financial information or other documents or information that the Qualified Appraisers may request. The Qualified Appraisers shall consider the other information and factors that they deem relevant, but the Qualified Appraisers shall be instructed that there shall be no consideration of goodwill in the determination of fair market value.

21.2.4. Appraisal Process. Within 60 days after the appointment of the third Qualified Appraiser, the three Qualified Appraisers shall appraise the Acquired Assets at fair market value without considering any value for goodwill ("Appraised Value"). If the three Qualified Appraisers agree on a single value, then they shall issue a joint report and the Appraised Value shall be the value determined by the agreement of the three Qualified Appraisers. If two of the three Qualified Appraisers agree on a single value, these two Qualified Appraisers shall issue a joint report, and the dissenting Qualified Appraiser may (but need not) issue a separate report, and the value determined by agreement of the two Qualified Appraisers who shall agree shall be the Appraised Value. If none of the Qualified Appraisers are able to agree on a single value, each Qualified Appraiser shall issue a report setting forth the value determined by him or her, and the average of the two values that are closest to each other shall be the Appraised Value. Before the issuance of a report by any Qualified Appraiser, each Qualified Appraiser shall advise the others of the value that will appear in his or her report to ensure that the determination of value made by any Qualified Appraiser is made with knowledge of the values determined by the other Qualified Appraisers. If there shall be only a single Qualified Appraiser (because you or we failed to appoint a Qualified Appraiser within the time provided or because you and we jointly approved a single appraiser), then the Appraised Value shall be the value determined by the single Qualified Appraiser. You and we shall equally bear the cost of the appraisal.

21.2.5. Closing. Once the Appraised Value has been determined, we will have at least 60 days to prepare for the closing. We will be entitled to receive from you all customary representations and warranties given by you as the seller of the Acquired Assets and you must transfer good and clean title to the Acquired Assets, subject to any exceptions agreed to by us. We may deduct from the Appraised Value all amounts owed to us and our affiliates under this Franchise Agreement, any promissory note, and any other agreement between you and us or between you and our affiliates.

22. DISPUTE RESOLUTION.

22.1. Mediation. Without limiting our rights and remedies under Section 20 and except as set forth in Section 22.3 below, all claims or disputes between you and us or our affiliates arising out of, or in any way relating to, this Franchise Agreement, or any of the parties' respective rights and obligations arising out of this Franchise Agreement, shall be submitted first to non-binding mediation prior to a hearing in binding arbitration. Such mediation shall take place in the city closest to our principal place of business (currently Denver, Colorado) under the auspices of the American Arbitration Association ("AAA"), or other mediation service acceptable to us in our sole discretion, in accordance with AAA's Commercial Mediation Procedures then in effect. You may not commence any action against us or our affiliates with respect to any such claim unless mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by us. The parties shall each bear their own costs of mediation and shall share equally the filing fee imposed by AAA and the mediator's fees. We reserve the right to specifically enforce our right to mediation. Prior to mediation, and before commencing any legal action against us or our affiliates with respect to any such claim or dispute, you must submit a notice to us, which specifies in detail, the precise nature and grounds of such claim or dispute.

22.2. Binding Arbitration. If the parties cannot fully resolve and settle a dispute through mediation as set forth in Section 22.1, all unresolved issues involved in the dispute shall be, at the request of either party, submitted to final and binding arbitration to be conducted in the city closest to our principal place of business within the United States (currently Denver, Colorado) by AAA (if AAA or any successor thereto is no longer in existence at the time arbitration is commenced or is no longer available for arbitration in such city, you and we will agree on another arbitration organization to conduct the arbitration proceeding), in accordance with AAA's Commercial Arbitration Rules and otherwise as set forth below on an individual basis (not a class action). In any arbitration proceeding, each party will submit or file any claim that would constitute a compulsory counterclaim as defined by the Federal Rules of Civil Procedure within the same proceeding as the claim it relates to. Any claim that is not submitted or filed as required is forever barred. Except for claims excluded from mediation and arbitration herein, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Franchise Agreement including, but not limited to any claim that all or any part of this Franchise Agreement is void or voidable:

(a) Notice of Arbitration. Either party may initiate the arbitration proceeding by making a written demand to the other party, and both parties will then be obligated to engage in arbitration. The demand for arbitration must be served on the other party within the period provided by the applicable statute of limitations, and must contain a statement setting forth the nature of the dispute, the amount involved, if any, and the remedies sought. A demand for arbitration will not operate to stay, postpone or rescind the effectiveness of any termination of this Franchise Agreement. Arbitration will not proceed until any protest of arbitrability is resolved by the arbitrator or by an appropriate court, if necessary.

(b) Selection of Arbitrator. Arbitration will be conducted before a single, neutral arbitrator who is familiar with legal disputes of the type at issue and who has franchise business or contract experience. The parties will mutually agree on the selection of the arbitrator; however, if the parties have not agreed on the selection of an arbitrator within 30 days after the arbitration demand, either party may request AAA or successor organization, to appoint a qualified arbitrator.

(c) Discovery. All discovery must be completed within 60 days following appointment of an arbitrator, unless otherwise agreed by the parties. Depositions will be limited to a maximum of five per party and will be held within 30 days after making a request. Additional depositions may be scheduled only with the permission of the arbitrator and for good cause shown. Each deposition will be limited to a maximum of six hours duration. Should a dispute arise over the extent of or propriety of any discovery request, the arbitrator will make a final determination after hearing each party's position.

(d) Statement of Case. At least five days before the scheduled hearing, each party must deliver to the arbitrator and to the other party a written summary of its position on the issues in dispute.

(e) Arbitrator's Decision. The arbitrator will issue a written decision within ten days after conclusion of the hearing, explaining the basis for the decision. Judgment upon the decision rendered by the arbitrator may be entered in any court having jurisdiction. This decision will be binding upon both parties. The arbitrator will have authority to assess actual damages sustained by reason of any breach or wrongful termination of this Franchise Agreement, including monetary damages and interest on unpaid amounts from date due, specific performance, injunctive and declaratory relief, and legal fees and costs, but will not have any authority to amend or modify the terms of this Franchise Agreement or to assess exemplary or punitive damages. Except for claims excluded from mediation and arbitration herein, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Franchise Agreement including, but not limited to any claim that all or any part of this Franchise Agreement is void or voidable.

(f) Time Schedule. Any award will be made within nine months of the filing of the notice of intention to arbitrate and the arbitrator will agree to comply with this schedule before accepting appointment. The parties will use due diligence to meet the foregoing time schedule, and the arbitrator will have the right to impose appropriate sanctions against any party who fails to comply with the agreed-upon time schedule. The arbitrator will use his best efforts to comply with the foregoing time schedule, but may unilaterally modify it if, in his opinion, modification is necessary for a proper and just resolution of the dispute. The parties may jointly modify the agreed-upon time schedule, subject to the arbitrator's approval.

(g) Arbitration Expenses. The fees of, and authorized costs incurred by, the arbitrator will be shared equally by the parties, and each party will bear all of its own costs of arbitration; provided, however, that the arbitration decision will provide that the substantially prevailing party will recover from the other party its actual costs and expenses (including arbitrator's fees and expenses, and attorney fees and expenses) incurred in connection with the dispute.

(h) Confidentiality. Except as required by applicable law, including the required disclosure in our franchise disclosure document, the entire arbitration proceedings and related documents are confidential. Except as necessary to enforce the decision of the arbitrator hereunder, all conduct, statements, promises, offers, views and opinions, whether oral or written, made in the course of the arbitration by any of the parties, their agents, employees or representatives and by the arbitrator, are confidential. These matters will not be discoverable or admissible for any purposes, including impeachment, in any litigation or other proceeding involving the parties, and will not be disclosed to anyone who is not an agent, employee, expert witness, or representative for any of the parties; however, evidence otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in the arbitration.

(i) Acknowledgement. The parties acknowledge that nothing herein shall delay or otherwise limit our rights and remedies under Section 20 of this Franchise Agreement. A notice or request for arbitration or mediation will not operate to stay, postpone, or rescind the effectiveness of any demand for performance or notice of termination under this Franchise Agreement.

22.3. Disputes Not Subject to Mediation or Arbitration. Notwithstanding the foregoing, the following will not be subject to mediation or arbitration under Sections 22.1 or 22.2, and you or we may immediately file a lawsuit in accordance with this Section 22.3 with respect to any of the following:

(i) any action that involves an alleged breach of any restrictive covenant under Section 14;

(ii) any action petitioning specific performance to enforce your use of the Marks or the System or to prevent unauthorized duplication of the Marks or the System;

(iii) any action for equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, or other relief in the nature of equity, including an action to enjoin an alleged violation or harm (or imminent risk of violation or harm) to any of our rights in the Intellectual Property, Copyrighted Works, Marks, the System, or in any of our specialized training, trade secrets, or other Confidential Information, brought at any time, including an including prior to or during the pendency of any mediation or arbitration proceedings under Sections 22.1 or 22.2; or

(iv) any action seeking compliance with post-termination obligations set forth in Section 21; or

(v) any action in ejectment or for possession of any interest in real or personal property.

22.4. Venue. All disputes and claims must be mediated, arbitrated and, if applicable, litigated in the principal city closest to our principal place of business (currently Denver, Colorado); provided that we have the option to bring suit against you in any state or federal court within the jurisdiction where your Mici Business is or was located or where any of your owners lives for those claims brought in accordance with Section 22.3. The party's consent to the exercise of personal jurisdiction over them by these courts, and to the propriety of venue in these courts for the purpose of this Franchise Agreement, and the parties waive any objections that they would otherwise have in this regard. Each of the parties specifically waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto.

22.5. Fees and Costs. If we or you must enforce this Franchise Agreement in an arbitration or judicial proceeding, the substantially prevailing party will be entitled to reimbursement of its reasonable costs and expenses, including reasonable fees for accountants, attorneys, and expert witnesses, costs of investigations and proof of facts, court costs, travel expenses, and other dispute-related expenses. In addition, if you breach any term of this Franchise Agreement or any other agreement with us or an affiliate of ours, you agree to reimburse us for all reasonable attorneys' fees and other expenses we incur relating to such breach, regardless of whether the breach is cured prior to the commencement of any dispute resolution proceedings. If there is a mixed decision involving an award of money or money equivalent and equitable relief, the arbitrator will award the above fees to the party that it deems has substantially prevailed over the other party using reasonable business and arbitrator's judgment. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding for such arbitration proceeding to take place, and by doing so will not be deemed to have waived or relinquished our right to seek recovery of those costs in accordance with this Section 22.5. If either party commences any legal action or proceeding in any court in contravention of the terms of this Section, that party shall pay all costs and expense that the other party incurs in the action or proceeding, including, without limitation, costs and attorneys' fees as described in this Section 22.5.

22.6. JURY TRIAL & CLASS ACTION WAIVER. WE AND YOU IRREVOCABLY WAIVE: (i) TRIAL BY JURY; AND (ii) THE RIGHT TO ARBITRATE OR LITIGATE ON A CLASS ACTION BASIS IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THE PARTIES.

22.7. Survival. We and you (and the Owners) agree that the provisions of this Section 22 shall apply during the Term of this Franchise Agreement and following the termination, expiration or non-renewal of this Franchise Agreement. We and you agree to fully perform all obligations under this Franchise Agreement during the entire mediation, arbitration or litigation process.

23. SECURITY INTEREST.

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

23.2. Indebtedness Secured. The Security Interest is to secure payment of the following (the "Indebtedness"):

(i) All amounts due under this Franchise Agreement or otherwise by you;

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

(iii) All expenses, including reasonable attorney fees, which we incur in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting our rights under the Security Interest and this Franchise Agreement; and

(iv) All other present or future, direct or indirect, absolute or contingent, liabilities, obligations and indebtedness of you to us or third parties under this Franchise Agreement, however created, and specifically including all or part of any renewal or extension of this Franchise Agreement, whether or not you execute any extension agreement or Successor Agreement.

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

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

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

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

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

24. **YOUR REPRESENTATIONS**. YOU HEREBY REPRESENT THAT: (i) YOU HAVE NOT RECEIVED OR RELIED UPON ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO THE POTENTIAL VOLUME, PROFITS OR SUCCESS OF THE MICI BUSINESS CONTEMPLATED BY THIS FRANCHISE AGREEMENT, EXCEPT FOR ANY INFORMATION DISCLOSED IN THE FRANCHISE DISCLOSURE DOCUMENT; (II) YOU HAVE NO KNOWLEDGE OF ANY REPRESENTATIONS BY US OR ANY OF OUR OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES OR REPRESENTATIVES ABOUT THE MICI BUSINESS CONTEMPLATED BY THIS FRANCHISE AGREEMENT THAT ARE CONTRARY TO THE TERMS OF THIS FRANCHISE AGREEMENT OR THE FRANCHISE DISCLOSURE DOCUMENT; (III) YOU RECEIVED OUR FRANCHISE DISCLOSURE DOCUMENT AT LEAST FOURTEEN CALENDAR DAYS BEFORE YOU SIGNED A BINDING AGREEMENT OR PAID ANY MONEY TO US OR OUR AFFILIATES; (IV) YOU ARE AWARE OF THE FACT THAT OTHER PRESENT OR FUTURE FRANCHISEES OF OURS MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENT AND CONSEQUENTLY THAT OUR OBLIGATIONS AND RIGHTS WITH RESPECT TO OUR VARIOUS FRANCHISEES MAY DIFFER MATERIALLY IN CERTAIN CIRCUMSTANCES; (V) YOU ARE AWARE OF THE FACT THAT WE MAY HAVE NEGOTIATED TERMS OR OFFERED CONCESSIONS TO OTHER FRANCHISEES AND WE HAVE NO OBLIGATION TO OFFER YOU THE SAME OR SIMILAR NEGOTIATED TERMS OR CONCESSIONS; AND (VI) YOU HAVE CONDUCTED AN

INDEPENDENT INVESTIGATION OF THE MICI BUSINESS CONTEMPLATED BY THIS FRANCHISE AGREEMENT AND RECOGNIZE THAT IT INVOLVES BUSINESS RISKS, MAKING THE SUCCESS OF THE VENTURE LARGELY DEPENDENT UPON YOUR OWN BUSINESS ABILITIES, EFFORTS AND JUDGMENTS, AND THE ABILITIES, EFFORTS AND SERVICES OF YOU AND THOSE YOU EMPLOY.

