UNIFORM FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE DISCLOSURE DOCUMENT

OGGI'S PIZZA & BREWING COMPANY
A California Corporation
1245 Puerta Del Sol
San Clemente, California 92673
(949) 218-3961
www.oggis.com

We offer to grant you the right to operate an Oggi's™ Restaurant.

Oggi's™ Full-Service Restaurants offer on-premises dining, carry-out, line-style ordering and delivery for a wide variety of pizza, pasta, burgers, salads, Italian-style and American-bistro food and other products, including craft brewed beer and other alcoholic beverages.

Oggi's Pizza Express® Restaurants offer dine-in and carry-out for the retail sale of pizza, salads and other products, including craft brewed beer and other beverages.

The total investment necessary to begin operation of an Oggi's™ Full-Service Restaurant is $993,000 to $1,966,000. This includes the $50,000 Initial Franchise Fee that must be paid to Franchisor.

The total investment necessary to begin operation of an Oggi's Pizza Express® Restaurant is $479,100 to $1,070,200. This includes the $30,000 Initial Franchise Fee that must be paid to Franchisor.

The total investment necessary to begin operation of a Multi-Franchise Development Agreement for Oggi's™ Full-Service Restaurants is $1,018,000 to $1,991,000. This includes $75,000 that must be paid to Franchisor for three (3) franchises. An initial non-refundable deposit of $2,500.00 is due to Franchisor upon signing the Multi-Franchise Development Agreement for Oggi's™ Full-Service Restaurants. The remaining $72,500.00 balance for the total Initial Franchise Fees is due to Franchisor upon signing the first Franchise Agreement with the Franchisor and the first lease agreement with the landlord for the first Authorized Location. The total investment necessary to begin operation of a Multi-Franchise Development Agreement for Multi-Franchise Development Agreement for Oggi's Pizza Express® Restaurants is $499,100 to $1,090,200. This includes $50,000 that must be paid to Franchisor for three (3) franchises. An initial non-refundable deposit of $2,500.00 is due to Franchisor upon signing the Multi-Franchise Development Agreement for Oggi's Pizza Express® Restaurants. The remaining $47,500.00 balance for the total Initial Franchise Fees is due to Franchisor upon signing the first Franchise Agreement with the Franchisor and the first lease agreement with the landlord for the first Authorized Location.

The total investment necessary to begin operation of an Area Development Agreement for Oggi's™ Full-Service Restaurants is $1,018,000 to $1,991,000. This includes $75,000 that must be paid to Franchisor for a minimum of three (3) franchises. An initial non-refundable deposit of $75,000 is due to Franchisor upon signing the Area Development Agreement for a minimum of three (3) Oggi's™ Full-Service Restaurants. This non-refundable deposit includes the Initial Franchise Fee of $50,000 for the first Oggi's™ Full-Service Restaurant, and fifty percent (50%) of the Initial Franchise Fee of $25,000 for each subsequent Oggi's™ Full-Service Restaurant. The remaining fifty percent (50%) of the Initial Franchise Fee of $25,000 for each subsequent Oggi's™ Full-Service Restaurant shall be paid to Franchisor when the Franchise Agreement and lease agreement are signed for each subsequent Oggi's™ Full-Service Restaurant.

The total investment necessary to begin operation of an Area Development Agreement for Oggi's Pizza Express® Restaurants is $499,100 to $1,090,200. This includes 50,000 that must be paid to Franchisor for a minimum of three (3) franchises. An initial non-refundable deposit of $50,000 is due upon signing the Area Development Agreement for a minimum of three (3) Oggi's Pizza Express® Restaurants. This non-refundable deposit includes the Initial Franchise Fee of $30,000 for the first Oggi's Pizza Express® Restaurants, and fifty percent (50%) of the Initial Franchise Fee of $20,000 for each subsequent Oggi's Pizza Express® Restaurants. The remaining fifty percent (50%) of the Initial Franchise Fee of $20,000 for each subsequent Oggi's Pizza Express® Restaurants shall be paid when the Franchise Agreement and Lease Agreement are signed for each subsequent Oggi's Pizza Express® Restaurants.

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

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

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

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

The issuance date of this Disclosure Document is April 10, 2024.

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit 12.

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. **<u>Out-of-State Dispute Resolution</u>**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. 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 California than in your own state.

2. <u>Personal Guarantee</u>. Each owner of the franchise is required to execute a personal guarantee. Doing so could jeopardize the marital assets of non-owner spouses domiciled in community property states such as California.

3. <u>Brokers</u>. We use the services of one or more franchise brokers or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

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.

TABLE OF CONTENTS

EXHIBITS

ITEM 1.
THE FRANCHISOR, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, "Oggi's" refers to Oggi's Pizza & Brewing Company, the Franchisor. "You" refers to the franchisee or developer who enters into a franchise agreement and/or development agreement. The franchisee or developer may be a person, corporation, partnership, or limited liability company. If the franchisee or developer is a corporation, partnership, or limited liability company, "you" includes the principals of the corporation, partnership or limited liability company. "Oggi's™ Restaurant" refers to either a standard Oggi's™ Full-Service Restaurant or a fast casual Oggi's Pizza Express® Restaurant.

The Franchisor

We are the Franchisor, Oggi's Pizza & Brewing Company. Our principal place of business is 1245 Puerta Del Sol, San Clemente, California 92673. We were incorporated in California on August 29, 2000. We currently do business under Oggi's™, Oggi's Sports Brewhouse Pizza®, Oggi's Pizza Express®, Oggi's Pizza & Brewing Co.®, and our corporate name and intend to continue to do so.

We sell Oggi's™ Full-Service Restaurant franchises for the preparation and retail sale of a wide variety of pizza, pasta, burgers, and Italian-style and American-bistro food and other products, including micro brewed beer and other alcoholic beverages (the "Franchised Business"). We also grant franchises for other types of locations, such as Oggi's Pizza Express® Restaurants that is a fast-casual style restaurant that offers a limited menu compared to an Oggi's™ Full-Service Restaurant. You will acquire the right to use the "Oggi's," "Oggi's Sports Brewhouse Pizza" and "Oggi's Pizza Express" trade names, trademarks, service marks, and other commercial symbols (the "Marks") as we designate. You will also acquire the right to use our programs and business systems in the operation of the Franchised Business at a designated location.

Many other restaurants and "take out" food establishments will compete with your restaurant.

Our predecessors are George Hadjis, Dora Hadjis and John Hadjis who have owned and operated pizza and brewery restaurants from 1991 through the present date.

Our registered agent in California authorized to receive service of process is Preovolos Lewin, ALC, 451 A Street, Suite 1600, San Diego, CA 92101.

Description of the Franchised Business

The Full-Service Franchise Agreement. Under the Oggi's™ Franchise Agreement ("Franchise Agreement"), you have the right to establish and operate a single Oggi's™ Full-Service Restaurant in a building at an approved location using Oggi's™ Marks and System, described below. You will operate the Oggi's™ Full-Service Restaurant using a unique and distinctive trade name and business format (the "System") as Oggi's™ specifies in the Franchise Agreement and in the Operation Manuals ("Operation Manuals").

The Express Unit Franchise Agreement. Under an Express Unit Franchise Agreement ("Express Unit Agreement"), Oggi's also offers the opportunity to establish and operate an Oggi's Pizza Express® Restaurant (the "Express Unit") in a unique location which, due to a number of possible reasons, will not offer the full menu of Proprietary Products sold at an Oggi's™ Full-Service Restaurant. The Express Unit will be self-contained with a production area and will sell an approved menu utilizing Oggi's™ formulas and method for preparing those menu items as Oggi's™ specifies in the Express Unit Agreement and in the Express Unit Operation Manuals.

The Area Development Agreement. Franchisor may also offer area development rights pursuant to an Area Development Agreement ("Area Development Agreement") granting the exclusive right to sales and development of Oggi's™ Restaurants solely within the Development Territory granted under the Area Development Agreement. For each future unit, the Developer will be required to sign the then current form of franchise agreement that may be different from the form of franchise agreement included in this Franchise Disclosure Document and currently being used to offer the area development franchises.

Multi-Franchise Development Agreement. Franchisor may also offer multi-franchise rights pursuant to a Multi-Franchise Development Agreement ("Multi-Franchise Development Agreement") granting the right to develop multiple Oggi's™ Restaurants for a reduced fee. The Multi-Franchise Development Agreement is not limited to a specific territory.

ITEM 2.
BUSINESS EXPERIENCE

President and Chief Executive Officer: Estella Ferrera

Mrs. Ferrera has been President and Chief Executive Officer since January 2023. Prior to that, she served as Vice President at our San Clemente, California office since October 2009.

Chief Financial Officer and Secretary: Theodora Hadjis

Ms. Hadjis has been corporate Secretary at our San Clemente, California office since our inception in October of 2000.

Franchise Coordinator: Jay Scalise

Mr. Scalise is the CEO of 360 GLOBALFRAN, LLC and has been a Franchise Coordinator for us since 2013.

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

A. Initial Franchise Fee for an Oggi's™ Full-Service Restaurant

You must pay an Initial Franchise Fee of $50,000.00 for a single Oggi's™ Full-Service Restaurant. The initial deposit is $2,500.00. Franchisor does not accept initial deposits until at least 14 days after you have received a copy of this Disclosure Document. The balance of $47,500.00 is due upon signing the Full-Service Franchise Agreement and your lease agreement for the Authorized Location. Amounts once paid are non-refundable. You must pay for the cost of background and credit checks for each prospective franchisee.