25. GENERAL PROVISIONS.

25.1. Governing Law. Except as governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051, et seq.), this Franchise Agreement and the franchise relationship shall be governed by the laws of the State of Colorado (without reference to its principles of conflicts of law), but any law of the State of Colorado that regulates the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section. Any issue regarding arbitration will be governed by the Federal Arbitration Act and the federal common law of arbitration.

25.2. Relationship of the Parties. You are an independent contractor. You will exercise full and complete control over, and have full responsibility for, all of your contracts, daily operations, labor relations, employment practices and policies, including the recruitment, selection, hiring, disciplining, firing, training, compensation, work rules and schedules of your employees and independent contractors. You will direct when, where or how the work is done in the operation of your Mici Business. We do not insist on particular individuals performing certain work in the Mici Business; you are free to assign work and roles to anyone you identify as competent and capable of performing such work. We will not assist you in hiring, supervising or paying any of your workers or such worker's assistants. You are responsible for determining the hours or days your employees and independent contractors work for your Mici Business, including whether your employees and independent contractors work in full-time or part- time capacities. All employees or independent contractors hired by or working for you will be your employees or independent contractors alone and will not, for any purpose, be deemed our employees or subject to our control, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings levied or fixed by any city, state or federal governmental agency. You and we will file our own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers' compensation payments with respect to our respective employees and operations, and we will save and indemnify one another of and from any liability of any nature whatsoever by virtue thereof. At all times, including in connection with all uses of any of the Marks in connection with the operation of the Mici Business, and in connection with all dealings with customers, suppliers, public officials, the general public and others, you will conspicuously indicate your status as an independent contractor, including in all contracts, advertising, publicity, promotional and other marketing materials, and on any signage and uniforms, and in the manner specified in the Operations Manual or as we otherwise may require. You will not make any express or implied agreements, guarantees or representations, or incur any debt in our name or on our behalf. You will not represent that the relationship between you and us is anything other than a franchise relationship. We will not be obligated by or have any liability under any agreements or representations made by you, and we will not be obligated for any damages to any person or property directly or indirectly arising out of your operation of the Mici Business.

25.3. Severability and Substitution. Each section, subsection, term and provision of this Franchise Agreement, and any portion thereof, shall be considered severable. If any applicable and binding law imposes mandatory, non-waivable terms or conditions that conflict with a provision of this Franchise Agreement, the terms or conditions required by such law shall govern to the extent of the inconsistency and supersede the conflicting provision of this Franchise Agreement. If a court concludes that any promise or covenant in this Franchise Agreement is unreasonable and unenforceable: (i) the court may modify such promise or covenant to the minimum extent necessary to make such promise or covenant enforceable; or (ii) we may unilaterally modify such promise or covenant to the minimum extent necessary to make such promise or covenant enforceable.

25.4. **Waivers**. We and you may, by written instrument, unilaterally waive or reduce any obligation of or restriction upon the other. Any waiver granted by us shall be without prejudice to any other rights we may have. We and you shall not be deemed to have waived or impaired any right, power or option reserved by this Franchise Agreement (including the right to demand exact compliance with every term, condition and covenant in this Franchise Agreement, or to declare any breach of this Franchise Agreement to be a default, and to terminate the Franchise before the expiration of its Term) by virtue of: (i) any custom or practice of the parties at variance with the terms of this Franchise Agreement; (ii) any failure, refusal or neglect of us or you to exercise any right under this Franchise Agreement or to insist upon exact compliance by the other with its obligations under this Franchise Agreement, including any mandatory specification, standard or operating procedure; (iii) any waiver, forbearance, delay, failure or omission by us to exercise any right, power or option, whether of the same, similar or different nature relating to other Mici franchisees; or (iv) the acceptance by us of any payments due from you after breach of this Franchise Agreement.

25.5. **Approvals**. Whenever this Franchise Agreement requires our approval, you must make a timely written request for approval, and the approval must be in writing in order to bind us. Except as otherwise expressly provided in this Franchise Agreement, if we fail to approve any request for approval within the required period of time, we shall be deemed to have disapproved your request. If we deny approval and you seek legal redress for the denial, the only relief to which you may be entitled is to acquire our approval. Except where this Franchise Agreement states that we may not unreasonably withhold our approval or consent, we may withhold such approval or consent, in our sole discretion. You are not entitled to any other relief or damages for our denial of approval.

25.6. **Force Majeure**. No party shall be liable for any delay in the fulfillment of or failure to fulfill its obligations in whole or in part (other than the payment of money as may be owed by a party) under this Franchise Agreement where the delay or failure is solely due to Force Majeure, as described below. In the event of Force Majeure, the parties' obligations shall be extended or relieved only to the extent the parties are respectively necessarily prevented or delayed in such performance during the period of such Force Majeure. As used in this Franchise Agreement, the term "Force Majeure" shall mean any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), terrorist event, riot, epidemic, fire or other catastrophe, act of any government and any other similar cause which is beyond the party's control and cannot be overcome by use of normal commercial measures. Force Majeure should be construed narrowly and does not include general economic, market or societal conditions, or any changes thereto, even those that are the direct or indirect result of the Force Majeure event. So, for example, in the event of a temporary government-imposed closure of your Mici Business due to a Force Majeure event, you may only be relieved of your obligations as necessary to comply with the government mandate or order, but not due to the economic or market conditions that result from that action. The party whose performance is affected by an event of Force Majeure shall give prompt notice of such Force Majeure event to the other party, which in no case shall be more than 48 hours after the event, setting forth the nature thereof and an estimate as to its duration, and the affected party shall furnish the other party with periodic reports regarding the progress of the Force Majeure event. Each party must use its best efforts to mitigate the effect of the event of Force Majeure upon its performance of the Franchise Agreement and to fulfill its obligations under the Franchise Agreement. Upon completion of the event of Force Majeure, the party affected must as soon as reasonably practicable recommence the performance of its obligations under this Franchise Agreement. However, in the event the Force Majeure continues for a period of six months or more, then the unaffected party may, at its option, terminate this Franchise Agreement by 30 days' written notice to the party asserting such Force Majeure. An event of Force Majeure does not relieve a party from liability for an obligation which arose before the occurrence of the Force Majeure event, nor does that event affect any obligation to pay money owed under the Franchise Agreement or to indemnify us, whether such obligation arose before or after the Force Majeure event. An event of Force Majeure shall not affect Franchisee's obligations to comply with any restrictive covenants in this Franchise Agreement during or after the Force Majeure event.

If, as a result of an event of Force Majeure, you cease to operate the Mici Restaurant or lose the right to possession of the Mici Restaurant premises (for example, as a result of condemnation proceedings), you shall apply, within 30 days after the event of Force Majeure, for our approval to re-open, relocate and/or reconstruct the Mici Restaurant. If relocation is necessary, we agree to use our reasonable efforts to assist you in locating an alternative site in the same general area where you can operate a Mici Restaurant within the System for the balance of the Term of this Franchise Agreement. If we assist you, you shall reimburse us for our reasonable out-of-pocket expenses incurred as a result thereof. This provision shall not be construed to prevent you from receiving the full amount of any condemnation award of damages relating to the closing of the Mici Restaurant; provided, however, that if we or our affiliate is the lessor of the Mici Restaurant premises, you specifically waive and release any claim you may have for the value of any building, fixtures and other improvements on the premises, whether or not installed or paid for by you, and you agree to subordinate any claim you may have to our claim for such Improvements. Selection of an alternative location will be subject to the site approval procedures set forth in Section 7.1 of this Franchise Agreement. Once you have obtained our approval to relocate and/or reconstruct the Mici Restaurant, you must diligently pursue relocation and/or reconstruction until the Mici Restaurant is reopened for business.

25.7. **You May Not Withhold Payments**. You agree that you will not, on grounds of the alleged nonperformance by us of any of our obligations hereunder, withhold payment of any Royalty, Brand Fund Contribution, amounts due to us for purchases by you or any other amounts due to us.

25.8. **Binding Effect**. This Franchise Agreement is binding upon the parties to this Franchise Agreement and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Franchise Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal Entity not a party to this Franchise Agreement; provided, however, that the additional insureds listed in Section 15.1 and the Indemnified Parties are intended third party beneficiaries under this Franchise Agreement with respect to Section 18.

25.9. **Integration**. This Franchise Agreement constitutes the entire agreement between the parties and may not be changed except by a written document signed by both parties. Any email correspondence or other form of informal electronic communication shall not be deemed to modify this Franchise Agreement unless such communication is signed by both parties and specifically states that it is intended to modify this Franchise Agreement. The attachment(s) are part of this Franchise Agreement, which, together with any amendments or addenda executed on or after the Effective Date, constitutes the entire understanding and agreement of the parties, and there are no other oral or written understandings or agreements between us and you about the subject matter of this Franchise Agreement. As referenced above, all mandatory provisions of the Operations Manual are part of this Franchise Agreement; however, notwithstanding the foregoing, we may modify the Operations Manual at any time. Any representations not specifically contained in this Franchise Agreement made before entering into this Franchise Agreement do not survive after the signing of this Franchise Agreement. This provision is intended to define the nature and extent of the parties' mutual contractual intent, there being no mutual intent to enter into contract relations, whether by agreement or by implication, other than as set forth above. The parties acknowledge that these limitations are intended to achieve the highest possible degree of certainty in the definition of the contract being formed, in recognition of the fact that uncertainty creates economic risks for both parties which, if not addressed as provided in this Franchise Agreement, would affect the economic terms of this bargain. Nothing in this Franchise Agreement is intended to disclaim any of the representations we made in the Franchise Disclosure Document.

25.10. Covenant of Good Faith. If applicable law implies a covenant of good faith and fair dealing in this Franchise Agreement, the parties agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Franchise Agreement. Additionally, if applicable law shall imply the covenant, you agree that: (i) this Franchise Agreement (and the relationship of the parties that is inherent in this Franchise Agreement) grants us the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Franchise Agreement that may affect favorably or adversely your interests; (ii) we will use our judgment in exercising the discretion based on our assessment of our own interests and balancing those interests against the interests of our franchisees generally (including ourselves and our affiliates, if applicable), and specifically without considering your individual interests or the individual interests of any other particular franchisee; (iii) we will have no liability to you for the exercise of our discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for our judgment so exercised.

25.11. Rights of Parties are Cumulative. The rights of the parties under this Franchise Agreement are cumulative and no exercise or enforcement by either party of any right or remedy under this Franchise Agreement will preclude any other right or remedy available under this Franchise Agreement or by law.

25.12. Survival. All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Franchise Agreement (or the Transfer of an ownership interest in the Mici Franchise) shall continue in full force and effect, subsequent to and notwithstanding its termination, expiration or Transfer, and until they are satisfied in full or by their nature expire, including, without limitation, Section 7, Section 13, Section 14, Section 18, Section 21, Section 22, Section 23 and Section 25.

25.13. Construction. The headings in this Franchise Agreement are for convenience only and do not define, limit or construe the contents of the sections or subsections. All references to Sections refer to the Sections contained in this Franchise Agreement unless otherwise specified. All references to days in this Franchise Agreement refer to calendar days unless otherwise specified. The term "you" as used in this Franchise Agreement is applicable to one or more persons or an Entity, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine and the possessive.

25.14. Time of Essence. Time is of the essence in this Franchise Agreement and every term thereof.

25.15. Counterparts. This Franchise Agreement may be signed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

25.16. Notices. All notices given under this Franchise Agreement must be in writing, delivered by hand, email (to the last email address provided by the recipient), or first-class mail, to the following addresses (which may be changed upon ten business days' prior written notice):

You: As set forth in Attachment B

Us: Mici Franchising, LLC
2373 Central Park Blvd., Unit 107
Denver, CO 80238

Notice shall be considered given at the time delivered by hand, or one business day after sending by fax, email or comparable electronic system, or three business days after placed in the mail, postage prepaid, by certified mail with a return receipt requested.

The parties to this Franchise Agreement have executed this Franchise Agreement effective as of the Effective Date set forth in Attachment B.

FRANCHISOR:	**FRANCHISEE:**
MICI FRANCHISING, LLC, a Colorado limited liability company	____________________ a(n) ____________________
By: ____________________	By: ____________________
Printed Name: Elliot Schiffer	Printed Name: ____________________
Title : Chief Executive Officer	Title: ____________________

ATTACHMENT "A" TO THE MICI FRANCHISE AGREEMENT

DEFINITIONS

"Account" is defined in Section 13.7.

"Acquired Assets" is defined in Section 21.2.1.

"Agencies" is defined in Section 21.1(viii).

"**Anti-Terrorism Laws**" is defined in Section 15.5.

"Appraisal Date" is defined in Section 21.2.1.

"Appraised Value" is defined in Section 21.2.4.

"Brand Fund" is defined in Section 11.1.1.

"**Brand Fund Contribution**" is defined in Section 11.1.2.

"Operations Manual" is defined in Section 6.1.

"Claim" or **"Claims"** means any and all claims, actions, demands, assessments, litigation or other form of regulatory or adjudicatory procedures, claims, demands, assessments, investigations or formal or informal inquiries.

"Collateral" is defined in Section 23.1.

"Competitive Business" means any restaurant where at least thirty percent (30%) of the menu items consist of fast casual Italian food.

"Confidential Information" means all of our trade secrets and other proprietary information relating to the development, construction, marketing and/or operation of a Mici Business, including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information comprising the System, the Operations Manual, written directives and all drawings, equipment, recipes, computer and point-of-sale programs (and output from such programs), and any other information, know-how, techniques, material and data imparted or made available by us to you.