Unless you sign a Multi-Franchise Development Agreement or an Area Development Agreement, the Initial Franchise Fee to purchase any additional Oggi's™ Full-Service Restaurant is presently 50% of the then current Initial Franchise Fee, to be paid when each Franchise Agreement is signed. You will be required to sign the then current version of the Franchise Agreement. You may be required to refurbish your existing franchise(s) prior to obtaining approval for a second or subsequent franchise.

B. Initial Franchise Fee for an Oggi's Pizza Express® Restaurant

You must pay an Initial Franchise Fee of $30,000 for a single Oggi's Pizza Express® Restaurant. The initial deposit is $2,500.00. Franchisor does not accept initial deposits until at least 14 days after you have received a copy of this Disclosure Document. The balance of $27,500.00 is due upon signing the Express Unit Franchise Agreement and the lease agreement for the Authorized Location. Amounts once paid are non-refundable. You must pay for the cost of background and credit checks for each prospective franchisee.

Unless you sign a Multi-Franchise Development Agreement or an Area Development Agreement, the Initial Franchise Fee to purchase an additional Oggi's Pizza Express® Restaurant is currently $20,000.00, to be paid when each Franchise Agreement is signed. You will be required to sign the then current version of the Franchise Agreement. You may be required to refurbish your existing franchise(s) prior to obtaining approval for a second or subsequent franchise.

C. Fees Payable under the Multi-Franchise Development Agreement

Oggi's™ Full-Service Restaurants

If you sign a Multi-Franchise Development Agreement for Oggi's™ Full-Service Restaurants, you may develop up to three (3) Oggi's™ Full-Service Restaurants. The total Initial Franchise Fees for the three (3) Oggi's™ Full-Service Restaurants are $75,000.00. An initial deposit of $2,500.00 is due upon signing the Multi-Franchise Development Agreement. The remaining $72,500.00 balance is due upon signing the first Franchise Agreement and the first lease agreement for the first Authorized Location.

Oggi's Pizza Express® Restaurants

If you sign a Multi-Franchise Development Agreement for Oggi's Pizza Express® Restaurants, you may develop up to three (3) Oggi's Pizza Express® Restaurants. The total Initial Franchise Fees for three (3) Oggi's Pizza Express® Restaurants are $50,000.00. An initial deposit of $2,500.00 is due upon signing the Multi-Franchise Development Agreement. The remaining $47,500.00 balance is due upon signing the first Franchise Agreement and the first lease agreement for the first Authorized Location.

D. Fees Payable under the Area Development Agreement

Oggi's™ Full-Service Restaurants

If you sign an Area Development Agreement for Oggi's™ Full-Service Restaurants, you must develop a minimum of three (3) Oggi's™ Full-Service Restaurants within the Development Territory. The Initial Franchise Fee for the first franchise is $50,000. The Initial Franchise Fee for subsequent franchises is $25,000. Upon signing the Area Development Agreement, you pay a lump sum, nonrefundable Development Fee equal to one hundred percent (100%) of the Initial Franchise Fee for the first Oggi's™ Full-Service Restaurant to be developed under this Area Development Agreement and fifty percent (50%) of the Initial Franchise Fee for the subsequent Oggi's™ Full-Service Restaurants to be developed under this Area Development Agreement. The remaining fifty percent (50%) of the Initial Franchise Fee for each subsequent Oggi's™ Full-Service Restaurant shall be due when you sign the Full-Service Franchise Agreement and lease agreement for each subsequent Oggi's™ Full-Service Restaurant.

Oggi's Pizza Express® Restaurants

If you sign an Area Development Agreement for Oggi's Pizza Express® Restaurants, you must develop a minimum of three (3) Oggi's Pizza Express® Restaurants within the Development Territory. The Initial Franchise Fee for the first franchise is $30,000. The Initial Franchise Fee for each additional franchise is $20,000. Upon signing the Area Development Agreement, you pay a lump sum, nonrefundable Development Fee equal to one hundred percent (100%) of the Initial Franchise Fee for the first Oggi's Pizza Express® Restaurant to be developed under this Area Development Agreement and fifty percent (50%) of the Initial Franchise Fee for the subsequent Oggi's Pizza Express® Restaurants to be developed under this Area Development Agreement. The remaining fifty percent (50%) of the Initial Franchise Fee for each subsequent Oggi's Pizza Express® Restaurant shall be due upon signing the Express Unit Franchise Agreement and lease agreement for each subsequent Oggi's™ Express Unit.

The Development Fee is applied to the Initial Franchise Fee for each Oggi's™ Restaurant opened under the Area Development Agreement, so that upon signing the required individual Franchise Agreements for each franchise, you must submit the balance of the Initial Franchise Fee for that franchise, if any. The Initial Franchise Fees for franchises opened under an Area Development Agreement are nonrefundable.

ITEM 6.
OTHER FEES

Name of Fee	**Amount**	**Due Date**
Royalty (1)	5% of gross receipts for an Oggi's™ Full-Service Restaurant (2) 5% of gross receipts for an Oggi's Pizza Express® Restaurant (2)	Payable weekly on a day that we periodically designate via an Automated Clearing House (ACH) transaction that we initiate (3) (7)
Promotional (1)(8) (Advertising)	2% of gross receipts (2)(10)	Payable weekly on a day that we periodically designate via an Automated Clearing House (ACH) transaction that we initiate (3) (5) (7)
Transfer (1)	50% of the then current Initial Franchise Fee	Payable immediately before completion of transfer to a different franchisee
Renewal (1)	$5,000 (12)	Payable upon receipt of our invoice
Audit (1) (4)	Cost of Audit ($10,000 to $25,000)	Payable upon receipt of our invoice
Secret Shopper (9)(1)	Costs of Training ($250 to $1,000)	Payable upon receipt of invoice
Other (6)	Varies	To be determined
Hold Harmless and Indemnification	Amount of loss or damages plus costs (11)	When incurred
Loyalty Program	Varies (13)	When incurred

Notes:

(1) All fees are imposed by and payable to us. All fees are non-refundable.

(2) The term “gross receipts” means the amount of all money and the value of all property you receive as payment for services rendered or products sold in the operation of the Franchised Business, whether as cash sales or as payment for any charge, credit balance or advance deposit. “Gross receipts” does not include (a) sales taxes, or (b) customer net refunds or returns, if you previously included the revenues in gross receipts. All items which you claim as deductions in determining gross receipts must be supported by proper documentation. You may not deduct third-party delivery service fees from gross receipts.

(3) Any payments not received by the due date bear interest at 1 1/2% per month unless otherwise limited by applicable law, until the date we receive payment. The highest interest rate allowed by California is 10% annually.

(4) You pay an Audit fee only if the audit reveals you underpaid royalties and/or promotional fees of 2% or more over a 12-month period. Although it is not possible to guarantee what an audit would cost, as of 2022 we estimate that Audit Fees currently cost $10,000, at a minimum, depending on the extent of the audit, and could cost as much as $25,000.

(5) An additional 1% may be required for future implementation of a statewide or national promotional program.

(6) If we form a Franchise council, you must contribute an amount determined by the franchise members.

(7) Any royalty payment not received via an Automated Clearing House (ACH) transaction by the due date is late and shall be charged a penalty of ten percent (10%) of the weekly royalty for that week. Any advertising fee not received via an Automated Clearing House (ACH) transaction by the due date is late and shall be charged a penalty of ten percent (10%) of the weekly advertising fee. If a check or ACH payment presented by Franchisee to Franchisor is returned for non-sufficient funds, Franchisee shall be charged a thirty-dollar ($30.00) process fee.

(8) The Franchisor recommends, but does not require, that the Franchisee conduct local advertising and promotional campaigns and activities in an amount ranging from two percent (2%) to four percent (4%) of their monthly net sales. Your expenditures for local advertising and promotional campaigns may not reduce your gross receipts for purposes of calculating fees payable to Franchisor. Your specific percentage will be based on your experience, your location, your sales, and other factors.

(9) Franchisor has the right to evaluate the operation of the franchised business. Franchisor hires secret shoppers to evaluate the franchised business. In the event Franchisee fails three evaluations in a 12-month period, Franchisee shall be responsible for the costs and expenses for mandatory training by and through a professional trainer approved by the Franchisor. Although it is not possible to guarantee what training will cost, we estimate that the training costs and expenses will range from $250 to $1,000.

(10) Franchisor has the right to allocate the Promotional (Advertising) Fees between national, state, regional and local advertising funds. Currently, Franchisor allocates all Advertising Fees to one advertising fund. See Item 11.

(11) Under the Full-Service Franchise Agreement, Express Unit Franchise Agreement, Area Development Agreement, and Multi-Franchise Development Agreement, you must indemnify and hold Oggi's, and its respective officers, directors, agents and employees harmless against any and all claims, losses, costs, expenses, liability and damages arising directly or indirectly from, as a result of, or in connection with your business operations under any of these agreements, as well as the costs, including attorneys' fees, of defending against them.

(12) Under the Full-Service Franchise Agreement and Express Unit Franchise Agreement, you must provide the Franchisor with written notice of your decision to renew at least 12 months prior to the expiration of the then current term. If you comply with the foregoing, there is no fee to renew. If you fail to provide the Franchisor with at least 12 months written notice, the late renewal fee is $5,000.

(13) You must participate in the Oggi's Loyalty Rewards Program where customers earn points that can be used for discounted food and beverage items. We estimated that the discounts may range from $50 to $250 per month.

ITEM 7.
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Oggi's™ Full-Service Restaurant

Type of Expenditure	Estimate Low	Estimate High	Method of Payment	When Due	To Whom Paid
Initial Fee (10)(11)	$50,000.00	$50,000.00	Lump Sum (1)	Upon signing Franchise Agreement (1)	Franchisor
Your Training Expenses	$12,500.00	$32,000.00	As required by Transportation Lines, Hotels & Restaurants	As Incurred During Training	Transportation Lines, Hotels & Restaurants
Your Employee Training Expenses	$33,000.00	$44,000.00	Salary & Wages, Taxes & Benefits	As Incurred During Training	Employees
Real Estate / Leasehold Improvements (Tenant Improvements) (2)	$339,500.00	$920,000	As required by Landlord	As Incurred Before/During Construction	Contractors, Architects & Landlord
Furniture, Fixtures, Signs/Signage, Kitchen & Kitchen Equipment, Point of Sale System (3)	$365,000.00	$500,000	As required by Vendors, Suppliers & Installers	As Incurred Upon Purchase/Installation	Vendors, Suppliers & Installers
Delivery Vehicles (Optional) (4)	$30,000.00	$30,000.00	As required by Seller/Lessor	As Incurred Upon Purchase/Lease	Seller/Lessor
Insurance Premiums (First Year)	$10,000.00	$20,000.00	As required by Insurance Company	As required by insurance company	Insurance Company
Licenses, Permits & Lease Deposits (5)	$25,000.00	$100,000.00	As required by State/Local Authorities, Landlord &Third Parties	As Incurred Upon Purchase/Licensing	Appropriate State/Local Authorities, Landlord & Third Parties
Grand Opening & Advertising (First 1-3 Months)	$10,000.00	$30,000.00	As required by Marketing & Media Firms & Designers, Printers, Other Suppliers	As Incurred in First 3 Months	Marketing & Media Firms & Designers, Printers, Other Suppliers
Smallwares/Plateware (6)	$20,000.00	$30,000.00	As required by Suppliers	As Incurred before Opening	Suppliers
Opening Inventory	$8,000.00	$20,000.00	As required by Suppliers/Vendors	As Incurred before Opening	Suppliers/Vendors
Miscellaneous Costs to Open (7)	$40,000.00	$50,000.00	Various	As Incurred before Opening	Various
Additional Funds (First 3 Months) (8)	$50,000.00	$75,000.00	Various	As Incurred in First 3 Months	Various
Contingency	$0.00	$65,000.00	Various	As Incurred before Opening	Various

Total: $993,000.00 – $1,966,000(9)(10)(11)

Notes:

(1) $2,500.00 as an initial deposit and the remaining $47,500.00 balance of the Initial Franchise Fee is due upon signing the Full-Service Franchise Agreement with the Franchisor and the lease agreement with the landlord for the Authorized Location. All fees once paid to us are NON-REFUNDABLE.

(2) You will need to lease and build out an Oggi's™ Restaurant. An Oggi's™ Full-Service Restaurant is typically 4,000-6000 sq. ft. and free standing and/or located in a strip center. Rents will be typical for a premium location, and vary according to the quality of surroundings. This includes purchasing graphics and an audio visual package for an Oggi's™ Full-Service Restaurant. Additional unknown costs may increase this number due to excessive ADA requirements, CUP, landscape, fire sprinklers, short-term increases in construction and material costs, etc.

(3) You can reduce costs by selective purchases, leasing and negotiation. This estimate includes installation costs.

(4) One (1) delivery vehicle is optional.

(5) Includes licenses, permits and lease deposit. Includes full liquor license for Oggi's™ Full-Service Restaurant. Does not include insurance for delivery vehicles.

(6) You will need to purchase our spec'd 12-inch plates, 11 inch plates, 9 inch plates, 7.5 inch plates, 16x6 wood boards, ¼ size sheet trays, 8 inch bowls, 6.5 inch bowls, and a taco stand.

(7) This includes $20,000.00 - $30,000.00 of miscellaneous opening expenses (i.e., Grand Opening Training/Promotional Dinner), and $20,000 of estimated Franchisor Expenses to assist with Opening and Training for an Oggi's™ Full-Service Restaurant.

(8) Initial expenses including payroll but not owner salary. We cannot guarantee you will not have additional expenses starting your business. Costs depend on your management skill, experience and business acumen, local economic conditions, local market for our products, competition and market receptivity to your restaurant.

(9) We have relied on our 32 years of experience in owning, operating and franchising Oggi's™ Full-Service Restaurants to compile these estimates. You should consult your own business advisor. We do not offer any financing for your estimated initial investment.

(10) ESTIMATED INITIAL INVESTMENT FOR A MULTI-FRANCHISE DEVELOPMENT AGREEMENT.

If you sign a Multi-Franchise Development Agreement for Oggi's™ Full-Service Restaurants your Initial Fee is $75,000.00 and the remaining initial investment estimate for your first Oggi's ™ Full-Service Restaurant will otherwise be the same as described in this Item 7 chart. This is the only additional initial investment for the Multi-Franchise Development Agreement for Oggi's™ Full-Service Restaurants. All fees once paid to us are NON-REFUNDABLE. Your total initial investment estimate may range from between $1,018,000.00 to $1,991,000. You also should be aware that your initial investment for your second and subsequent Oggi's™ Full-Service Restaurants will likely be higher than the above estimates in this Item 7 chart due to inflation and other economic factors that may vary over time. We do not offer any financing for your estimated initial investment.

(11) ESTIMATED INITIAL INVESTMENT FOR AN AREA DEVELOPMENT AGREEMENT.

If you sign an Area Development Agreement for Oggi's™ Full-Service Restaurants your minimum Initial Fee is $75,000 and the remaining initial investment for your first Oggi's™ Full-Service Restaurant will otherwise be the same as described in this Item 7 chart. If your Area Development Agreement for Oggi's™ Full-Service Restaurants provides for more than three (3) Oggi's™ Full-Service Restaurants your Initial Fee shall increase by $12,500 per store. This is the only additional initial investment for the Area Development Agreement for Oggi's™ Full-Service Restaurants. All fees once paid to us are NON-REFUNDABLE. Your total initial investment estimate may range from between $1,018,000.00 to $1,991,000. The Initial Franchise Fee for each subsequent Oggi's™ Full-Service Restaurant is set forth in Item 5. You also should be aware that your initial investment for your second and subsequent Oggi's™ Full-Service Restaurants will likely be higher than the above estimates due to inflation and other economic factors that may vary over time. We do not offer any financing for your estimated initial investment.

<u>Oggi's Pizza Express® Restaurant</u>

Type of Expenditure	Estimate Low	Estimate High	Method of Payment	When Due	To Whom Paid
Initial Fee (8)(9)	$30,000.00	$30,000.00	Lump Sum (1)	Upon signing Franchise Agreement (1)	Franchisor
Your Training Expenses	$2,000.00	$15,000.00	As required by Transportation Lines, Hotels & Restaurants	As Incurred During Training	Transportation Lines, Hotels & Restaurants
Your Employee Training Expenses	$17,600.00	$24,200.00	Salary & Wages, Taxes & Benefits	As Incurred During Training	Employees
Real Estate / Leasehold Improvements (2)	$175,000.00	$440,000.00	As required by Landlord	As Incurred Before/During Construction	Contractors, Architects & Landlord
Furniture, Fixtures, Signs/Signage, Kitchen & Kitchen Equipment, Point of Sale System (3)	$210,000.00	$390,000.00	As required by Vendors, Suppliers & Installers	As Incurred Upon Purchase/Installation	Vendors, Suppliers & Installers
Insurance Premiums (First Year)	$7,500.00	$12,000.00	As required by Insurance Company	As required by insurance company	Insurance Company
Licenses, Permits & Lease Deposits (4)	$10,000.00	$80,000.00	As required by State/Local Authorities, Landlord &Third Parties	As Incurred Upon Purchase/Licensing	Appropriate State/Local Authorities, Landlord & Third Parties
Grand Opening & Advertising (First 3 Months)	$5,000.00	$10,000.00	As required by Marketing & Media Firms & Designers, Printers, Other Suppliers	As Incurred in First 3 Months	Marketing & Media Firms & Designers, Printers, Other Suppliers
Smallwares/Plateware (5)	$5,000.00	$15,000.00	As required by Suppliers	As Incurred before Opening	Suppliers
Opening Inventory	$6,000.00	$15,000.00	As required by Suppliers/Vendors	As Incurred before Opening	Suppliers/Vendors
Miscellaneous Costs to Open (6)	$3,000.00	$15,000.00	Various	As Incurred before Opening	Various
Additional Funds (First 3 Months) (7)	$8,000.00	$24,000.00	Various	As Incurred in First 3 Months	Various

Total: $479,100 - $1,070,200 (6)(7)(8)

Notes:

(1) $2,500.00 as an initial deposit and the remaining $27,500.00 balance of the Initial Franchise Fee is due upon signing the Express Unit Franchise Agreement and the lease agreement with the Landlord for the Authorized Location. All fees once paid to us are NON-REFUNDABLE.

(2) You will need to lease and build out an Oggi's™ Restaurant. An Oggi's Pizza Express® Restaurant is typically 1,500-2,500 sq. ft. and generally located in line units and end caps in centers with anchors. Tenant improvements will also typically vary, and estimates are based off of $100/sq. ft. Rents will often vary by location and are based upon square footage. Rent or any estimated fees for any larger or smaller Oggi's Pizza Express® Restaurant will vary dependent upon location and square footage. This includes purchasing graphics and an audio-visual package for an Oggi's Pizza Express® Restaurant. Additional unknown costs may increase this number due to excessive ADA requirements, CUP, landscape, fire sprinklers, short-term increases in construction and material costs, etc.