"Confidentiality Agreement" means our form of Confidentiality Agreement, the current form of which is attached to the Franchise Disclosure Document in Exhibit H.

"Copyrighted Works" means all works and materials for which we or our affiliate has secured common law or registered copyright protection and that we allow Mici franchisees to use, sell or display in connection with the marketing and/or operation of a Mici Business, whether now in existence or created in the future.

"Council" is defined in Section 11.4.

"Credit Card Vendors" is defined in Section 12.13.

"Crisis Management Event" means any event that occurs at the Mici Restaurant that has or may cause harm or injury to customers or employees, such as food contamination, food spoilage/poisoning, food tampering/sabotage, contagious diseases, natural disasters, terrorist acts, shootings or any other circumstance which may damage the System, Marks or image or reputation of the Mici Business or us or our affiliates.

"Designated Manager" is defined in Section 8.2

"Dispute" is defined in Section 22.1.

"Effective Date" is listed in Attachment B.

"Entity" means a corporation, partnership, limited liability company or other form of association.

"Financial Statements" means a balance sheet, profit and loss statement, statement of cash flows and explanatory footnotes prepared in accordance with generally accepted accounting principles applied on a consistent basis.

"Franchise" means the right granted to you by us to use the System and the Marks.

"Franchise Agreement" is defined in the Introductory Paragraph.

"General Release" means our current form of general release of all Claims against us and our affiliates and subsidiaries, and our and their respective members, officers, directors, agents and employees, in both their corporate and individual capacities. A copy of our General Release is attached to the Franchise Disclosure Document in Exhibit H.

"Gross Sales" means the total of all revenues, income and consideration from the sale of all Mici Business food products, beverages and other related merchandise, products and services (including catering and delivery) to customers, whether or not sold or performed at or from the Mici Business, and whether received in cash, coupon, in services in kind, from barter and/or exchange, on credit (whether or not payment is received) or otherwise. Gross Sales includes all proceeds from any business interruption insurance. If you offer any services, all receipts from these services are included in Gross Sales. You may deduct from Gross Sales for purposes of this computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if the taxes are separately stated when the customer is charged and if the taxes are paid to the appropriate taxing authority. You may also deduct from Gross Sales the amount of any documented refunds, chargebacks, credits, charged tips and allowances you give in good faith to your customers. All barter or exchange transactions in which you furnish goods or services in exchange for goods or services provided to you by a vendor, supplier or customer will, for the purpose of determining Gross Sales, will be valued at the full retail value of the goods or services so provided to you.

"Improvements" is defined in Section 17.5.

"Indebtedness" is defined in Section 23.2

"Indemnified Party" or **"Indemnified Parties"** means us and each of our past, present and future owners, members, officers, directors, employees and agents, as well as our parent companies, subsidiaries and affiliates, and each of their past, present and future owners, members, officers, directors, employees and agents.

"Initial Franchise Fee" is defined in Section 13.1.

"Intellectual Property" means, collectively or individually, our Marks, Copyrighted Works, Confidential Information, System and Improvements.

"Interim Manager" is defined in Section 8.4.

"Interim Term" is defined in Section 4.3.

"Local Advertising Requirement" is defined in Section 11.2.1.

"Losses and Expenses" means all compensatory, exemplary and punitive damages; fines and penalties; attorney fees; experts fees; court costs; costs associated with investigating and defending against Claims; settlement amounts; judgments; compensation for damages to our reputation and goodwill; and all other costs, damages, liabilities, fees and expenses associated with any of the foregoing losses and expenses or incurred by an Indemnified Party as a result of a Claim.

"Marks" means the logotypes, service marks and trademarks now or hereafter involved in the operation of a Mici Business, including MICI and any other trademarks, service marks or trade names that we designate for use in a Mici Business.

"**Metropolitan Area**" means any area in which the population during any 24-hour period exceeds 50,000 persons per square mile.

"Mici Business" is defined in Section 2.

"Mici Restaurant" is defined in Section 2.

"**Net Sales**" is equal to Gross Sales less promotion costs (including promotions, complimentary meals, discounts, and coupons).

"**Non-Traditional Location**" means a location other than a standard brick and mortar retail location such as (but not limited to) airports, hotels, convention centers, sports arenas or stadiums, college campuses, amusement parks, casinos, grocery or convenience stores, theaters, malls, or within the premises of another business or a similar venue or other retail locations, and any site for which the lessor, owner or operator thereof shall have indicated its intent to prefer or limit the operation of its food service facilities to a master concessionaire or contract food service provider.

"Operating Principal" is defined in Section 8.1

"Owner" or **"Owners"** means any individual who owns a direct or indirect ownership interest in the Franchise or the Entity that is the franchisee under this Franchise Agreement. Owner includes both passive and active owners.

"Owners Agreement" is defined in the third Introductory Paragraph.

"Post-Term Restricted Period" means, with respect to you, a period of two years after the termination, expiration or Transfer of this Franchise Agreement. Post-Term Restricted Period means, with respect to an Owner, a period of two years after the earlier to occur of: (i) the termination, expiration or Transfer of this Franchise Agreement; or (ii) the Owner's Transfer of his or her entire ownership interest in the Mici Franchise or the Entity that is the franchisee, as applicable. If a court of competent jurisdiction determines that the two-year Post-Term Restricted period is too long to be enforceable with respect to you and/or an Owner, then the Post-Term Restricted Period means a period of one year after the termination, expiration or Transfer of this Franchise Agreement with respect to you and/or such Owner.

"Prohibited Activities" is defined in Section 14.3.

"Qualified Appraiser" is defined in Section 21.2.2.

"Restaurant" is the physical building where your Mici Business is located.

"Restricted Territory" means the geographic area within: (i) a 20-mile radius from your Mici Restaurant; and (ii) a 20-mile radius from all other Mici Restaurants that are operating or under construction as of the Effective Date and remain in operation or under construction during all or any part of the Post-Term Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the Restricted Territory means the geographic area within a 10-mile radius from your Mici Restaurant and all other Mici Restaurants that are operating or under construction as of the Effective Date.

"Security Interest" is defined in Section 23.1.

"Successor Agreement" is defined in Section 4.1.

"System" means our proprietary System for the operation of a Mici Business that provides fast casual Italian food, and other high-quality food and beverages, the distinctive characteristics of which include logo, trade secrets, concept, style, proprietary programs and products, confidential Operations Manual and operating System.

"System Protection Agreement" means our form of system protection agreement, the most current form of which is attached to the Franchise Disclosure Document in Exhibit H.

"Term" is defined in Section 4.1.

"Territory" is defined in Section 3 and is listed in Attachment B.

"Transfer" means any direct or indirect, voluntary or involuntary (including by judicial award, order or decree) assignment, sale, conveyance, subdivision, sublicense or other transfer or disposition of the Franchise (or any interest therein), the Mici Business (or any portion thereof), or an ownership interest in an Entity that is the franchisee, including by merger or consolidation, by issuance of additional securities representing an ownership interest in the Entity that is the franchisee, or by operation of law, will or a trust upon the death of an Owner (including the laws of intestate succession).

"We," "us," or **"our"** is defined in the Introductory Paragraph.

"You" or **"your"** is defined in the Introductory Paragraph.

ATTACHMENT "B" TO THE MICI FRANCHISE AGREEMENT

FRANCHISE DATA SHEET

1. **Effective Date**. The Effective Date of the Franchise Agreement is: ______________________.

2. **Franchisee**. The franchisee identified in the introductory paragraph of the Franchise Agreement is: ________________________________.

3. **Notice Address**. Your address for notices as set forth in Section 25.16 of the Franchise Agreement shall be as follows:

   Attn: ____________________________
   ____
   ____
   ____

4. **Type of Franchise**. The type of franchise to be acquired under the Franchise Agreement is (check one):

   _______ Single Franchise;

   _______ Franchise under Area Development Agreement. This Franchise Agreement is for Mici Restaurant number ____ of ____ Mici Restaurants that may be developed under the Area Development Agreement.

5. **Initial Franchise Fee**. (check one):

   _______$45,000 for single Franchise.

   _______ Not applicable; this Franchise Agreement is being signed under an Area Development Agreement between you and us and no Initial Franchise Fee is due.

   _______ Not applicable; this Franchise Agreement is a Successor Franchise Agreement.

6. **Territory**. (check one):

   _______ The Mici Restaurant will be operated from a Non-Traditional Location and will not have a Territory.

   _______ Subject to final approval of the location of the Mici Restaurant, the parties intend that the Mici Restaurant will have a Territory, which shall be set forth in Attachment B-1. We will present you with the Territory upon the identification of the site for the Mici Restaurant. If you do not wish to accept the Territory, you may choose another site location and we will present you with another Territory based on the site selected.

7. **Royalty**. (check one):

_______ The Royalty shall be as set forth on the Addendum to Franchise Agreement executed with this Franchise Agreement.

_______This Mici Restaurant is for a Non-Traditional Location and we have elected, in our sole discretion that the Royalty shall be_____% of Net Sales.

8. **Location**. If a particular site for the Mici Restaurant has been selected and approved at the time of the signing of this Franchise Agreement, it shall be entered in Attachment B-1 as the Mici Restaurant location along with the Territory, if applicable. If a particular site has not been selected and approved at the time of the signing of this Franchise Agreement, Section 9 of this Attachment B will describe the location in general terms below in the "General Description." The General Description does not confer any territorial rights to you and is only used for a reference. We may sell other franchised locations in the area in the General Description. After we have approved a location for your Mici Restaurant, we will complete the Mici Restaurant location and the Territory in Attachment B-1.

9. **General Description of Area For Restaurant Location** (If your Mici Restaurant's location is not specified in Attachment B-1 upon signing of the Franchise Agreement):

To be determined within __________________________

FRANCHISOR:	**FRANCHISEE:**
MICI FRANCHISING, LLC, a Colorado limited liability company	______________________________ a(n) ___________________________
By: ______________________________	By: ______________________________
Printed Name: Elliot Schiffer	Printed Name: ______________________
Title : Chief Executive Officer	Title: ______________________________

ATTACHMENT B-1 TO THE MICI FRANCHISE AGREEMENT

You have received approval for the site location for the Mici Restaurant that satisfies the demographics and location requirements minimally necessary for a Mici Restaurant and that meets our minimum current standards and specifications for the buildout, interior design, layout, floor plan, signs, designs, color and décor of a Mici Restaurant. We and you have mutually agreed upon a Territory based on the site for the Mici Restaurant which is indicated below. You acknowledge that the Territory is in conformance with the territory guidelines stated in Item 12 of the Franchise Disclosure Document.

Location for Mici Restaurant:

The location for your Mici Restaurant as provided in Section 7.1 of the Franchise Agreement is:

____

Territory:

_______ Not applicable. The Mici Restaurant will be operated from a Non-Traditional Location and will not have a Territory.

_______ The Territory as provided in Section 3 of the Franchise Agreement is:

____

FRANCHISOR:	**FRANCHISEE:**
MICI FRANCHISING, LLC, a Colorado limited liability company	______________________________ a(n) __________________________
By: ____________________________	By: ____________________________
Printed Name: Elliot Schiffer	Printed Name: ________________________
Title : Chief Executive Officer	Title: ____________________________

ATTACHMENT "C" TO THE MICI FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

Franchisee: ______________________________

Form of Ownership
(Check One)

______ Individual _____ Partnership______Corporation _____ Limited Liability Company

If a **Partnership**, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a **Corporation**, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a **Limited Liability Company**, give the state and date of formation, the name and address of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.
State and Date of Formation/Incorporation: ___________________ on _____________________________

Management (managers, officers, board of directors, etc.):

Name	Title

Members, Stockholders, Partners*:

Name	Address	Percentage Owned

***If any members, stockholders or partners are entities, please list the owners of such entities up through the individuals.**

Identification of Operating Principal. Your Operating Principal as of the Effective Date is ___________ _________________________________. You may not change the Operating Principal without prior written approval.

Identification of Designated Manager. Your Designated Manager, if applicable, as of the Effective Date is ____. You may not change the Designated Manager without prior written approval.

This form is current and complete as of __________________________________.

(Signature on following page)

FRANCHISEE:

____
a(n) ______________________________________

Date: _____________________________________

By: ______________________________________

Printed Name: ______________________________

Title: _____________________________________

ATTACHMENT "D" TO THE MICI FRANCHISE AGREEMENT

OWNERS AGREEMENT

As a condition to the execution by Mici Franchising, LLC ("we" or "us") of a Franchise Agreement with ____ ("Franchisee"), each of the undersigned individuals ("Owners"), who constitute all of the owners of a direct or indirect beneficial interest in Franchisee, covenant and agree to be bound by this Owners Agreement ("Owners Agreement").

1. Acknowledgments.

1.1 Franchise Agreement. Franchisee entered into a franchise agreement with us effective as of ______________________________ ("Franchise Agreement"). Capitalized words not defined in this Owners Agreement will have the same meanings ascribed to them in the Franchise Agreement.

1.2 Role of Owners. Owners are the beneficial owners or spouses of the beneficial owners of all of the direct and indirect equity interest, membership interest, or other equity controlling interest in Franchisee and acknowledge there are benefits received and to be received by each Owner, jointly and severally, and for themselves, their heirs, legal representatives and assigns. Franchisee's obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee's direct and indirect owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Owners Agreement.

2. Non-Disclosure and Protection of Confidential Information.

2.1 Confidentiality. Under the Franchise Agreement, we will provide Franchisee with specialized training, proprietary trade secrets, and other Confidential Information relating to the establishment and operation of a Mici business. The provisions of the Franchise Agreement governing Franchisee's non-disclosure obligations relating to our Confidential Information are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with each obligation as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement. Any and all information, knowledge, know-how, techniques, and other data, which we designate as confidential, will also be deemed Confidential Information for purposes of this Owners Agreement.

2.2 Immediate Family Members. Owners acknowledge that they could circumvent the purpose of Section 2.1 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). Owners also acknowledge that it would be difficult for us to prove whether Owners disclosed the Confidential Information to family members. Therefore, each Owner agrees that he or she will be presumed to have violated the terms of Section 2.1 if any member of his or her immediate family uses or discloses the Confidential Information or engages in any activities that would constitute a violation of the covenants listed in Section 3, below, if performed by Owners. However, Owners may rebut this presumption by furnishing evidence conclusively showing that Owners did not disclose the Confidential Information to the family member.

3. Covenant Not To Compete.

3.1 Non-Competition During and After the Term of the Franchise Agreement. Owners acknowledge that as a participant in our system, they will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which we have developed. The provisions of the Franchise Agreement governing Franchisee's restrictions on competition both during the term of the Franchise Agreement and following the expiration or termination of the Franchise Agreement are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with and perform each such covenant as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement.

3.2 Construction of Covenants. The parties agree that each such covenant related to non-competition will be construed as independent of any other covenant or provision of this Owners Agreement. If all or any portion of a covenant referenced in this Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Owners agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 3.

3.3 Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any covenant referenced in this Section 3 of this Owners Agreement, without Owners' consent (before or after any dispute arises), effective when we give Owners written notice of this reduction. Owners agree to comply with any covenant as so modified.

4. Guarantee.

4.1 Payment. Owners will pay us (or cause us to be paid) all monies payable by Franchisee under the Franchise Agreement on the dates and in the manner required for payment in the relevant agreement.

4.2 Performance. Owners unconditionally guarantee full performance and discharge by Franchisee of all of Franchisee's obligations under the Franchise Agreement on the date and times and in the manner required in the relevant agreement.

4.3 Indemnification. Owners will indemnify, defend and hold harmless us, all of our affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for by reason of: (a) Franchisee's failure to pay the monies payable (to us or any of our affiliates) pursuant to the Franchise Agreement, or to do and perform any other act, matter, or thing required by the Franchise Agreement; or (b) any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

4.4 No Exhaustion of Remedies. Owners acknowledge and agree that we will not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Owners as guarantors under this Owners Agreement, and the enforcement of such obligations can take place before, after, or contemporaneously with, enforcement of any of Franchisee's debts or obligations under the Franchise Agreement.

4.5 Waiver of Notice. Without affecting Owners' obligations under this Section 4, we can extend, modify, or release any of Franchisee's indebtedness or obligation, or settle, adjust, or compromise any claims against Franchisee, all without notice to the Owners. Owners waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

4.6 Effect of Owner's Death. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Owners will continue in full force and effect.

5. Transfers.

Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Owners' business experience, skill, financial resources and personal character. Accordingly, Owners agree: a) not to sell, encumber, assign, transfer, convey, pledge, merge or give away any direct or indirect interest in this Franchisee, unless Owners first comply with the sections in the Franchise Agreement regarding transfers and assignment, and b) that any attempt to do so will be a material breach of this Owners Agreement and the Franchise Agreement.

6. Notices.

6.1 Method of Notice. Any notices given under this Owners Agreement shall be in writing and delivered in accordance with the provisions of the Franchise Agreement.

6.2 Notice Addresses. Our current address for all communications under this Owners Agreement is:

Mici Franchising, LLC
2373 Central Park Blvd., Unit 107
Denver, CO 80238

The current address of each Owner for all communications under this Owners Agreement is designated on the signature page of this Owners Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Franchise Agreement.

7. Enforcement of This Owners Agreement.

7.1 Dispute Resolution. Any claim or dispute arising out of or relating to this Owners Agreement shall be subject to the dispute resolution provisions of the Franchise Agreement. This agreement to engage in such dispute resolution process shall survive the termination or expiration of this Owners Agreement.

7.2 Choice of Law; Jurisdiction and Venue. This Owners Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations under this Owners Agreement, and any other claim or controversy between the parties, will be governed by the choice of law and jurisdiction and venue provisions of the Franchise Agreement.

7.3 Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce Owners' obligations under this Owners Agreement. Owners acknowledge and agree that there is no adequate remedy at law for Owners' failure to fully comply with the requirements of this Owners Agreement. Owners further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper. If injunctive relief is granted, Owners' only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

8. Miscellaneous.

8.1 No Other Agreements. This Owners Agreement constitutes the entire, full and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Owners Agreement, other than those in this Owners Agreement. No other obligations, restrictions or duties that contradict or are inconsistent with the express terms of this Owners Agreement may be implied into this Owners Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Owners Agreement), no amendment, change or variance from this Owners Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.

8.2 Severability. Each provision of this Owners Agreement, and any portions thereof, will be considered severable. If any provision of this Owners Agreement or the application of any provision to any person, property or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Owners Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent as much as possible with the original intent of the parties (i.e. to provide maximum protection for us and to effectuate the Owners' obligations under the Franchise Agreement), and the parties agree to be bound by the modified provisions.

8.3 No Third-Party Beneficiaries. Nothing in this Owners Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors and assigns) any rights or remedies under or by reason of this Owners Agreement.

8.4 Construction. Any term defined in the Franchise Agreement which is not defined in this Owners Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Owners Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Owners Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation

8.5 Binding Effect. This Owners Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Owners Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.

8.6 Successors. References to "Franchisor" or "the undersigned," or "you" include the respective parties' heirs, successors, assigns or transferees.

8.7 Nonwaiver. Our failure to insist upon strict compliance with any provision of this Owners Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Owners Agreement shall be cumulative.

8.8 No Personal Liability. You agree that fulfillment of any and all of our obligations written in the Franchise Agreement or this Owners Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

8.9 Owners Agreement Controls. In the event of any discrepancy between this Owners Agreement and the Franchise Agreement, this Owners Agreement shall control.

IN WITNESS WHEREOF, the parties have entered into this Owners Agreement as of the effective date of the Franchise Agreement.

OWNERS:

____
Printed Name: ____________________
Address:________________________
____

____
Printed Name: ____________________
Address:________________________
____

Mici Franchising, LLC hereby accepts the agreements of the Owner(s) hereunder.

MICI FRANCHISING, LLC

By: ___________________________

Printed Name: Elliot Schiffer

Title: Chief Executive Officer

(Rev. 121319)

EXHIBIT D

AREA DEVELOPMENT AGREEMENT

EXHIBIT D

MICI FRANCHISING, LLC

AREA DEVELOPMENT AGREEMENT

Area Developer: ______________________________

Date: ______________________________________

Development Territory: _________________________

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MICI FRANCHISING, LLC

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT ("Agreement") is made and entered into by and between MICI FRANCHISING, LLC, a Colorado limited liability company ("Franchisor"), with a business address at 2373 Central Park Blvd, Unit 107, Denver, CO 80238 and the area developer identified on the signature page of this Agreement ("Area Developer") as of the date specified as the "Effective Date" on the signature page. If more than one person or entity is listed as Area Developer, each such person or entity shall be jointly and severally liable under this Agreement. If more than one person or entity is listed as Area Developer, each such person or entity shall be jointly and severally liable for all rights, duties, restrictions and obligations under this Agreement.

WITNESSETH:

WHEREAS, Franchisor offers franchise rights relating to the establishment, development and operation of businesses ("Mici Franchise(s)") that operate restaurants providing fast, casual Italian food ("Mici Business(es)");

WHEREAS, in addition to this Agreement, Franchisor and Area Developer have entered into a franchise agreement on the same date ("Initial Franchise Agreement") for the right to establish and operate a single Mici Business ("Initial Business"); and

WHEREAS, Area Developer desires to purchase an option to establish and operate Mici Franchises within the territory described in Attachment A ("Development Territory"), under the development schedule described in Attachment B ("Development Schedule") and pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

1. GRANT

1.1 Franchisor hereby grants to Area Developer the right to establish and operate the number of Mici Franchises indicated in Section 1 of Attachment B within the Development Territory described in Section 3 of Attachment A. Each Mici Franchise shall be operated according to the terms of Franchisor's then-current form of individual franchise agreement; provided, however, that each additional franchise agreement shall contain the same royalty rate as the Initial Franchise Agreement.

1.2 If Area Developer is developing Mici Franchises and complies with the terms of this Agreement, the Development Schedule, the individual franchise agreement for each Mici Franchise, and any other agreements entered into with Franchisor or its affiliates, then Franchisor will not franchise or license others, nor will it itself directly or indirectly develop, own, lease, construct or operate in any manner, any Mici Franchises in the Development Territory during the term of this Agreement. However, Franchisor, its affiliates, and any other authorized person or entity (including any other Mici Business) may, at any time, conduct any other type of activities within the Development Territory that Franchisor is permitted to conduct under each franchise agreement for a Mici Business within the Development Territory. Any existing or future Non-Traditional Locations (as described below) located within the Development Territory are excluded from the Development Territory and will not be considered part of it. A "Non-Traditional Location" means a location other than a standard brick and mortar retail location such as (but not limited to) toll roads, train stations, amusement parks and all properties controlled by the amusement park, travel stations, hotels and motels, ships, ports, piers, casinos, stadiums, airports, theatres, big box retailers, building supply stores, warehouse club stores, colleges and universities, schools, hospitals, military and other governmental facilities, office or in-plant food service facilities, shopping mall food courts operated by a master concessionaire, grocery stores, outlet malls, supermarkets and convenience stores, and any site for which the lessor, owner or operator thereof shall have indicated its intent to prefer or limit the operation of its food service facilities to a master concessionaire or contract food service provider.

Franchisor further retains the right, for itself and its affiliates, on any terms Franchisor deems advisable, and without granting Area Developer any rights:

(a) to own, franchise or operate Mici Businesses at any location outside of the Development Territory, regardless of the proximity to Area Developer's Mici Businesses;

(b) to use the Mici trademarks ("Marks") and system ("System") to sell any products or services similar to those which Area Developer will sell through any alternate channels of distribution within or outside of the Development Territory (even if these businesses compete with Area Developer). This includes, but is not limited to, other channels of distribution such as television, catalog sales, wholesale to unrelated retail outlets or over the Internet. Franchisor exclusively reserves the Internet as a channel of distribution for Franchisor, and Area Developer may not independently market on the Internet or conduct e-commerce;

(c) to produce, offer and sell, and to grant others the right to produce, offer and sell the products and services offered at Mici Businesses and any other proprietary products displaying the Marks or any other marks, through Non-Traditional Locations within or outside of the Development Territory;

(d) to use and license the use of other proprietary and non-proprietary marks or methods which are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution or in the operation of a business offering products similar to those offered by Mici Businesses at any location, including within the Development Territory, which may be similar to or different from the Mici Business(es) operated by Area Developer;

(e) to engage in any transaction, including to purchase or be purchased by, to merge or combine with, to convert to the System or be converted into a new system with any business, whether franchised or corporately owned, including a business that competes directly with Area Developer's Mici Business(es), wherever located; provided that in such situations the newly acquired businesses may not operate under the Marks inside of the Development Territory;

(f) to use and license the use of technology to non-franchisee locations inside and outside the Territory;

(g) to implement multi-area marketing programs, which may allow Franchisor or others to solicit or sell to customers anywhere. Franchisor also reserves the right to issue mandatory policies to coordinate such multi-area marketing programs; and

(h) to engage in any other business activities not expressly prohibited by this Agreement, both within and outside the Development Territory.

Franchisor is not required to pay Area Developer if Franchisor exercises any of the rights specified above within the Development Territory. Franchisor does not pay compensation for soliciting or accepting orders inside the Development Territory.

Upon the expiration or termination of this Agreement: (a) Area Developer shall have no further right to construct, equip, own, open or operate additional Mici Franchises which are not, at the time of such termination or expiration, the subject of a then-existing franchise agreement between Area Developer (or an affiliate of Area Developer) and Franchisor, which is then in full force and effect; and (b) Franchisor or its affiliates or designees may thereafter construct, equip, open, own or operate, and license others to (or grant development rights to) construct, equip, open, own or operate Mici Franchises or Mici Businesses at any location(s) (within or outside of the Development Territory), without any restriction, subject only to the territorial rights granted, if any, for any then-existing Mici Franchise pursuant to a validly subsisting franchise agreement executed for such Mici Business.

1.3 This Agreement is not a franchise agreement and Area Developer shall have no right to use in any manner the Marks or System by virtue hereof. Each Mici Franchise will be governed by the individual franchise agreement signed by Franchisor and Area Developer, or its affiliate, for each Mici Business.

1.4 Area Developer must own at least a fifty-one percent (51%) equity interest in the franchisee for each Mici Business developed hereunder. In addition, Area Developer shall ensure that a person having at least a ten percent (10%) beneficial equity interest in such franchisee shall at all times devote his or her full time and attention to managing, supervising and developing each Mici Business, and that the person is at all times identified to Franchisor, unless Franchisor has approved a Designated Manager (defined in the Initial Franchise Agreement) for the Mici Business. Area Developer shall identify all equity owners of Area Developer by completing the "Statement of Ownership" attached to this Agreement as Attachment C. Area Developer shall execute an updated form of Attachment C within ten business days of any change in the equity ownership of Area Developer. The failure of Area Developer to provide Franchisor with an updated Attachment C within the time frame specified in this Section 1.4 shall constitute a material default of this Agreement.

2. TERM

Unless sooner terminated pursuant to the provisions of Section 7, the term of this Agreement shall expire upon the earlier of: (a) the termination date listed on Section 2 of Attachment B; or (b) completion of the obligations of the Development Schedule. Upon expiration or termination of this Agreement, the Area Developer's rights to the Development Territory shall immediately terminate and the only territorial protections that Area Developer will retain are those under each individual franchise agreement. During the term of this Agreement (and following termination of this Agreement), Area Developer shall be subject to all confidentiality and non-compete provisions contained in any franchise agreements, Owners Agreements and similar agreements it has signed with Franchisor or its affiliates.

3. DEVELOPMENT FEE

Area Developer must pay Franchisor a "Development Fee" in the amount set forth in Attachment A upon execution of this Agreement, depending on the number of Mici Businesses Area Developer has elected to develop. No initial franchise fee will be due upon the execution of the Initial Franchise Agreement and each additional franchise agreement for a Mici Business to be developed under this Agreement (but all other fees will apply). The Development Fee shall be due and payable in full upon Area Developer's execution of this Agreement and shall be non-refundable under any circumstances, regardless of whether Area Developer opens any of the Mici Businesses Area Developer is obligated to open in the Development Territory.