(3) You can reduce costs by selective purchases, leasing and negotiation. This estimate includes installation costs.

(4) Includes licenses, permits and lease deposit. Includes beer, wine and liquor license for Oggi's Pizza Express® Restaurant.

(5) You will need to purchase our spec'd: (a) plateware; (b) 9.25-inch salad bowls with 24 ounce capacity; (c) Melamine, (d) white 10 inch aluminum pizza trays, and (e) 14 inch aluminum pizza trays.

(6) Initial expenses including payroll but not owner salary. We cannot guarantee you will not have additional expenses starting your business. Costs depend on your management skill, experience and business acumen, local economic conditions, local market for our products, competition and market receptivity to your restaurant.

(7) We have relied on 10 years of experience in owning, operating and franchising Oggi's Pizza Express® Restaurants to compile these estimates. You should consult your own business advisor. We do not offer any financing for your estimated initial investment.

(8) ESTIMATED INITIAL INVESTMENT FOR A MULTI-FRANCHISE DEVELOPMENT AGREEMENT.

If you sign a Multi-Franchise Development Agreement for Oggi's Pizza Express® Restaurants your Initial Fee is $50,000.00 and the remaining initial investment estimate for your first Oggi's Pizza Express® Restaurant will otherwise be the same as described in this Item 7 chart. This is the only additional initial investment for the Multi-Franchise Development Agreement for Oggi's Pizza Express® Restaurants. All fees once paid to us are NON-REFUNDABLE. Your total initial investment estimate may range from between $499,100.00 and $1,090,200.00. You also should be aware that your initial investment for your second and subsequent Oggi's Pizza Express® Restaurants will likely be higher than the estimates in this Item 7 chart due to inflation and other economic factors that may vary over time. We do not offer any financing for your estimated initial investment.

(9) ESTIMATED INITIAL INVESTMENT FOR AN AREA DEVELOPMENT AGREEMENT.

If you sign an Area Development Agreement for Oggi's Pizza Express® Restaurants your minimum Initial Fee is $50,000.00 and the remaining initial investment estimate for your first Oggi's™ Pizza Express Restaurant will otherwise be the same as described in this Item 7 chart. This is the only additional initial investment for the Area Development Agreement for Oggi's Pizza Express® Restaurants. All fees once paid to us are NON-REFUNDABLE. Your total initial investment estimate may range from between $499,100.00 and $1,090,200.00. The Initial Franchise Fee for each subsequent Oggi's™ Pizza Express Restaurant is set forth in Item 5. You also should be aware that your initial investment for your second and subsequent Oggi's Pizza Express® Restaurants will likely be higher than the estimates in this Item 7 chart due to inflation and other economic factors that may vary over time. We do not offer any financing for your estimated initial investment.

ITEM 8.
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must use only our pizza dough and sauce mixes in the pizza items sold at your Oggi's™ Restaurant. You must purchase these mixes from our approved supplier. You must purchase all beers, proprietary cheeses, dough, tomato sauces, pizza sauces, Philly meats, flours, logo/non logo smallwares, plateware, soft drinks, etc. from our approved suppliers. Approved suppliers may require you to sign contracts with personal guarantees. This is not an exhaustive list.

You must include for sale our private label beer, seasonal beers, private label spirits and cocktails, approved menu and seasonal menus when applicable. You are required to offer for delivery all of our menu items either through self-delivery or third party delivery. We designate required types of ovens and cooking equipment, computer and electronic cash register hardware and software, apparel for uniforms, and pizza delivery vehicles. You may purchase items we approve from our approved sources or from any other available sources. You must obtain our permission to purchase substitute items.

The specifications we utilize for our required items of equipment and food and drink inventory vary over time, based on our experience and assessment of competition and trends.

If we find it necessary to approve sources and suppliers for required items, we favor sources that have established the ability to produce an accurate, high quality and consistent product. We also base our approval upon availability, price, service, reputation and reliability.

If you would like to purchase substitute required items, or desire to purchase any item from an unapproved source, you may request our consent in writing at any time. Based on the criteria outlined above and any other criteria that we feel is pertinent, we will review and either approve or disapprove your request in our sole discretion, normally within 60 days.

We use Left Coast Brewing Company to brew our private label beer and seasonal beers. You may purchase our private label beer and seasonal beers from this supplier. Several of our officers have an ownership interest is this supplier.

We reserve the right to receive payments or other considerations from suppliers in connection with your purchase of goods, products and services as described in this Item 8, as well as in connection with any future purchases of any goods, products or services. Most of these payments are calculated on an amount based on products sold to you. We will retain and use such payments as we deem appropriate or as required by the vendor or manufacturer. During our 2023 calendar year, we received payments and other consideration totaling $133,071 from System suppliers in connection with the purchase of goods, products and services by franchisees. This amount represents 4.0% of our total revenue of $3,314,881 as shown on the financial statements included at Exhibit 8. We do not provide you with any type of accounting or report on these amounts or their uses. We do not currently participate in any purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers, including price terms, for the benefit of our franchisees but not on behalf of individual franchisees. We do not provide material benefits (for example, renewal or granting additional franchises) to you based on your purchase of particular products or use of particular suppliers.

ITEM 9.
FRANCHISEE'S OBLIGATIONS

	Obligation	Section in Full-Service Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Section in Multi-Franchise Development Agreement	Item in Disclosure Document
a.	Site selection, acquisition/lease	1.01, 1.03, 1.04, 1.05, 1.06, 3.02, 3.03, 3.04, 3.05, 4.02	1.01, 1.03, 1.04, 1.05, 1.06, 3.02, 3.03, 3.04, 3.05, 4.02	Article IV(B)	Article IV(B)	Items 5, 7, 11, 12
b.	Pre-opening purchase/lease requirements	9.01, 9.03	9.01, 9.03	N/A	N/A	Item 5
c.	Site development and other Pre-opening requirements	1.01, 2.01, 3.02, 3.03, 3.04, 4.01, 4.02	1.01, 2.01, 3.02, 3.03, 3.04, 4.01, 4.02	Articles II, IV(C)	Articles II, IV	Items 7, 11, 12
d.	Initial and ongoing training	3.06, 3.07, 3.08, 3.09, 3.10, 3.14	3.06, 3.07, 3.08, 3.09, 3.10, 3.14	N/A	N/A	Items 5, 11
e.	Opening	3.14, 3.15, 4.02	3.14, 3.15, 4.02	Article IV(A) and Appendix B	Article IV(A), (C), (E), Appendix A	Items 7, 11
f.	Fees	2.01, 2.02, 2.03, 2.04, 2.05	2.01, 2.02, 2.03, 2.04, 2.05	Article III	Article III	Items 5, 6, 7, 10
g.	Compliance with standards and policies/Operations Manual	4.01-4.34, 5.01, 5.02, 5.03, 5.04	4.01-4.34, 5.01, 5.02, 5.03, 5.04	Article IV(B)	Article IV(B)(4)	Items 8, 9, 11, 14, 15, 16
h.	Trademark and proprietary information	3.06, 4.01, 4.03, 4.10, 4.11, 4.18, 4.20, 5.01, 5.02, 5.03, 5.04	3.06, 4.01, 4.03, 4.10, 4.11, 4.18, 4.20, 5.01, 5.02, 5.03, 5.04	Articles II(D), XI	Article II(C), (D), Article XI	Items 13, 14
i.	Restrictions on products/services offered	4.03, 4.05, 4.07, 4.08, 4.18, 4.20, 4.21, 4.22, 5.01	4.03, 4.05, 4.07, 4.08, 4.18, 4.20, 4.21, 4.22, 5.01	N/A	N/A	Items 8, 16
j.	Warranty and customer service requirements	4.05, 4.18	4.05, 4.18	N/A	N/A	N/A
k.	Territorial development and sales quota	N/A	N/A	Article IV and Appendix A	Article IV; Appendix A	Item 12
l.	Ongoing product/service purchases	4.07, 4.08, 4.18, 4.20, 4.21	4.07, 4.08, 4.18, 4.20, 4.21	N/A	N/A	Items 8, 16

	Obligation	Section in Full-Service Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Section in Multi-Franchise Development Agreement	Item in Disclosure Document
m.	Maintenance, appearance and remodeling requirements	3.05, 4.06, 4.09	3.05, 4.06, 4.09	N/A	N/A	Item 17
n.	Insurance	7.01, 7.02, 7.03	7.01, 7.02, 7.03	Article V	Article V	Item 7
o.	Advertising	2.03, 3.14, 4.14, 4.33	2.03, 3.14, 4.14, 4.33	N/A	N/A	Items 6,11
p.	Indemnification	7.02	7.02	Article V	Article V	Item14
q.	Owner's participation, management and staffing	4.02, 4.17, 7.02	4.02, 4.17, 7.02	N/A	N/A	Item 15
r.	Records and reports	4.24	4.24	N/A	Article IV	Item 6
s.	Inspections and Audits	3.10, 4.24	3.10, 4.24	N/A	N/A	Item 6
t.	Transfer	10.01, 10.02, 10.03, 10.04	10.01, 10.02,10.03, 10.04	Article IX	Articles VII; IX	Items 6, 17
u.	Renewal	1.03	1.03	N/A	N/A	Item 17
v.	Post-Termination Obligations	9.04, 9.05, 9.06, 9.07, 9.08	9.04, 9.05, 9.06, 9.07, 9.08	Article VIII	Article VII	Item 17
w.	Non-Compete Covenants	4.27, 10.01	4.27, 10.01	Article X	Article X	Item 17
x.	Dispute Resolution	11.7	11.7	N/A	N/A	Item 17
y.	Other –Termination	9.01, 9.03	9.01, 9.03	N/A	N/A	Item 17

ITEM 10.
FINANCING

We have developed a turnkey approach to financing, and we are a preferred business for SBA lending purposes. In some very rare circumstances, the franchisee, due to SBA lending rules, may need to finance all or a portion of the Initial Franchise Fee. We are unable to estimate whether you will be able to obtain financing for any or all of your investment and, if so, the terms of such financing. We do not offer direct or indirect financing.