4. DEVELOPMENT SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS

4.1 Area Developer shall exercise the development rights granted under this Agreement only by entering into a separate franchise agreement with Franchisor for each Mici Franchise for which a development right is granted. The Franchise Agreement to be executed for the first Mici Franchise to be developed by Area Developer under this Agreement shall be executed and delivered concurrently with the execution and delivery of this Agreement. All subsequent Mici Franchises developed under this Agreement shall be established and operated pursuant to the form of franchise agreement and ancillary documents then being used by Franchisor for a Mici Franchise. Area Developer acknowledges that the then-current form of franchise agreement may differ from the Initial Franchise Agreement, except that each shall have the same royalty rate as the Initial Franchise Agreement.

4.2 Development Schedule.

(a) Acknowledging that time is of the essence, Area Developer agrees to exercise its development rights according to Section 4.1 and according to the Development Schedule set forth in Attachment B, which schedule designates the number of Franchise Agreements that must be executed prior to the expiration of each of the designated development periods ("Development Periods") for the operation of Mici Franchises in the Development Territory.

(b) During any Development Period, Area Developer may, with Franchisor's prior written consent, develop more than the number of Mici Businesses than Area Developer is required to develop during that Development Period by executing multiple franchise agreements during a single Development Period. Any franchise agreements executed during a Development Period in excess of the minimum number to be executed prior to expiration of that Development Period shall be applied to satisfy Area Developer's development obligation during the next succeeding Development Period. Area Developer shall not execute more than the cumulative total number of franchise agreements than Area Developer is obligated to execute under this Agreement, as set forth in the Development Schedule.

(c) Area Developer shall open each Mici Business in accordance with the terms of the franchise agreement and shall execute the franchise agreements in accordance with the Development Schedule set forth in Attachment B.

(d) Area Developer's first failure to adhere to the Development Schedule shall result in a loss of the Development Territory and all territorial rights granted in Section 1.2 of this Agreement. Failure by Area Developer to adhere to the Development Schedule on two or more occasions shall constitute a material event of default under this Agreement, for which Franchisor may exercise its rights under Section 7.1 of this Agreement.

(e) If Franchisor is not legally able to deliver a Franchise Disclosure Document to Area Developer by reason of any lapse or expiration of its franchise registration, or because Franchisor is in the process of amending any such registration, or for any reason beyond Franchisor's reasonable control, Franchisor may delay acceptance of the site for Area Developer's proposed Mici Franchise, or delivery of a franchise agreement, until such time as Franchisor is legally able to deliver a Franchise Disclosure Document.

5. LOCATION OF MICI BUSINESSES

The location of each Mici Business shall be selected by the Area Developer within the Development Territory in accordance with the terms set forth in each franchise agreement signed by Area Developer and must be approved by Franchisor.

6. FRANCHISE AGREEMENT

Area Developer shall not commence construction on or open any Mici Business until, among other things, the individual franchise agreement for that Mici Franchise has been signed by both the Area Developer and Franchisor.

7. DEFAULT AND TERMINATION

7.1 Area Developer will be in default of this Agreement if it (or its affiliate(s)): (a) fails to comply with the Development Schedule on two or more occasions; (b) fails to perform any of its obligations under this Agreement or any individual franchise agreement; or (c) fails to comply with the provisions on transfer contained herein. Upon default, Franchisor shall have the right, at its option, and in its sole discretion, to do any or all of the following:

(a) terminate this Agreement;

(b) terminate the territorial exclusivity granted to Area Developer (if such territorial exclusivity has not already been terminated by a first failure to adhere to the Development Schedule, as described in Section 4.2(e) above);

(c) reduce the size of the Area Developer's Development Territory;

(d) extend the Development Schedule; or

(e) pursue any other remedy Franchisor may have at law or in equity, including, but not limited to, a suit for non-performance.

7.2 Upon the death or Permanent Disability (as defined below) of Area Developer or any equity owner of Area Developer (if Area Developer is an entity) or of Area Developer's Operating Principal (as defined below), Franchisor shall allow a period of 120 days after such death or Permanent Disability for his or her heirs, personal representatives or conservators (the "Heirs") to seek and obtain Franchisor's consent to the assignment of his or her rights and interests in this Agreement (or the assignment of his or her equity and voting power) to another equity owner or third party approved by Franchisor. If said Heir(s) fail to receive Franchisor's consent to such assignment and transfer or assign the Agreement to a qualified party within 180 days of death or disability, then this Agreement shall immediately terminate at Franchisor's election. Such consent shall be withheld or granted in Franchisor's sole discretion. For purposes of this Section 7.2, a "Permanent Disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement or in the guaranty made part of this Agreement for at least 90 consecutive days, and from which condition recovery within 90 days from the date of determination of disability is unlikely. If the parties disagree as to whether a person is disabled, the existence of a Permanent Disability shall be determined by a licensed practicing physician selected by Franchisor upon examination of the person. If the person refuses to submit to an examination, such person shall automatically be deemed Permanently Disabled as of the date of such refusal for the purpose of this Section 7.2. The costs of any examination required by this Section 7.2 shall be paid by Franchisor. Upon the death or claim of Permanent Disability of Area Developer or any Operating Principal, Area Developer or a representative of Area Developer must promptly notify Franchisor of such death or claim of Permanent Disability within 15 days of its occurrence. The Heirs must apply to Franchisor for the right to transfer to the next of kin within 120 calendar days after Area Developer's death or disability. The "Operating Principal" means the individual that Area Developer designates, and Franchisor approves who is primarily responsible for communicating with Franchisor about any of Area Developer's Mici Business(es) and all matters related to this Agreement.

7.3 In addition, if any individual franchise agreement issued to Area Developer or an approved affiliate of Area Developer, whether or not issued pursuant to this Agreement, is terminated for any reason, Franchisor shall have the right to terminate this Agreement on immediate written notice to Area Developer. Upon termination or expiration of the term of this Agreement, this Agreement shall be of no further effect, and Franchisor shall have the right to open, or license others to open, Mici Franchises within the Development Territory (subject only to the territorial rights granted, if any, for any then-existing Mici Franchise pursuant to a validly existing franchise agreement executed for such Mici Franchise); and Area Developer shall be subject to all confidentiality and non-competition covenants contained in any Franchise Agreements, Owners Agreements and similar agreements it has signed with Franchisor or its affiliates. For purposes of this Section 7.7, any Franchise Agreement issued by Franchisor to Area Developer or its approved affiliates, or any corporation, partnership or joint venture, or their affiliates, in which Area Developer or any stockholder, partner or joint venturer of Area Developer has any direct or indirect ownership or participation interest shall be deemed a Franchise Agreement issued to Area Developer.

7.4 In the event of a default by Area Developer, all of Franchisor's costs and expenses arising from such default, including reasonable accountant fees, attorney fees and administrative fees shall be paid to Franchisor by Area Developer within five days after cure or upon demand by Franchisor if such default is not cured. Area Developer will remain bound by all Franchise Agreements.

8. ASSIGNMENT

8.1 Franchisor shall have the absolute right to transfer or assign all or any part of its rights or obligations hereunder to any person or legal entity which assumes its obligation under this Agreement and Franchisor shall thereby be released from any and all further liability to Area Developer.

8.2 Area Developer may not assign this Agreement or any rights to the Development Territory, except in compliance with Section 7.2. The provisions of this Section 8.2 shall not restrict Area Developer from transferring an open and operating Mici Franchise in compliance with the assignment provisions contained in such Mici Franchise's franchise agreement.

9. FORCE MAJEURE

In the event that Area Developer is unable to comply with the Development Schedule due to strike, riot, civil disorder, war, epidemic, fire, natural catastrophe or other similar events which are beyond its control, and cannot be overcome by use of normal commercial measures ("Force Majeure"), then upon notice to Franchisor, the Development Schedule and this Agreement shall be extended for a corresponding period, not to exceed 90 days. An event of Force Majeure does not relieve a party from liability for an obligation which arose before the occurrence of the event, nor does that event affect any obligation to pay money owed under this Agreement or any franchise agreement or to indemnify Franchisor, whether such obligation arose before or after the Force Majeure event. An event of Force Majeure shall not affect Area Developer's obligations to comply with any restrictive covenants in this Agreement during or after the Force Majeure event.

10. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding of the parties with respect to the development of the Development Territory and shall not be modified except by a written agreement signed by the parties hereto. However, nothing in this Agreement or any related agreement is intended to disclaim Franchisor's representations made in the Franchise Disclosure Document. Where this Agreement and any franchise agreement between the parties conflicts with respect to the payment terms of Development Fees or equity interests held by Area Developer or operating partners, the terms of this Agreement shall govern. Under no circumstances do the parties intend that this Agreement be interpreted in a way as to grant Area Developer any rights to grant sub-franchises in the Development Territory.

11. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

11.1 It is acknowledged and agreed that Area Developer and Franchisor are independent contractors, and nothing contained herein shall be construed as constituting Area Developer as the agent, partner or legal representative of Franchisor for any purpose whatsoever. Area Developer shall enter into contracts for the development of the Development Territory contemplated by this Agreement at its sole risk and expense, and shall be solely responsible for the direction, control, supervision and management of its agents and employees. Area Developer acknowledges that it does not have authority to incur any obligations, responsibilities or liabilities on behalf of Franchisor, or to bind Franchisor by any representations or warranties, and agrees not to hold itself out as having this authority.

11.2 Area Developer agrees to protect, defend, indemnify and hold Franchisor harmless from and against all claims, actions, proceedings, damages, costs, expenses and other losses and liabilities, directly or indirectly incurred as a result of, arising from, out of, or in connection with Area Developer's carrying out its obligations hereunder. Area Developer agrees to reimburse Franchisor within 30 days of Franchisor submitting an invoice to Area Developer for all costs of defending the matter, including all attorney fees incurred by Franchisor, whether or not Area Developer's insurer assumes defense of Franchisor promptly when requested. Franchisor has the right to approve any resolution or course of action, including, but not limited to, the selection of an attorney for the defense of a matter that could directly or indirectly have any adverse effect on Franchisor or its Marks or System, or could serve as a precedent for other matters.

12. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their heirs, successors, permitted assigns and personal representatives.

13. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, which laws shall govern in the event of any conflict of laws, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et. seq.). The parties expressly consent to personal jurisdiction in the State of Colorado and agree that, except as set forth in Section 15, the state and federal court(s) located in the principal city closest to Franchisor's principal place of business (currently, Denver, Colorado) will have exclusive jurisdiction and be the mandatory venue for the purposes of carrying out this provision.

If applicable law implies a covenant of good faith and fair dealing in this Agreement, Franchisor and Area Developer agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply the covenant, Area Developer agrees that: (i) this Agreement (and the relationship of the parties that is inherent in this Agreement) grants Franchisor the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisor's explicit rights and obligations under this Agreement that may affect favorably or adversely Area Developer's interests; (ii) Franchisor will use its judgment in exercising the discretion based on its assessment of its own interests and balancing those interests against the interests of Franchisor's franchisees and area developers generally (including Franchisor and its affiliates, if applicable), and specifically without considering Area Developer's individual interests or the individual interests of any other particular area developer or franchisee; (iii) Franchisor will have no liability to Area Developer for the exercise of Franchisor's discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for Franchisor's judgment so exercised.

14. NOTICE

Whenever this Agreement requires notice, it shall be in writing and shall be deemed so delivered at the time delivered by hand; one business day after electronically confirmed transmission by facsimile or other electronic system; one business day after delivery by Express Mail or other recognized, reputable overnight courier, or three business days after placement in the United States mail by Registered or Certified Mail, Return Receipt Request, postage prepaid and addressed: (a) to Franchisor at the address on the first page of this Agreement, unless written notice is given of a change of address; and (b) to Area Developer at the address set forth in Section 6 of Attachment A to this Agreement, unless written notice is given of a change of address.

15. DISPUTE RESOLUTION

Franchisor and Area Developer agree that any dispute between the parties arising out of the terms of this Agreement shall be governed in accordance with the terms and conditions set forth in the Initial Franchise Agreement, including those provisions requiring mediation and/or arbitration (subject to limited exceptions for certain claims), which terms and conditions are by this reference incorporated herein. Franchisor and Area Developer each agree that their respective obligations to comply with the dispute resolution terms set forth in the Initial Franchise Agreement shall survive any termination, expiration or renewal of the Initial Franchise Agreement and shall survive any termination or expiration of this Agreement.

16. ACKNOWLEDGEMENTS

16.1 Area Developer acknowledges and recognizes that different terms and conditions, including different fee structures, may pertain to different area development agreements and Franchise Agreements offered in the past, contemporaneously herewith, or in the future, and that Franchisor does not represent that all area development agreements or franchise agreements are or will be identical.

16.2 Area Developer acknowledges that it is not, nor is it intended to be, a third-party beneficiary of this Agreement or any other agreement to which Franchisor is a party.

16.3 Area Developer represents to Franchisor that it has the business acumen, corporate authority and financial wherewithal to enter into this Agreement and to perform all of its obligations hereunder; and furthermore, that the execution of this Agreement is not in contravention of any other written or oral obligation of Area Developer.

16.4 Area Developer acknowledges and accepts the following:

The success of Area Developer in managing and operating multiple Mici Businesses is speculative and will depend on many factors, including, to a large extent, Area Developer's independent business ability. Area Developer has been given the opportunity and been encouraged to obtain independent advice from legal and other professionals before entering into this Agreement. This offering is not a security as that term is defined under applicable Federal and State securities laws. The obligation to train, manage, pay, recruit and supervise employees of the Mici Businesses rests solely with Area Developer. Area Developer has not relied on any warranty or representation, expressed or implied, as to the potential success or projected income of the business venture contemplated hereby. No representations or promises have been made by Franchisor to induce Area Developer to enter into this Agreement, except as specifically included herein. Franchisor has not made any representation, warranty or guaranty, express or implied, as to the potential revenues, profits or services of the business venture to Area Developer and cannot, except under the terms of this Agreement, exercise control over Area Developer's business. Area Developer acknowledges and agrees that it has no knowledge of any representation made by Franchisor or its representatives of any information that is contrary to the terms contained herein.

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Agreement on the day and year first written above.

FRANCHISOR:

MICI FRANCHISING, LLC,
a Colorado limited liability company

By: ___________________________________

Printed Name: __________________________

Title: _________________________________

AREA DEVELOPER:

____
Entity name (if any)
a(n) __________________________________

By: ___________________________________

Printed Name: __________________________

Title: _________________________________

Date: _________________________________

ATTACHMENT A

DATA SHEET

1. **Effective Date**. The "Effective Date" of this Agreement, as set forth in the introductory paragraph is: _______________________________, 20___.

2. **Area Developer**. The Area Developer set forth in the introductory Paragraph of this Agreement is: ____

3. **Description of the Development Territory**. The Development Territory set forth in Section 1.1 of this Agreement shall be the geographic area described below and/or as depicted on the following map:

____

____

____

4. **Development Fee**. The Development Fee set forth in Section 3 of this Agreement is: $_____________

5. **Area Developer's Principal Address**. Area Developer's Principal Address is:

Attn: ___________________________
____
____
____

6. **Notice Address**. The notice address for Area Developer, as set forth in Section 14 of this Agreement, is:

Attn: ___________________________
____
____
____

(Signatures on following page)

FRANCHISOR:

MICI FRANCHISING, LLC,
a Colorado limited liability company

By: ______________________________________

Printed Name: ____________________________

Title: ____________________________________

AREA DEVELOPER:

____
Entity name (if any)
a(n) _____________________________________

Date: ______________________________

By: ______________________________________

Printed Name: ____________________________

Title: ____________________________________

(020620)

ATTACHMENT B

DEVELOPMENT SCHEDULE

1. The number of Mici Franchises to be developed under this Agreement (including the Initial Business): ________

2. The termination date of this Agreement shall be the earlier of the date the Development Schedule is complete or _________________________, 20____.

3. Development Schedule:

Mici Franchise	Development Period	Franchise Agreement Execution Deadline
1	_____ to _____	Date of execution of Area Development Agreement
2	_____ to _____	
3	_____ to _____	
4	_____ to _____	
5	_____ to _____	
6	_____ to _____	
7	_____ to _____	
8	_____ to _____	
9	_____ to _____	
10	_____ to _____	

FRANCHISOR:

MICI FRANCHISING, LLC,
a Colorado limited liability company

By: ___________________________________

Printed Name: __________________________

Title: _________________________________

AREA DEVELOPER:

____
Entity name (if any)
a(n) ___________________________________

By: ___________________________________

Printed Name: __________________________

Title: _________________________________

(020620

ATTACHMENT C

STATEMENT OF OWNERSHIP

Area Developer: ____

Form of Ownership
(Check One)

____ Individual ____ Partnership ____ Corporation ____ Limited Liability Company

If a **Partnership**, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a **Corporation**, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a **Limited Liability Company**, give the state and date of formation, the name and address of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

State and Date of Formation/Incorporation: ____

Management (managers, officers, board of directors, etc.):

Name	Title

Members, Stockholders, Partners*:

Name	Address	Percentage Owned

*__If any members, stockholders or partners are entities, please list the owners of such entities up through the individuals__.

Identification of Operating Principal. Area Developer's Operating Principal as of the Effective Date is ____. Area Developer may not change the Operating Principal without prior written approval of Franchisor.

AREA DEVELOPER:

____
Entity name (if any)
a(n) __________________________________

Date: __________________________

By: __________________________________

Printed Name: ________________________

Title: ________________________________

(020620)

EXHIBIT E

LIST OF CURRENT AND FORMER FRANCHISEES

Current Franchisees as of December 31, 2021:

	Franchisee	Franchisee Contact	Address	City	State	Telephone
1	Bocce Ball Food LLC	Carlos Smith	8244 FM 423, Suite 400	Frisco	Texas	314-504-4351
2	Valley Italian LLC	Lucas Farnham	7910 East Camelback Road, Unit 501	Scottsdale	Arizona	719-314-3616
3	Mici Management MI-01 LLC	Salem Najjar	42500 West 11 Mile Road, Suite C	Novi	Michigan	248-513-3666

Franchisees with Unopened Outlets as of December 31, 2021:

None

Former Franchisees:

The name and last known address of every franchisee who had a Mici Franchise transferred, terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during the period January 1, 2021 to December 31, 2021, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document are listed below. If you buy this Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

None

EXHIBIT F

STATE ADDENDA AND AGREEMENT RIDERS

STATE ADDENDA AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS, AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR MICI FRANCHISING, LLC

The following modifications are made to the Mici Franchising, LLC ("**Franchisor**," "**us**," "**we**," or "**our**") Franchise Disclosure Document ("**FDD**") given to franchisee ("**Franchisee**," "**you**," or "**your**") and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement between you and us dated _________________________, 20___ ("**Franchise Agreement**"). When the term "**Franchisor's Choice of Law State**" is used, it means Colorado. When the term "**Supplemental Agreements**" is used, it means Area Development Agreement.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement and other documents related to the sale of a franchise. This State-Specific Addendum ("**State Addendum**") will modify these agreements to comply with the state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements.

CALIFORNIA

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD.

California Corporations Code Section 31125 requires us to give to you an FDD approved by the Department of Financial Protection and Innovation before we ask you to consider a material modification of your Franchise Agreement.

The Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, provisions requiring binding arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Colorado. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement or Supplemental Agreements restricting venue to a forum outside the State of California. The Franchise Agreement may contain a mediation provision. If so, the parties shall each bear their own costs of mediation and shall share equally the filing fee and the mediator's fees.

The Franchise Agreement and Supplemental Agreements require the application of the law of Colorado. This provision may not be enforceable under California law.

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

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.

The Franchise Agreement and Supplemental Agreements may provide for termination upon bankruptcy. Any such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. SEC. 101 et seq.).

The Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, a covenant not to compete provision which extends beyond the termination of the Franchise. Such provisions may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.

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

Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

Item 6 of the FDD is amended to state the highest interest rate allowed by law in California is 10% annually.

HAWAII

The following is added to the Cover Page:

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

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT,

TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

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

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

The status of the Franchisor's franchise registrations in the states which require registration is as follows:

1. States in which this proposed registration is effective are listed on in Exhibit J of the FDD on the page entitled, "State Effective Dates."

2. States which have refused, by order or otherwise, to register these Franchises are:

   None

3. States which have revoked or suspended the right to offer the Franchises are:

   None

4. States in which the proposed registration of these Franchises has been withdrawn are:

   None

ILLINOIS

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The FDD, Franchise Agreement and Supplemental Agreements are amended accordingly.

The governing law or choice of law clause described in the FDD and contained in the Franchise Agreement and Supplemental Agreements is not enforceable under Illinois law. This governing law clause shall not be construed to negate the application of Illinois law in all situations to which it is applicable.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." The Franchise Agreement is amended accordingly. To the extent that the Franchise Agreement would otherwise violate Illinois law, such Agreement is amended by providing that all litigation by or between you and us, arising directly or indirectly from the Franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

Item 17.v, Choice of Forum, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

Item 17.w, Choice of Law, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

The termination and non-renewal provisions in the Franchise Agreement and the FDD may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of three years after the act or transaction constituting the violation upon which it is based, the expiration of one year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede any inconsistent provision(s).

INDIANA

Item 8 of the FDD is amended to add the following:

> Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

> Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

> No competing business for two years within the Protected Area.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

> Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

> Litigation regarding Franchise Agreement in Indiana; other litigation in Colorado. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

> Indiana law applies to disputes covered by Indiana franchise laws; otherwise, Colorado law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Colorado law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Franchise Agreement:

    > <u>No Limitation on Litigation</u>. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENTS AND AREA DEVELOPMENT AGREEMENTS

Item 17 of the FDD and the Franchise Agreement are amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

Representations in the Franchise Agreement are not intended to, nor shall they act as, a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the FDD and sections of the Franchise Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the Franchise.

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

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A Sec. 101 et seq.).

Fee Deferral

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

MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on your right to join an association of franchisees.

(b) A requirement that you assent to a release, assignment, novation, waiver, or estoppel which deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

(c) A provision that permits us to terminate a Franchise prior to the expiration of its term except for good cause. Good cause shall include your failure to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits us to refuse to renew your Franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the Franchise business are not subject to compensation. This subsection applies only if: (i) the term of the Franchise is less than five years; and (ii) you are prohibited by the Franchise Agreement or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the Franchise or you do not receive at least six months' advance notice of our intent not to renew the Franchise.

(e) A provision that permits us to refuse to renew a Franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside the State of Michigan. This shall not preclude you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits us to refuse to permit a transfer of ownership of a Franchise, except for good cause. This subdivision does not prevent us from exercising a right of first refusal to purchase the Franchise. Good cause shall include, but is not limited to:

(i) the failure of the proposed transferee to meet our then-current reasonable qualifications or standards.

(ii) the fact that the proposed transferee is a competitor of us or our subfranchisor.

(iii) the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us a right of first refusal to purchase the assets of a Franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants us the right to acquire the assets of a Franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits us to directly or indirectly convey, assign, or otherwise transfer our obligations to fulfill contractual obligations to you unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

MINNESOTA

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.

2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Franchise Agreement relating to arbitration.

4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement; and that consent to the transfer of the Franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under the Franchise Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Franchise Agreement, which require you to sign a general release prior to renewing or transferring your Franchise, are hereby deleted from the Franchise Agreement, to the extent required by Minnesota law.

7. The following language will appear as a new paragraph of the Franchise Agreement:

> No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

8. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three years after the cause of action accrues. To the extent that the Franchise Agreement conflicts with Minnesota law, Minnesota law will prevail.

9. Item 6 of the FDD and Section 13.6 of the Franchise Agreement is hereby amended to limit the Non-Sufficient Funds Fee to $30 per occurrence pursuant to Minnesota Statute 604.113.

NEW YORK

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

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, with regard to 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 ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: 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.

NORTH DAKOTA

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any section of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(r) of the FDD and Section 14 of the Franchise Agreement disclose the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and the Franchise Agreement are amended accordingly to the extent required by law.

RHODE ISLAND

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The FDD, the Franchise Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

The above language has been included in this FDD as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement, the Supplemental Agreements, and all other documents signed by them, including, but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

VIRGINIA

Item 17(h). The following is added to Item 17(h):

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

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for Mici Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 8 and Item 17.h.

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

WASHINGTON

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

(Signatures on following page)

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("**Addenda**") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

☐	California	☐	Michigan	☐	Rhode Island
☐	Hawaii	☐	Minnesota	☐	Virginia
☐	Illinois	☐	New York	☐	Washington
☐	Indiana	☐	North Dakota	☐	Wisconsin
☐	Maryland				

Dated: ____________________, 20____

FRANCHISOR:

MICI FRANCHISING, LLC

By: ____

Title: ____

FRANCHISEE:

____

____

By: ____

Title: ____

Rev. 050918

EXHIBIT G

OPERATIONS MANUAL
TABLE OF CONTENTS

EXHIBIT H

CONTRACTS FOR USE WITH THE MICI FRANCHISE

The following contracts contained in Exhibit H are contracts that Franchisee may be required to utilize or execute after signing the Franchise Agreement in the operation of the Mici Business. The following are the forms of contracts that Mici Franchising, LLC uses as of the Issuance Date of this Franchise Disclosure Document. If they are marked "Sample," they are subject to change at any time.

EXHIBIT H-1

MICI FRANCHISE

SAMPLE GENERAL RELEASE AGREEMENT

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims ("Release") is made as of _____________________, 20___ by _______________________________________, a(n) ______________________________ ("Franchisee"), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, "Releasor") in favor of Mici Franchising, LLC, a Colorado limited liability company ("Franchisor," and together with Releasor, the "Parties").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement ("Agreement") pursuant to which Franchisee was granted the right to own and operate a Mici business;

WHEREAS, (Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee/enter into a successor franchise agreement/amend the Agreement) or **(the Agreement is being terminated/or indicate other reason for the requirement of this waiver and release)**, and Franchisor has consented to such **(transfer/successor franchise agreement/amendment/termination/other reason)**; and

WHEREAS, as a condition to Franchisor's consent to **(transfer the Agreement/enter into a successor franchise agreement/amend the Agreement/terminate the Agreement/other reason)**, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. Each individual executing this Release on behalf of Franchisee represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the

franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third-party claim.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Confidentiality. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Release to any third party without Franchisor's express written consent, except as required by law.

5. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the State of Colorado.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

(Signatures on following page)

IN WITNESS WHEREOF, Releasor has executed this Release as of the date first written above.

FRANCHISEE:

____, a
____

By:____
Printed Name: _________________________________
Title: ____

FRANCHISEE'S OWNERS:

Date __________________________

____
Signature

____
Typed or Printed Name

____
Signature

____
Typed or Printed Name

Rev. 012021

EXHIBIT H-2

MICI FRANCHISE

SAMPLE SYSTEM PROTECTION AGREEMENT

This System Protection Agreement ("Agreement") is entered into by the undersigned ("you" or "your") in favor of Mici Franchising, LLC, a Colorado limited liability Company, and its successors and assigns ("us," "we," or "our"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"*Competitive Business*" means any business that: (i) sells or offers to sell products the same as or similar to the type of products sold by you in and/or from the Franchisee Territory (including, but not limited to, the products we authorize); or (ii) provides or offers to provide services the same as or similar to the type of services sold by you in and/or from the Franchisee Territory (including, but not limited to, the services we authorize), but excludes a Mici business operating pursuant to a franchise agreement with us.