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

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

A. Pre-Opening Assistance. Before you open (or shortly after you open) your Franchised Business:

1. We will visit your desired market area, using our experience and criteria in evaluating restaurant locations and give you our suggestions regarding potential restaurant locations. We must approve the final location selection. We will not unreasonably withhold our approval, but we will determine or approve the location of any future restaurants and Territories using our then-current standards for approving restaurants and Territories. (Franchise Agreement, Section 3.02.)

2. Final approval of your restaurant site will depend on our review and approval of a proposed lease for the location. We will not be unreasonable in withholding our approval, but a condition to granting approval is that your landlord approve us as a prospective assignee under the provisions in Exhibit "3" to this Disclosure Document. You should obtain your own legal and financial advisors to protect your interests before you sign the lease. (Franchise Agreement, Section 3.03.)

3. We will provide you with our spec book containing required minimal criteria for store layout and design, including furnishings, fixtures, signs and decor. We must approve final layout and design in writing before construction/installation. We will support and assist you in arranging for the construction and installation of your restaurant for the Franchise Fee and under the terms described in Section 3.04 of the Franchise Agreement. However, you may make other arrangements for the overseeing of construction and installation if you are not capable of overseeing yourself. (Franchise Agreement, Section 3.04.)

4. We will loan you a Confidential Operating Manual and revise it as often as we believe it to be appropriate to inform you of advancements and new developments in sales, marketing, operational techniques and other items and procedures that we believe to be necessary to your Franchise Business. (Franchise Agreement, Section 3.06.) The Table of Contents of the Operations Manual is attached as Exhibit 10. There are 85 total pages in the Operations Manual. The pages devoted to each section are disclosed in Exhibit 10. The Table of Contents of the Express Unit Operations Manual is attached as Exhibit 11. There are 65 total pages of the Express Unit Operations Manual. The pages devoted to each section are disclosed in Exhibit 11.

5. We will train you and your designated manager(s) in the management and operation of your Franchise Business for a new store opening. All training must be completed at least two (2) months before your store opens. Additional training after opening will be on a fee basis and at our convenience. (Franchise Agreement, Section 3.08.)

6. Franchisees typically open their stores within 9 to 12 months after they sign a franchise agreement. The factors that affect opening time are the ability to obtain a lease, financing, or building permits, zoning, and local ordinances. Other factors include weather conditions, shortages, supply chain issues, pandemics, Acts of God, and delays in installation of equipment, fixtures, and signs.

7. We will provide our representative to assist you with your store opening during the first week of operations. (Franchise Agreement, Section 3.15.)

B. Ongoing Assistance. During the operation of your Franchise Business:

1. To the extent we believe it is necessary, we will give you our advice on promotional, operational and other business matters. We will also provide field representatives on a fee basis by appointment only if we believe extensive additional assistance is required. (Franchise Agreement, Sections 3.07.)

2. We will arrange to make available for your purchase the Oggi's™ spice and dough mixes, as well as beer products and other proprietary products if applicable. We will also periodically give you a list of suggested sources of other items, such as inventory and supplies. (Franchise Agreement, Sections 3.11 and 3.12.)

3. We have the right to inspect your restaurant at reasonable times to assure the quality of your operation. (Franchise Agreement, Sections 3.10 and 4.06.)

4. We will test new products and menu items periodically and approve for your use those items and products meeting our criteria. We will periodically change the menu items and products meeting our criteria. (Franchise Agreement, Section 3.16.)

5. We will inspect and either approve or disapprove any proposed advertising and promotional materials that you want to use. Approval shall be obtained by franchisee submitting a copy of the proposed advertising to Franchisor for review and approval. If Franchisor does not give franchisee written notice of disapproval within fifteen (15) business days after receipt of the proposed ad copy, then the ad copy shall be deemed to be approved. (Franchise Agreement, Sections 3.14 and 4.14.)

6. We will administer a Promotional Fund for regional advertising. We will design advertising in conjunction with media advertisers and agencies. We control the Promotional Fund exclusively, and there is no franchisee advisory council presently. All of our franchisees must contribute to the Promotional Fund, but we administer the fund and provide financial reports on at least an annual basis for your review. We must use all moneys from the Promotional Fund for advertising and promotional efforts for your benefit. We do not spend any money from the Promotional Fund for soliciting the sale or purchase of additional franchises. We use money from the Promotional Fund for social media management, which is currently managed in-house by Franchisor. On occasion we may be required to loan funds to the Promotional Fund in order to take advantage of an advertising opportunity that cannot be covered by the Promotional Fund in full. Any funds we loan to the Promotional Fund are fully reimbursable to us when and if funds become available. If not all of the Promotional Funds are spent in the fiscal year in which they accrue, the remaining funds may be available in the following fiscal year. Any store owned by us must contribute to the Promotional Fund in the same manner as you must contribute. The timing of expenditures for the Promotional Fund is solely within our discretion. We have attempted to maintain our expenditures for overhead and administration expenses in managing and operating the Promotional Fund at 15% of the Promotional Fund, but the foregoing should not be construed as a guarantee of future overhead and administration expenses. (Franchise Agreement, Sections 3.14 and 4.14).

7. We will have our Operations team visit every store to inspect whether adequate health and safety procedures are being maintained, and full business review focusing on operations and local marketing, as deemed necessary or as requested by franchisee. (Franchise Agreement, Section 4.22).

8. Our system of operations requires our enforcement of a program for your purchase and use of computer and electronic Point-Of-Sale (POS) hardware and software. You must be PCI and EMV compliant. You must buy (or lease) and use the following POS systems:

Toast
Address: 333 Summer Street
Boston, MA 02210
Phone: (857) 301-6002
Website: pos.toasttab.com

- 14" Toast Flex with Counter Stand, Toast Tap (Direct Attach), Toast Printer, and Cash Drawer
- Toast Go 2 Handheld
- 22" Toast Flex for Kitchen with Wall Mount
- Toast Printer with Power Supply
- Toast Kitchen Printer
- Meraki Z3 Router
- TP-Link 16 Port POE Switch
- Ubiquiti Outdoor Wireless Access Point
- Ubiquiti Indoor Wireless Access Point
- Toast Go 2 5-in-1 Charging Dock

- Additional On Site Toast Contractor (minimum 4 8hr shifts)
- Core Implementation - 3+ Tablets
- Enterprise Data Management Monthly Subscription
- Software Monthly Subscription
- Online Ordering Monthly Subscription
- Additional Tablet Monthly Software Subscription
- Handheld Monthly Software Subscription
- Online Ordering Pro Upgrade
- Kitchen Display Screen Monthly Subscription
- DoorDash Integration
- GrubHub Integration
- UberEats Integration
- API Monthly Subscription
- Toast TakeOut Subscription

CBS NorthStar

Address:	12 Morgan Irvine, CA 92618
Phone:	800 551-7674
Website:	cbsnorthstar.com

- iPad Mini - 8.3 inch Apple iPad Mini 6th Gen USB-C + w/ nClose enclosures, built in reader for chip tap and apple pay & hand strap and option to hardwire to ethernet
- 8.3 in nClose Case & handstrap
- Magtek iDynamo6 that now supports chip tap and apple pay/google pay
- Lenovo Thinkcentre M700 Mini PC
- Epson CF-405 Cash Drawer Epson End – Blac
- Epson TM-T88VI-084 Serial/IP/USB Printer-Black w/Power Supply
- Epson TM-U220 IP Printer Gray
- Bematech LS8000 Kitchen Video Controller 1.4 GHz Dual Core
- PAX A35
- Sonic Wall TZ270
    - SonicWall – Network Anti-Virus/Anti-Spam for TZ200 Series
- Aerohive AP122, 2 Radio 2x2:2 802.11a/b/g/n/ac AP, USB
    - Aerohive AP License for HiveManager
    - 1 Year Level 3 and Software Support for Hive AP
    - Upgrade from HiveManager Connect to HiveManager NG
- D-Link 8 Port 10/100 Base-TX Ethernet Switch w/4 PoE Ports
- POS Stand for iPad Case
- Ic8kdsmt-qrVesa Bematech Vesa Monitor Mount Kit
- PT1745P – Planar 17" Black LED LCD Touch Monitor
- LCD Swing Arm Wall Mount (Vesa Compliant)
- iPad 12.9 6th Gen now available with new enclosure, built in CC reader and the ability to hardwire via ethernet run

- nClose Enclosure available
- iDynamo6 bracket
- iDynamo6 reader with chip tap and Apple pay
- IPADGIGABIT+POE -iPad Ethernet Gigabit w/POE Adapter w/USB Micro DGS-1210-28P – Dlink 28 Port PoE Gigabit Smart Switch
- DSL, Wi-Fi, or other High Speed Connection to the Internet that has minimum 5mbps download speed and 1mbps upload speed (1)
- Category 5 Type E Network Cabling
- Separate and Dedicated Ground Bar and Neutral Bar for Electronic Components to be used exclusively for the POS Server Stations and Printers
- Dedicated phone line for the support modem

Required Integrations:

- Reporting software for sales and labor reporting- to be named.
- Orion for network security is using CBS NorthStar.
- Beerboard for beer sales metering.
- NovaDine for online ordering and Third Party Delivering integration for CBS NorthStar.