"*Copyrights*" means all works and materials for which we or our affiliate have secured common law or registered copyright protection and that we allow franchisees to use, sell, or display in connection with the marketing and/or operation of a Mici business or the solicitation or offer of a Mici franchise, whether now in existence or created in the future.

"*Franchisee*" means the Mici franchisee for which you are a manager or officer.

"*Franchisee Territory*" means the territory granted to you pursuant to a franchise agreement with us.

"*Intellectual Property*" means, collectively or individually, our Marks, Copyrights, Know-how, and System.

"*Know-how*" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of a Mici business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manual.

"*Manual*" means our confidential operations manual for the operation of a Mici business, which may be periodically modified by us.

"*Marks*" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a Mici business, including "MICI," and any other trademarks, service marks, or trade names that we designate for use by a Mici business. The term "Marks" also includes any distinctive trade dress used to identify a Mici business, whether now in existence or hereafter created.

"*Prohibited Activities*" means any or all of the following: (i) owning, operating, or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent, or in any similar capacity) in a Competitive Business (other than owning an interest of five percent (5%) or less in a publicly-traded company that is a Competitive Business); (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); and/or (iii) inducing or attempting to induce any customer of ours (or of one of our affiliates or franchisees) to transfer their business to you or to any other person that is not then a franchisee of ours.

"*Restricted Period*" means the two-year period after you cease to be a manager or officer of Franchisee's Mici business; provided, however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the one-year period after you cease to be a manager or officer of Franchisee's Mici business.

"Restricted Territory" means the geographic area within: (i) a 20-mile radius from Franchisee's Mici business (and including the premises of the approved location of Franchisee); and (ii) a 20-mile radius from all other Mici businesses that are operating or under construction as of the beginning of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within a 10-mile radius from Franchisee's Mici business (and including the premises of the approved location of Franchisee).

"System" means our system for the establishment, development, operation, and management of a Mici business, including Know-how, proprietary programs and products, Manual, and operating system.

2. **Background**. You are a manager or officer of Franchisee. As a result of this relationship, you may gain knowledge of our System. You understand that protecting the Intellectual Property and our System are vital to our success and that of our franchisees and that you could seriously jeopardize our entire System if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.

3. **Know-How and Intellectual Property**. You agree: (i) you will not use the Know-how in any business or capacity other than the Mici business operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer a manager or officer of Franchisee's Mici business. You further agree that you will not use all or part of the Intellectual Property or all or part of the System for any purpose other than the performance of your duties for Franchisee and within the scope of your employment or other engagement with Franchisee. These restrictions on Know-how, Intellectual Property and the System shall not apply to any information which is information publicly known or becomes lawfully known in the public domain other than through a breach of this Agreement or is required or compelled by law to be disclosed, provided that you will give reasonable notice to us to allow us to seek protective or other court orders.

4. **Unfair Competition During Relationship**. You agree not to unfairly compete with us at any time while you are a manager or officer of Franchisee's Mici business by engaging in any Prohibited Activities.

5. **Unfair Competition After Relationship**. You agree not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity.

6. **Immediate Family Members**. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, grandparent or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family: (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited

Activities; or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

7. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.**

8. Breach. You agree that failure to comply with the terms of this Agreement will cause substantial and irreparable damage to us and/or other Mici franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action that you may have against us, our owners or our affiliates, or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

9. Miscellaneous.

a. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorneys' fees and costs in doing so.

b. This Agreement will be governed by, construed, and enforced under the laws of Colorado, and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

c. Each section of this Agreement, including each subsection and portion thereof, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.

d. You and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration, and geographic area. However, we may at any time unilaterally modify the terms of this Agreement upon written notice to you by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory, and/or reducing the scope of any other covenant imposed upon you under this Agreement to ensure that the terms and covenants in this Agreement are enforceable under applicable law.

(Signature Page Follows)

EXECUTED on the date stated below.

Date_________________________________ ____
Signature

____
Typed or Printed Name

Rev. 120619

EXHIBIT H-3

MICI FRANCHISE

SAMPLE CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ("Agreement") is entered into by the undersigned ("you") in favor of Mici Franchising, LLC, a Colorado limited liability company, and its successors and assigns ("us"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Copyrights" means all works and materials for which we or our affiliate(s) have secured common law or registered copyright protection and that we allow Mici franchisees to use, sell, or display in connection with the marketing and/or operation of a Mici Business, whether now in existence or created in the future.

"Franchisee" means the Mici franchisee for which you are an employee, independent contractor, agent, representative, or supplier.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, Manual, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of a Mici Business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manual.

"Manual" means our confidential operations manual for the operation of a Mici Business.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a Mici Business, including "MICI" and any other trademarks, service marks, or trade names that we designate for use by a Mici Business. The term "Marks" also includes any distinctive trade dress used to identify a Mici Business, whether now in existence or hereafter created.

"Mici Business" means a business that operates a fast casual and delivery Italian restaurant and other related goods and services using our Intellectual Property.

"System" means our system for the establishment, development, operation, and management of a Mici Business, including Know-how, proprietary programs and products, confidential operations manuals, and operating system.

2. Background. You are an employee, independent contractor, agent, representative, or supplier of Franchisee. Because of this relationship, you may gain knowledge of our Intellectual Property. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees, and that you could seriously jeopardize our entire Franchise System if you were to use such Intellectual Property in any way other than as described in this Agreement. In order to avoid such damage, you agree to comply with this Agreement.

3. Know-How and Intellectual Property: Nondisclosure and Ownership. You agree: (i) you will not use the Intellectual Property in any business or capacity other than for the benefit of the Mici Business operated by Franchisee or in any way detrimental to us or to the Franchisee; (ii) you will maintain the confidentiality of the Intellectual Property at all times; (iii) you will not make unauthorized copies of documents containing any Intellectual Property; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Intellectual Property; and (v) you will stop using the Intellectual Property immediately if you are no longer an employee, independent contractor, agent, representative, or supplier of Franchisee. You further agree that you will not use the Intellectual Property for any purpose other than the performing your duties for Franchisee and within the scope of your employment or other engagement with Franchisee.

The Intellectual Property is and shall continue to be the sole property of Mici Franchising, LLC. You hereby assign and agree to assign to us any rights you may have or may acquire in such Intellectual Property. Upon the termination of your employment or engagement with Franchisee, or at any time upon our or Franchisee's request, you will deliver to us or to Franchisee all documents and data of any nature pertaining to the Intellectual Property, and you will not take with you any documents or data or copies containing or pertaining to any Intellectual Property.

4. Immediate Family Members. You acknowledge you could circumvent the purpose of this Agreement by disclosing Intellectual Property to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Intellectual Property to family members. Therefore, you agree you will be presumed to have violated the terms of this Agreement if any member of your immediate family uses or discloses the Intellectual Property. However, you may rebut this presumption by furnishing evidence conclusively showing you did not disclose the Intellectual Property to the family member.

5. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.**

6. Breach. You agree that failure to comply with this Agreement will cause substantial and irreparable damage to us and/or other Mici franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

7. Miscellaneous.

a. Although this Agreement is entered into in favor of Mici Franchising, LLC, you understand and acknowledge that your employer/employee, independent contractor, agent, representative, or supplier relationship is with Franchisee and not with us, and for all purposes in connection with such relationship, you will look to Franchisee and not to us.

b. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorney fees and costs in doing so.

c. This Agreement will be governed by, construed, and enforced under the laws of Colorado, and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

d. Each section of this Agreement, including each subsection and portion, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms enforceable.

EXECUTED on the date stated below.

Date_________________________________ ____
Signature

____
Typed or Printed Name

Rev. 032916

EXHIBIT H-4

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name	Business No.
Franchisee Mailing Address (street)	Franchisee Phone No.
Franchisee Mailing Address (city, state, zip)	
Contact Name, Address and Phone number (if different from above)	
Franchisee Fax No.	Franchisee Email Address

Bank Account Information:

Bank Name		
Bank Mailing Address (street, city, state, zip)		
	☐ Checking ☐ Savings	
Bank Account No.	(check one)	Bank Routing No. (9 digits)
Bank Mailing Address (city, state, zip)		Bank Phone No.

Authorization:

Franchisee hereby authorizes Mici Franchising, LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above, and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: ___________________________________ Date: ___________________________________

Printed Name: ________________________________

Its: ____

Federal Tax ID Number: ________________________

Rev. 032916

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.

EXHIBIT H-5

MICI FRANCHISE

SAMPLE APPROVAL OF REQUESTED ASSIGNMENT

This Approval of Requested Assignment (“**Agreement**”) is entered into this _____ day of ___________________________, 20_____, between Mici Franchising, LLC (“**Franchisor**”), a Colorado limited liability company, __________________________ (“**Former Franchisee**”), the undersigned owners of Former Franchisee (“**Owners**”) and ________________________________, a Colorado limited liability company (“**New Franchisee**”).

RECITALS

WHEREAS, Franchisor and Former Franchisee entered into that certain franchise agreement dated ___________________________, 20______ (“**Former Franchise Agreement**”), in which Franchisor granted Former Franchisee the right to operate a Mici franchise located at ____________________________________ (“**Franchised Business**”); and

WHEREAS, Former Franchisee desires to assign (“**Requested Assignment**”) the Franchised Business to New Franchisee, New Franchisee desires to accept the Requested Assignment of the Franchised Business from Former Franchisee, and Franchisor desires to approve the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon the terms and conditions contained in this Agreement, including that New Franchisee sign Franchisor’s current form of franchise agreement together with all exhibits and attachments thereto (“**New Franchise Agreement**”), contemporaneously herewith.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, the parties hereto hereby covenant, promise, and agree as follows:

1. Payment of Fees. In consideration for the Requested Assignment, Former Franchisee acknowledges and agrees to pay Franchisor the Transfer Fee, as required under the Franchise Agreement (“**Franchisor’s Assignment Fee**”).

2. Assignment and Assumption. Former Franchisee hereby consents to assign all of its rights and delegate its duties with regard to the Former Franchise Agreement and all exhibits and attachments thereto from Former Franchisee to New Franchisee, subject to the terms and conditions of this Agreement, and conditioned upon New Franchisee’s signing the New Franchise Agreement pursuant to Section 5 of this Agreement.

3. Consent to Requested Assignment of Franchised Business. Franchisor hereby consents to the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon receipt of the Franchisor’s Assignment Fee from Former Franchisee and the mutual execution of this Agreement by all parties. Franchisor waives its right of first refusal set forth in the Former Franchise Agreement.

4. Termination of Rights to the Franchised Business. The parties acknowledge and agree that effective upon the date of this Agreement, the Former Franchise Agreement shall terminate and all of Former Franchisee’s rights to operate the Franchised Business are terminated and that from the date of this Agreement only New Franchisee shall have the sole right to operate the Franchised Business under the New

Franchise Agreement. Former Franchisee and the undersigned Owners agree to comply with all of the covenants in the Former Franchise Agreement that expressly or by implication survive the termination, expiration, or transfer of the Former Franchise Agreement. Unless otherwise precluded by state law, Former Franchisee shall execute Franchisor's current form of General Release Agreement.

5. New Franchise Agreement. New Franchisee shall execute the New Franchise Agreement for the Franchised Business (as amended by the form of Addendum prescribed by Franchisor, if applicable), and any other required contracts for the operation of a Mici franchise as stated in Franchisor's Franchise Disclosure Document.

6. Former Franchisee's Contact Information. Former Franchisee agrees to keep Franchisor informed of its current address and telephone number at all times during the three-year period following the execution of this Agreement.

7. Acknowledgement by New Franchisee. New Franchisee acknowledges and agrees that the purchase of the rights to the Franchised Business ("**Transaction**") occurred solely between Former Franchisee and New Franchisee. New Franchisee also acknowledges and agrees that Franchisor played no role in the Transaction and that Franchisor's involvement was limited to the approval of Requested Assignment and any required actions regarding New Franchisee's signing of the New Franchise Agreement for the Franchised Business. New Franchisee agrees that any claims, disputes, or issues relating New Franchisee's acquisition of the Franchised Business from Franchisee are between New Franchisee and Former Franchisee, and shall not involve Franchisor.

8. Representation. Former Franchisee warrants and represents that it has not heretofore assigned, conveyed, or disposed of any interest in the Former Franchise Agreement or Franchised Business. New Franchisee hereby represents that it received Franchisor's Franchise Disclosure Document and did not sign the New Franchise Agreement or pay any money to Franchisor or its affiliate for a period of at least 14 calendar days after receipt of the Franchise Disclosure Document.

9. Notices. Any notices given under this Agreement shall be in writing, and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via telegram or telefax, shall be deemed to have been given on the date so delivered or transmitted, if sent to the recipient at its address or telefax number appearing on the records of the sending party.

10. Further Actions. Former Franchisee and New Franchisee each agree to take such further actions as may be required to effectuate the terms and conditions of this Agreement, including any and all actions that may be required or contemplated by the Former Franchise Agreement.

11. Affiliates. When used in this Agreement, the term "**Affiliates**" has the meaning as given in Rule 144 under the Securities Act of 1933.

12. Miscellaneous. This Agreement may not be changed or modified except in a writing signed by all of the parties hereto. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

FRANCHISOR:

MICI FRANCHISING, LLC

By: ______________________________
Printed Name: ______________________________
Title: ______________________________

FORMER FRANCHISEE:

____

By: ______________________________
Printed Name: ______________________________
Title: ______________________________

NEW FRANCHISEE:

____

By: ______________________________
Printed Name: ______________________________
Title: ______________________________

Rev. 031821

EXHIBIT H-6

MICI FRANCHISE

RIDER AND SPECIAL STIPULATIONS

TO LEASE AGREEMENT DATED ____________________
BY AND BETWEEN

__________________________________, AS "LANDLORD"
AND

____, AS "TENANT" FOR THE DEMISED PREMISES ("PREMISES") DESCRIBED THEREIN

This Rider and Special Provisions (the "**Rider**") and the provisions hereof are hereby incorporated into the body of the lease to which this Rider is attached (the "**Lease**"), and the provisions hereof shall be cumulative of those set forth in the Lease, but to the extent of any conflict between any provisions of this Rider and the provisions of the Lease, this Rider shall govern and control.