The number of items identified above is dependent upon your store size and the POS required to operate the store. Of the components and programs identified above, all computer software and POS are proprietary property of the manufacturers. The computer hardware is generic and can be purchased or leased from any manufacturer or source. However, the franchisor does not warrant the compatibility of the POS software with the hardware purchased or selected by the franchisee.

We know of no comparable equivalence to the POS system and computer software. There are other software companies such as ABS Systems, Rapid Fire, Teac and Panasonic who offer similar required features, but not in one system. The POS System and software is available through CBS NorthStar, the Franchisor's current approved vendors. There is no contractual right or obligation on the part of the owners of any proprietary property to provide ongoing maintenance, repairs, upgrades or updates. Maintenance and support contract are optional, and the approximate annual cost to you for maintenance, repairs, upgrades and updates should average less than $10,000. You will use the required POS System and Software to record all purchases, including non-cash transactions, all operating expenses of your restaurant, all employee time and a food and drink inventory. The POS System will be capable of producing an operational review statement, and of establishing a customer database. We will have the ability to independently access information on your POS System without limitation. We have implemented a proprietary business intelligence site and portal through Aegis Foundry that is integrated with the POS System, which service you are required to subscribe.

Our integration with CBS NorthStar also requires the NovaDine online ordering system, which consists of a branded online ordering platform that we developed with NovaDine to satisfy our pick-up, delivery, 3rd party delivery integration, catering, and group ordering needs. Novadine will collect the 3rd party online orders and pass them through to a single printer in the restaurant. This accomplishes two main things: it eases operational issues by automating the 3rd party order entry, instead of having an employee enter the order, and allows visibility into the sales generated by 3rd party delivery companies. NovaDine has reporting functionality that show sales generated among other reporting items. Both of us will have full access to the reporting from both systems, and you authorize us to receive quarterly sales reports directly from your 3rd party delivery partners.

Beerboard monitors the beer sold versus the beer poured using flow meters and integrates with CBA NorthStar to gather sales data. Beerboard is required. Each time a beer is poured a flow meter registers how many ounces of that beer is poured. The system knows what beer is on that line and being poured so it then looks for a sale of that same beer. The system reports the data to you daily and you can monitor it during a shift as well. You will see how efficient your sales versus pours are and allow you to manage your employees to become more efficient.

QR code technology provider to be named.

a. NovaDine Inc

- Address: 1400 Sunday Drive, Suite 109
Raleigh, NC 27607
Phone: (877) 857-0111
Website: novadine.com

b. **Beerboard**

Address: 225 W. Jefferson St.
Syracuse, NY 13202 USA
Phone: (888) 298.3641
Email: info@beerboard.com
Website: beerboard.com

C. You are responsible for selecting a site acceptable to us within 120 days after execution of your Franchise Agreement. We will observe your potential market area, using informal procedures to determine site feasibility. Your prospective site will be evaluated by its overall impression and with consideration given to size, demographics, neighborhood, parking and other physical characteristics. If we do not disprove your site within 10 days after furnishing all required information to us, it will be deemed approved.

D. The typical length of time between signing your Franchise Agreement or the first payment of consideration and the opening of your restaurant is one year. You must open for business not later than twelve months after signing your site lease.

E. Your store may be necessary for future training sessions if it is the closest convenient location.

F. Training. Our training program for the management and operation of the Franchised Business lasts approximately 1 to 3 months, is scheduled as needed, and covers the following:

TRAINING PROGRAM

Subject	**Instructional Material**	**Hours of Classroom Training (1)**	**Hours of In-Store Training (2)**	**Instructor (3)**
Company Orientation	Disclosure Document	4	1-2 Weeks	Opening Team
General Management	Oper. Manual	2	1-2 Weeks	Ops
Employee Relations	Oper. Manual	1	4	Ops
Purchasing Food Supplies	Oper. Manual	0	4	Ops
Inventory Control	Oper. Manual	0	6	Ops
Accounting Systems	Oper. Manual	0	3	D.H.
Loss Prevention	Oper. Manual	0	2	Ops
Store Maintenance	Oper. Manual	0	6	Ops
POS System	Oper. Manual	0	6	Ops
Beer Management	Oper. Manual	0	4	Ops
Customer Relations	Oper. Manual	4	6	E.F.; Ops; Mktg.
Marketing	Oper. Manual	2	2	E.F.; Mktg.
Merchandising	Oper. Manual	0	2	Ops
Employee Training	Oper. Manual	0	2	Ops
Food Preparation	Oper. Manual	0	4	Ops
Food Handling	Oper. Manual	0	4	Ops;

Subject	Instructional Material	Hours of Classroom Training (1)	Hours of In-Store Training (2)	Instructor (3)
Role Playing	Oper. Manual	0	2	E.F.; Ops; Mktg.

(1) All classroom training is conducted at 1245 Puerta Del Sol, San Clemente, California 92673 or your new location.
(2) All in-store, on the job, training will be conducted on site at your new location.
(3) "D.H." refers to Dora Hadjis, Chief Financial Officer who has operated an Oggi's™ Restaurant and its predecessor since 1991.
(4) "E.F." refers to Estella Ferrera, CEO and President.
(5) "Ops" refers to Operations Manager
(6) "Mktg." refers to Marketing Manager

G. We do not charge extra for the initial training. However, you must pay for all travel and accommodation expenses you or your designated manager incur during the training period.

We may occasionally offer additional training programs or refresher courses, on an as-needed or as-requested basis. These additional training programs last from a half-day to a full day. All classroom training is conducted at 1245 Puerta Del Sol, San Clemente, California 92673. All in-store, on the job, training will be conducted at a location TBD by Franchisor. When we offer additional training programs, we will normally charge no fee for attendance. You must pay for all your costs incurred in attending any additional training programs, including cost of transportation, lodging and meals.

H. Our obligations under the Franchise Agreement apply to a developer or franchisee under an Area Development Agreement or a Multi-Unit Agreement. Each time a developer or franchisee signs another Franchise Agreement, our obligations are activated for the new restaurant to be established. We do not have separate obligations under the Area Development Agreement.

ITEM 12.
TERRITORY

We grant a franchise for a specific Authorized Location within a defined protected area. Once we approve your Authorized Location, we will grant you an exclusive area (Territory). The Territory will typically be a 2 mile radius from your Authorized Location. You may not transfer the Authorized Location to any other location except with our prior written consent in our sole discretion.

So long as you are not in default of your Franchise Agreement with us, we will not establish or allow a franchisee to establish another Oggi's™ Restaurant within the Territory. While no other Oggi's™ Restaurant will be physically located within your Territory, your Territory may overlap with other franchisee's territory (i.e. area in your Territory may overlap with another franchisee's territory). The Territory's size might be smaller of larger depending upon your Authorized Location, traffic patterns, and the demographics of the area around the Authorized Location. We will identify the Territory in the Franchise Agreement before you sign it. You may operate only from your Authorized Location. You do not receive the right to acquire additional franchises either within or outside of your protected area unless you have otherwise signed a Multi-Unit Franchise Agreement or an Area Development Agreement.

We will determine and approve the location of each Oggi's™ Restaurants and any Territory for each Oggi's™ Restaurant at our then-current applicable standards for sites and Territories.

Area Development Agreement

If you sign an Area Development Agreement, we will not develop or operate or grant anyone else a franchise (except for the Special Sites defined below) in your Development Territory. However, you will not receive an exclusive Territory. We will determine and approve the location of each Oggi's™ Restaurants and any Territory for those Oggi's™ Restaurant at our then-current applicable standards for sites and Territories. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control. We will be entitled to develop and operate, or to franchise others to develop and operate, franchises in your Development Territory (except as may be otherwise restricted under any current Franchise Agreement) upon any of the following: (i) the Area Development Agreement has expired or terminated; (ii) the date the last Franchise Agreement in your Development Schedule must be signed; or (iii) the date on which the protected area for your final franchise is determined. At the time you execute your final Franchise Agreement under the Development Schedule, you must have an Authorized Location for your final Restaurant. We determine the Development Territory using the same criteria that is used in deciding a protected area for one franchise. However, the Development Territory must be able to support the number of restaurants you intend to establish in that area.

The rights and restrictions described above regarding what we can and cannot do in a franchisee's protected area for a single franchise are generally the same for the Development Territory set forth in an Area Development Agreement. We are not required to pay you if we exercise any of the rights specified above inside your Development Territory. In addition, we may terminate the Area Development Agreement if you: (i) fail to exercise options to enter into current Franchise Agreements with us within any period on the Development Schedule; (ii) fail to comply with any other terms and conditions of the Area Development Agreement; (iii) make or attempt to make a transfer or assignment in violation of the Area Development Agreement; or (iv) fail to comply with the terms and conditions of any individual Franchise Agreement or of any other agreement to which you and we or our affiliates are parties.

Special Sites are excluded from your Development Territory and we have the right to develop, license or franchise the following Special Site locations: (1) military bases; (2) public transportation facilities, including airports and other transportation terminals; (3) sports facilities, including racetracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; and (6) community and special events. We are not required to pay you if we exercise any of the rights specified above in your Development Territory.

ITEM 13.
TRADEMARKS

We grant you the right to operate your restaurant under the Oggi's™, Oggi's Sports Brewhouse Pizza®, Oggi's Pizza & Brewing Co.®, and Oggi's Pizza Express® trademarks. You may also use concurrent and future trademarks to operate your restaurant. By trademark, we mean trade names, trademarks, service marks and logos used to identify your restaurant. The following trademarks are registered with the United States Patent and Trademark Office:

Trademark	Registration No.	Registration Date	Register
Oggi's Pizza & Brewing Co.	2865637	July 1, 2003	Principal
Oggi's Sports Brewhouse Pizza	4552645	June 17, 2014	Principal
Oggi's Pizza Express	4644872	November 25, 2014	Principal
McGarvey's Scottish Ale	3693926	October 6, 2009	Principal
Hoppily Ever After	5318016	October 24, 2017	Principal

We hold trademarks for our beers, which are not registered with the United States Patent and Trademark Office or any state, including: "California Gold Blonde Ale," "Paradise Pale Ale," "Sunset Amber Ale," "Black Magic Stout," "Torrey Pines India Pale Ale," "Double Up Double IPA," "Duck Dive Hefeweizen," "Oggi's Light Lager," "Oggi's Mighty Light," "The Daily Grind Ale," "POG Project," "50/50 Beersicle," "Rising Sun IPA," "Hazy Go Crazy IPA," and "Oggi's Hard Seltzer." You must follow our rules when you use these trademarks. You cannot use Oggi's™, Oggi's Sports Brewhouse Pizza®, Oggi's Pizza Express®, or Oggi's Pizza & Brewing Co.® as part of a corporate name, and except with our permission, you cannot modify the trademarks in any way.

You cannot use the trademarks in connection with the sale of any product or service except with our written authorization.

The foregoing restrictions specifically include, but are not limited to, the use and/or modification of Oggi's™, with domain names, websites, email addresses, phone numbers, text messaging, account names and usernames. We own the web domains name www.oggis.com and www.oggispizzaexpress.com. When establishing social sites, franchisee must use "[store location].oggis.com" as its name.

You must notify us immediately when you learn about an infringement of or challenge to your use of our trademarks. We will take the action that we think appropriate. You must cooperate and assist us and our lawyers if we do take legal action.

We are not required to defend you, or pay your legal expenses, if a claim is made against you for your use of our trademarks.

You must modify or discontinue the use of any of our trademarks if we modify or discontinue it. If this happens, you will incur costs of compliance (for example, changing signs). You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business.

We do not know of any infringing uses that could materially affect your use of our trademarks. We do not know of any challenges to the use of our trademarks in any court or governmental proceeding. It is always possible for any trademark holder to be subject to common law rights of unknown and unregistered trademark users who may subsequently surface their claims.

ITEM 14.
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent or copyright, but you can use the proprietary information in our Confidential Operating Manual. Item 11 describes the Confidential Operating Manual. Although we have not filed an application for copyright registration of the Confidential Operating Manual, we claim copyright protection and regard the information as proprietary. Item 11 describes limitations on the use of this Confidential Operating Manual by you and your employees. You must keep confidential during and after the term of the Franchise Agreement all proprietary information, including our Confidential Operating Manual. Upon termination of your Franchise Agreement, you must return to us all proprietary information, including but not limited to the Confidential Operating Manual and all other copyrighted material. You must comply with all changes to the manuals at your cost. Any passwords provided to you such as by and through the Business Intelligence Maintenance website must remain confidential at all times. You must also promptly tell us when you learn about unauthorized use of this proprietary information. We are not obligated to take any action but will respond to this information as we think appropriate. We are under no obligation to defend or indemnify you for losses brought by any third party concerning your use of this information.

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

We require you to be involved in the operation of the Franchised Business and we strongly encourage your participation in the direct operations of your Oggi's™ Restaurant. We believe your participation greatly enhances the success of your business. You must have strong local knowledge of the geographic territory of interest. You must have at least five (5) years of business management experience in the last ten (10) years. You must complete the training program to our satisfaction. You, your supervisor(s) and manager(s) must all be Serve Safe certified. You may have an on-site manager; however, your manager is also required to complete the training program to our satisfaction. If you or the trained manager is not available on-site, you must designate a successor manager within 60 days, and the successor manager must promptly complete our training program, at an additional charge that we will determine at the time, or otherwise satisfy our requirements regarding management experience.

Your designated manager must sign an agreement to maintain confidentiality of the information described in Item 14 and to conform with any competitive limitations described in Item 17.

Each individual who owns an interest in the franchisee entity must sign the Franchise Agreement and a personal guaranty, thereby agreeing to discharge or guarantee the discharge of all obligations of the "Franchisee under the Franchise Agreement." Each individual owner must also undergo a background and credit check. Unless a spouse is also an owner, there is no requirement for your spouse to sign a personal guaranty.

ITEM 16.
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those proprietary food products and beverages that we have approved, and use only franchisor approved carry-out and delivery boxes, bags and containers. (See Item 9). You must use the franchise specified menu format, including menu design, color and layout. You must make any changes to the menu format or design that the Franchisor may designate from time to time.

You must offer all food and beverage items that we designate as required for all franchisees. You are required to offer for delivery all of our menu items either through self-delivery or third party delivery. These food and beverage items include specified pizza, other dishes, seasonal menus, and designated beverage items, including our private label beer and seasonal beer. Certain food and beverage providers may require you to sign contracts with personal guarantees. For example, Coca-Cola® requires our franchisees to lease equipment and personally guarantee the maintenance. We must approve beforehand any other food or other products or services used in connection with your Franchised Business. (See Item 8).

You must use all proprietary ingredients, including but not limited to spices, dough balls, sauces, and cheeses. You must use only proprietary recipes.

We have the right at any time to add additional authorized products and services that you must sell from your Authorized Location. There are no limits on our right to do so.

We also have the right to designate some products and services as either optional or required for certain franchisees. Those franchisees licensed to sell alcoholic beverages must purchase our private label beer and seasonal beer to offer along with other menu drinks. You must comply with all requirements such as training, participation in the Promotion Fund, insurance and the like.

ITEM 17.
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

	Provision	Section in Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Summary
a.	Length of the franchise term	1.02	1.02		20 year term.
				Article I, IV, Appendix B	Terms depends on the number of Restaurants to be developed under the Area Development Agreement as specifically set forth in Appendix B.

	Provision	Section in Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Summary
b.	Renewal or extension of the Term	1.03	1.03	N/A	Two successive 10 year renewals if no business succession, no deficiency/breach and lease is extended.
c.	Requirements for you to renew or extend	1.03	1.03	N/A	You must give us written notice of your decision at least 9 months before the end of the expiring term; you must sign our then current form of the Franchise Agreement, which may contain terms and conditions materially different from those in your previous Franchise Agreement, such as different fee requirements; you have complied with our remodeling requirements; you are not in default and have satisfied your obligations on a timely basis; if leasing your Authorized Location, you must have written proof of your ability to remain in possession of the Franchised Business throughout the renewal term.
d.	Termination by franchisee	N/A	N/A	Article VI	You can terminate the Area Development Agreement subject to certain conditions.
e.	Termination by Franchisor without cause	N/A	N/A	N/A	N/A

	Provision	Section in Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Summary
f.	Termination by Franchisor with Cause	9.01	9.01		We can terminate your franchise if you Default or fail to comply with your obligations.
				Article VII(B)	We can terminate your Area Development Agreement if you Default or fail to comply with your obligations. The Franchise Agreement and Area Development Agreement contain cross-default provisions.
g.	"Cause" defined - defaults which can be cured	9.01, 9.02	9.01, 9.02		You have 5 or 10 days to cure default upon receipt of notice to cure, dependent upon the type of default.
				Article VII(B)	You have 30 days to cure defaults not listed in h below. Any curable default under your Franchise Agreement is also a cross-default under your Area Development Agreement.

	Provision	Section in Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Summary
h.	"Cause" defined – defaults which cannot be cured	9.02	9.02		Non-curable defaults: any material misrepresentation or omission in your application for a franchise, insolvency, abandonment, repeated non-compliance, government seizure, non-payment, loss of liquor license, loss of lease, etc.
				Article VII(B)	Non-curable defaults: insolvency, appointment of receiver of your property, general assignment for the benefit of creditors, a final judgment remains unsatisfied for 30 days or longer, execution is levied against your business or property, suit to foreclose any lien or mortgage against your premises or equipment within 30 days, failure to meet Development Schedule, etc. Any non-curable default under your Franchise Agreement is also a cross-default under your Area Development Agreement.

	Provision	Section in Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Summary
i.	Franchisee's obligations on termination/non-renewal	9.04	9.04		Obligations include complete payment of all sums due, assignment of lease upon our demand, assignment of telephone numbers, return of Confidential Operating Manual and proprietary materials, cease use of Marks, assign assets, turn over records, etc. We may also have the right to purchase assets of the Franchised Business.
				Article VIII	Pay sums owing, liquidated damages, cease use of Marks, assign assets, turn over records, etc.
j.	Assignment of Contract by Franchisor	8	8		No restrictions on our right to assign.
				Article IX(A)	No restriction on right to transfer.
k.	"Transfer" by franchisee – defined	10	10	Article IX(B)	Includes transfer of Agreement and change in ownership of partnership or corporation.