1. Consent to Collateral Assignment to Franchisor; Disclaimer. Landlord acknowledges that Tenant intends to operate an [BRAND] location in the Premises, and that Tenant's rights to operate an [BRAND] location and to use the [BRAND] franchise system's trade and service marks are solely pursuant to a franchise agreement dated ____________________, 20_____ (the "**Franchise Agreement**") between Tenant and ENTITY, LLC (the "**Franchisor**"). Tenant's operations at the Premises are independently owned and operated. Landlord acknowledges that Tenant alone is responsible for all obligations under the Lease unless and until Franchisor or another franchisee expressly, and in writing, assumes such obligations and takes actual possession of the Premises. Notwithstanding any provisions of this Lease to the contrary, Landlord hereby consents, without payment of a fee and without the need for further Landlord consent, to (i) the collateral assignment of Tenant's interest in this Lease to Franchisor to secure Tenant's obligations to Franchisor under the Franchise Agreement, and/or (ii) Franchisor's (or any entity owned or controlled by, or under common control or ownership with, Franchisor) succeeding to Tenant's interest in the Lease by mutual agreement of Franchisor and Tenant, or as a result of Franchisor's exercise of rights remedies under such collateral assignment or as a result of Franchisor's termination of, or exercise of rights or remedies granted in or under, any other agreement between Franchisor and Tenant, and/or (iii) Tenant's, Franchisor's and/or any other franchisee of Franchisor's assignment of the Lease to another franchisee of Franchisor with whom Franchisor has executed its then-standard franchise agreement, Landlord, Tenant and Franchisor agree and acknowledge that simultaneously with such assignment pursuant to the immediately preceding sentence, Franchisor shall be released from all liability under the Lease or otherwise accruing after the date of such assignment (in the event Franchisor is acting as the assignor under such assignment), but neither Tenant nor any other franchisee shall be afforded such release in the event Tenant/such franchisee is the assignor unless otherwise agreed by Landlord. Landlord further agrees that all unexercised renewal or extension rights and other rights stated to be personal to Tenant shall not be terminated in the event of any assignment referenced herein, but shall inure to the benefit of the applicable assignee.

2. Notice and Cure Rights to Franchisor. Prior to exercising any remedies hereunder (except in the event

of imminent danger to the Premises), Landlord shall give Franchisor written notice of any default by Tenant, and commencing upon receipt thereof by Franchisor, Franchisor shall have five (5) additional days to the established cure period as is given to Tenant under the Lease for such default, provided that in no event shall Franchisor have a cure period of less than five (5) days after Franchisor s receipt of such notice. Landlord agrees to accept cure tendered by Franchisor as if the same was tendered by Tenant, but Franchisor has no obligation to cure such default. The initial address for notices to Franchisor is as follows:

Brand Address

With a copy to: Law Firm Address

3. Assignment Rights of Franchisor and Affiliates. Notwithstanding anything to the contrary contained in the Lease or this Rider, in the event Franchisor (or any entity owned or controlled by, or under common control or ownership with, Franchisor) becomes the "Tenant" entity under the Lease, whether pursuant to the terms of Section 1 of this Rider or otherwise consistent with the terms of the Lease, then as of and following such date of Franchisor's (or any entity owned or controlled by, or under common control or ownership with, Franchisor's) becoming "Tenant": (i) the transfer of equity interests among existing holders of equity interests in Tenant or any direct or indirect parent thereof, to or among family members, or to trusts for the benefit of any of such parties, (ii) the transfer of equity interests in Tenant or any direct or indirect parent thereof in connection with a public offering of equity interests, (iii) any transfer of equity interests in Tenant or any direct or indirect parent thereof, if Tenant or any direct or indirect parent of Tenant is a public company, (iv) any direct or indirect transfers, including any sale, of equity interests in Tenant or any affiliate thereof, or (v) any change in the members of the board of managers, directors, management or organization of Tenant or any affiliate thereof, shall not be deemed an assignment, subletting, change of control or other transfer of Tenant's interest in and to this Lease.

4. Radius and Relocation Clauses Ineffective. Notwithstanding anything as set forth in the Lease to the contrary or in conflict, in the event Franchisor (or any entity owned or controlled by, or under common control or ownership with, Franchisor) becomes the "Tenant" entity under the Lease, whether pursuant to the terms of Section 1 of this Rider or otherwise consistent with the terms of the Lease, then as of and following such date of Franchisor's (or any entity owned or controlled by, or under common control or ownership with, Franchisor's) becoming "Tenant": (i) all "radius" restrictions or other limitations contained within the Lease limiting the operation of other locations/stores/units within a certain geographic area shall be of no further force or effect; and (ii) all rights of Landlord to directly or indirectly relocate the Premises shall be of no further force or effect.

5. Franchisor's Right to Enter. Landlord acknowledges that, under the Franchise Agreement, Franchisor or its appointee has the right to assume the management and operation of the Tenant's business, on Tenant's behalf, under certain circumstances (to-wit: Tenant's abandonment, Tenant's failure to timely cure its default of the Franchise Agreement, and while Franchisor evaluates its right to purchase the [BRAND] location). Landlord agrees that Franchisor or its appointee may enter upon the Premises for purposes of assuming the management and operation of the [BRAND] location or taking other corrective actions as provided in the Franchise Agreement and, if it chooses to do so, it will do so in the name of the Tenant and without assuming any direct liability under the Lease unless Franchisor

exercises such rights to assume the Lease as set forth in Section 1 of this Rider. Further, upon the expiration or earlier termination of this Lease or the Franchise Agreement, Franchisor or its designee may enter upon the Premises for the purpose of removing all signs and other material bearing the [BRAND] trademarks or other commercial symbols of Franchisor.

6. Third Party Beneficiary. For so long as Franchisor holds a collateral assignment of the Lease, Franchisor is a third party beneficiary of the Lease, including, without limitation, this Rider, and as a result thereof, shall have all rights (but not the obligation) to enforce the same.

7. Amendments. Tenant agrees that the Lease may not be terminated, modified or amended without Franchisor's prior written consent, nor shall Landlord accept surrender of the Premises without Franchisor's prior written consent. Tenant agrees to promptly provide Franchisor with copies of all proposed modifications or amendments and true and correct copies of the signed modifications and amendments.

8. Default Under Franchise Agreement. Any default under the Lease which is not cured by Tenant within any applicable cure period also constitutes grounds for termination of the Franchise Agreement.

9. Remaining Provisions Unaffected. Those parts of the Lease that are not expressly modified by this Rider remain in full force and effect.

10. Counterparts. This Rider may be executed in one or more counterparts, each of which shall cumulatively constitute an original. PDF/Faxed signatures of this Rider shall constitute originals of the same.

****

AGREED and executed and delivered under seal by the parties hereto as of the day and year of the Lease.

LANDLORD:	**TENANT**:
______________________________	______________________________
Address:______________________	Address:______________________
______________________________	______________________________
Phone:________________________	Phone:________________________
By:___________________________	By:___________________________
Title:________________________	Title:
______________________________	
Date:_________________________	Date:

ATTACHMENT 1 TO LEASE ADDENDUM

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, as of the ___ day of _________________, 20___ ("**Effective Date**"), the undersigned, ___________________________________ ("**Assignor**") hereby assigns, transfers and sets over unto _________________________ ("**Assignee**") all of Assignor's right, title, and interest as tenant, in, to and under that certain lease, a copy of which is attached hereto as **Exhibit A** ("**Lease**") with respect to the premises located at ____. This Collateral Assignment of Lease ("**Assignment**") is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment unless Assignee expressly assume the obligations of Assignor thereunder.

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

Upon a default by Assignor under the Lease or under that certain franchise agreement for a franchise between Assignee and Assignor ("**Franchise Agreement**"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered, in Assignee's sole discretion, to: (i) cure Assignor's default of the Lease; (ii) take possession of the premises demised by the Lease; (iii) expel Assignor from the premises, either temporarily or permanently; (iv) terminate Assignee's rights, title, and interest in the Lease; and/or (v) assume the Lease. If Assignee expends sums to cure a default of the Lease, Assignor shall promptly reimburse Assignee for the cost incurred by Assignee in connection with such performance, together with interest thereon at the rate of two percent (2%) per month, or the highest rate allowed by law.

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

(Signatures on following page)

IN WITNESS WHEREOF, Assignor and Assignee have signed this Collateral Assignment of Lease as of the Effective Date first above written.

ASSIGNOR:

____

By: ___________________________________

Printed Name ___________________________

Its: ___________________________________

ASSIGNEE:

____

By: ___________________________________

Printed Name ___________________________

Its: ___________________________________

Rev. 112619

EXHIBIT I

FRANCHISE DISCLOSURE QUESTIONNAIRE

FRANCHISE DISCLOSURE QUESTIONNAIRE

As you know, Mici Franchising, LLC ("we" or "us"), and you are preparing to enter into a Franchise Agreement, and an Area Development Agreement, if applicable, for the operation of a Mici franchise. **You cannot sign or date this questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement, and the Area Development Agreement, if applicable.** Please review each of the following questions carefully and provide honest responses to each question. If you answer "No" to any of the questions below, please explain your answer in the table provided below.

1. Yes__ No__ Have you received and personally reviewed the Franchise Agreement, and the Area Development Agreement, if applicable, and each attachment or exhibit attached to it that we provided?

2. Yes__ No__ Have you received and personally reviewed the Franchise Disclosure Document and each attachment or exhibit attached to it that we provided?

3. Yes__ No__ Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?

4. Yes__ No__ Do you understand all the information contained in the Franchise Disclosure Document, Franchise Agreement, and Area Development Agreement, if applicable?

5. Yes__ No__ Have you reviewed the Franchise Disclosure Document, Franchise Agreement, and Area Development Agreement, if applicable, with a lawyer, accountant, or other professional advisor, or have you had the opportunity for such review and chosen not to engage such professionals?

6. Yes__ No__ Do you understand the risks of developing and operating a Mici Franchise?

7. Yes__ No__ Do you understand the success or failure of your Mici Franchise will depend in large part upon your skills, abilities, and efforts, and those of the persons you employ, as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs, and other relevant factors?

8. Yes__ No__ Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement, and the Area Development Agreement, if applicable, must be arbitrated in Colorado, if not resolved informally or by mediation (subject to state law)?

9. Yes__ No__ Do you understand that you must satisfactorily complete the initial training program before we will allow your Mici Franchise to open or consent to a transfer of Mici Franchise to you?

10. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Mici Franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

11. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement, Area Development Agreement, if applicable, and any addendum, concerning advertising, marketing, media support, marketing penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

12. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Mici Franchise will generate that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

13. Yes__ No__ Do you understand that the Franchise Agreement, and the Area Development Agreement, if applicable, including each attachment or exhibit to the Franchise Agreement, and the Area Development Agreement, if applicable, contains the entire agreement between us and you concerning the Mici Franchise?

14. Yes__ No__ Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

______________________________	______________________________
Signature of Franchise Applicant	Signature of Franchise Applicant
______________________________	______________________________
Name (please print)	Name (please print)
Date ____________________________	Date ____________________________

EXPLANATION OF ANY NEGATIVE RESPONSES (REFER TO QUESTION NUMBER):

Question Number	Explanation of Negative Response

Rev. 121720

<u>EXHIBIT J</u>

STATE EFFECTIVE DATES

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
Florida	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
Rhode Island	Pending
South Dakota	Pending
Utah	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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 K

RECEIPT

RECEIPT
(Retain This Copy)

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 Mici Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, Mici Franchising, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires Mici Franchising, LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Mici Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Elliot Schiffer, 2373 Central Park Blvd., Denver, CO 80238, 720-378-8040
Jeffrey Miceli, 2373 Central Park Blvd., Denver, CO 80238, 720-378-8040
Matthew Stanton, 2373 Central Park Blvd., Denver, CO 80238, 720-378-8040

Issuance Date: April 29, 2022

I received a disclosure document issued April 29, 2022 which included the following exhibits:

Exhibit A	List of State Administrators/Agents for Service of Process
Exhibit B	Financial Statements
Exhibit C	Franchise Agreement
Exhibit D	Area Development Agreement
Exhibit E	List of Current and Former Franchisees/Area Developers
Exhibit F	State Addenda and Agreement Riders
Exhibit G	Operations Manual Table of Contents
Exhibit H	Contracts for use with the Mici Franchise
Exhibit I	Franchise Disclosure Questionnaire
Exhibit J	State Effective Dates
Exhibit K	Receipt

Date	Signature	Printed Name
Date	Signature	Printed Name

PLEASE RETAIN THIS COPY FOR YOUR RECORDS.

RECEIPT
(Our Copy)

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 Mici Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, Mici Franchising, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires Mici Franchising, LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Mici Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and the appropriate state agency identified on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Elliot Schiffer, 2373 Central Park Blvd., Denver, CO 80238, 720-378-8040
Jeffrey Miceli, 2373 Central Park Blvd., Denver, CO 80238, 720-378-8040
Matthew Stanton, 2373 Central Park Blvd., Denver, CO 80238, 720-378-8040

Issuance Date: April 29, 2022

I received a disclosure document issued April 29, 2022 which included the following exhibits:

Exhibit A	List of State Administrators/Agents for Service of Process
Exhibit B	Financial Statements
Exhibit C	Franchise Agreement
Exhibit D	Area Development Agreement
Exhibit E	List of Current and Former Franchisees/Area Developers
Exhibit F	State Addenda and Agreement Riders
Exhibit G	Operations Manual Table of Contents
Exhibit H	Contracts for use with the Mici Franchise
Exhibit I	Franchise Disclosure Questionnaire
Exhibit J	State Effective Dates
Exhibit K	Receipt

______________________	______________________	______________________
Date	Signature	Printed Name
______________________	______________________	______________________
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to Mici Franchising LLC, 2373 Central Park Blvd., Denver, CO 80238.