	Provision	Section in Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Summary
1.	Franchisor approval of transfer by franchisee	10.01, 10.03, 10.04	10.01, 10.03, 10.04		We must approve any transfer, but will not unreasonably withhold consent.
				Article IX(B)	We must approve any transfer.

	Provision	Section in Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Summary
m.	Conditions for Franchisor's approval of transfer	10	10		Transferee meets all of our then-current requirements qualifications; transferee has attended our training; transferee executes the then-current Franchise Agreement; transfer fee is paid; all amounts owed by you are paid; required remodel is completed; release signed by you, and other conditions that we may require from time to time as part of our transfer policies.
				Article IX(B)	All rights under the Franchise Agreements must also be transferred; and all transfer requirements under the Franchise Agreement(s) shall apply
n.	Franchisor's right of first refusal to acquire franchisee's business	10.03	10.03	N/A	We can match any offer for your business
o.	Franchisor's option to purchase franchisee's Business	N/A	N/A	N/A	N/A

	Provision	Section in Franchise Agreement	Section in Express Unit Franchise Agreement	Section in Area Development Agreement	Summary
p.	Franchisee's death or disability	10.02	10.02	N/A	Your survivors/estate must either qualify as Franchisee or sell to qualified transferee within 6 months
q.	Non-competition covenants during the term of the Franchise	4.27, 10.01, 10.01.4	4.27, 10.01, 10.01.4	N/A	No involvement in any competing business
r.	Non-competition covenants after the franchise is terminated or expires	4.27, 9.04, 9.06	4.27, 9.04, 9.06	N/A	No involvement in a sports-themed, pizza, pasta, salads restaurant and/or brewery or fast casual pizza within 5 miles of any Franchised Business.
s.	Modification of the agreement	11.10	11.10	N/A	Any modification to Agreement must be in writing and signed by you and us, but we have the exclusive right to change the Confidential Operating Manual, list of authorized Marks, and menu.
t.	Integration/ merger clause	11.09	11.09	N/A	Only the terms of the franchise agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u.	Dispute resolution by Mediation or Arbitration	None	None	None	Not provided for. May be accomplished by agreement between the parties.
v.	Choice of Forum	11.03	11.03	Article XII(D)	San Diego, California.
w.	Choice of law	11.02	11.02	Article XII(C)	California law applies.

ITEM 18.
PUBLIC FIGURES

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

ITEM 19.
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We compiled our information from the internal, unaudited financial statements of our franchisees for the last two fiscal years, which includes calendar year 2022 and 2023. None of the information was obtained from financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP), but all the information is believed to be reliable. This Item 19 contains three sections: (1) Actual Average Annual Gross Sales information for 15 Oggi's™ Full-Service Restaurants in operation in the United States during 2022 and 14 Oggi's™ Full-Service Restaurants in operation in the United States during 2023; (2) the range of Actual Annual Gross Sales for all 15 Oggi's™ Full-Service Restaurants in operation in the United States during 2022 and 14 Oggi's™ Full-Service Restaurants in operation in the United States that reported financial statements during 2023, and (3) actual and percentages of sales spent on Ingredients (Food and Beverage), Occupancy (Rent, CAM, Utilities) and Direct Labor for all 15 Oggi's™ Full-Service Restaurants in operation in the United States during 2022 and 14 Oggi's™ Full-Service Restaurants in operation in the United States that reported financial statements during 2023. **No Financial Performance Representations are being made on the Express Units (Oggi's Pizza Express® Restaurants).**

There were 15 Oggi's™ Full-Service Restaurants in operation for 2022 and 2023. All 15 Oggi's™ Full-Service Restaurants are owned by franchisees. The information included in the text and charts below is based on reports from all 15 Oggi's™ Full-Service Restaurant restaurants for 2022 and 14 reporting Oggi's™ Full-Service Restaurant restaurants for 2023. We prepared this information from reports (profit / loss statements) provided by the franchisees. Gross Sales information and Direct Labor information was drawn directly from the POS system for each restaurant. The information provided is unaudited.

The Oggi's™ brand started in San Diego County, and has invested significant sums in marketing its name, brewery and restaurants in San Diego County and adjacent Southern California markets. This Financial Performance Projection is based on information from restaurants located in San Diego County, California; Orange County, California; Los Angeles County, California; San Bernardino County, California; and Maricopa County, Arizona. If you open a restaurant outside the Southern California market, your restaurant may not enjoy the same initial level of name recognition as Oggi's™ restaurants in Southern California or adjacent markets, and this may adversely affect your sales.

A new franchisee's individual financials results may differ from the results stated in this Item 19. Substantiation of all information presented in this Item 19 will be made available to you upon reasonable request.

The earnings claim figures(s) does (do) not reflect the cost of sales, operating expenses, or other costs of expenses that must be deducted from the gross revenues 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 Oggi's™ Restaurant. Franchisees, or former franchisees, listed in the disclosure document may be one source of information. There may be other costs and expenses not identified.

Section 1 Actual Average Annual Gross Sales

Actual Average Annual Gross Sales for Oggi's™ Full-Service Restaurants in Operation During 2022 and 2023

Calendar Year 2022

The actual average annual gross sales (defined below) for the period January 1, 2022 to December 31, 2022 for 15 Oggi's™ Full-Service Restaurants in the system that were open for operations in 2022 are **$2,440,833.30**. The median gross sales are **$2,234,369.00**. The high gross sales are **$3,839,297.00**. The low gross sales are **$1,565,565.00**. Gross Sales (for the purpose of the system-wide average) are defined as all revenue and receipts derived from the operations of the restaurant, including sales made at or away from the premises, net of sales tax, but after deducting amounts for coupons and promotions. The system-wide average includes all restaurants. The 15 restaurants included were each open during 2022.

Calendar Year 2023

The actual average annual gross sales (defined below) for the period January 1, 2023 to December 31, 2023 for 14 Oggi's™ Full-Service Restaurants in the system that were open for operations in 2023 are **$2,260,741.00**. The median gross sales are **$2,420,145.00**. The high gross sales are **$4,453,516.00**. The low gross sales are **$1,662,624.00**. Gross Sales (for the purpose of the system-wide average) are defined as all revenue and receipts derived from the operations of the restaurant, including sales made at or away from the premises, net of sales tax, but after deducting amounts for coupons and promotions. The system-wide average includes all restaurants. The 14 restaurants included were each open during 2023.

Section 2 Actual Annual Gross Sales

Gross Sales of Oggi's™ Full-Service Restaurants During 2022 and 2023

The Chart below relates to the range of Gross Sales for all 15 Oggi's™ Full-Service Restaurants that were open for operations for 2022 and the 14 reporting Oggi's™ Full-Service Restaurants that were open for operations for 2023. 8 of the restaurants are located in free-standing buildings, while 7 of the restaurants shares at least one common wall and is what is referred to as an "end-cap" location in a mall or strip center.

Gross Sales Range lists the actual high and low end of the Gross Sales Range. The information relating to the Restaurants is based on unaudited reports. Some restaurants sold this amount. There is no assurance that you'll do as well.

Calendar Year 2022

Range of Gross Sales	Number of Stores in Range	Average Sales of Stores in Range	Median Sales of Stores in Range
$3,839,297.00 - $2,555,421.00	5	$3,224,531.42	$3,167,825.00
$2,576,823.00 - $1,973,800.00	5	$2,275,526.61	$2,234,369.00
$1,942,010.35 – $1,565,565.00	5	$1,822,441.87	$1,874,085.00

Calendar Year 2023

Range of Gross Sales	Number of Stores in Range	Average Sales of Stores in Range	Median Sales of Stores in Range
$4,453,516.00 - $3,176,433.00	4	$3,626,473.25	$3,437,972.00
$2,665,397.00 - $2,405,753.00	5	$2,488,374.33	$2,424,229.00
$2,009,033.00 - $1,662,624.00	5	$1,831,225.80	$1,851,086.00

Section 3 Costs of Ingredients (Food & Alcohol), Occupancy and Labor as a percentage of Gross Sales by Average and Range for Oggi's™ Full-Service Restaurants 2022 and 2023

The Chart below relates to the annual costs of Ingredients sold as a percentage of gross sales, annual occupancy costs as a percentage of gross sales, and direct labor costs as a percentage of gross sales. "Ingredients" is defined as the costs of goods sold, including all food and beverages, including alcohol, paper, produce and other ingredients which go into making the products sold in an Oggi's™ Restaurant. "Occupancy" is defined as base rent, and typically includes "common area charges", real estate taxes, insurance, and utilities. "Direct Labor" is defined as the actual labor cost of all personnel in the restaurant, except for management and the franchise owner. Direct Labor does not take into account payroll taxes, any bonuses paid to managers or draws by the owner.

Calendar Year 2022

	Average for All Restaurants	**Median for All Restaurants**	**Low End of Range**	**High End of Range**
Ingredients (Food & Alcohol)	29%	29%	22%	35%
Occupancy (Rent, CAM, Utilities)	12%	13%	7%	20%
Direct Labor (Excludes Management)	29%	29%	10%	42%

Calendar Year 2023

	Average for 14 Restaurants	**Median for 14 Restaurants**	**Low End of Range**	**High End of Range**
Ingredients (Food & Alcohol)	25%	26.5%	3%	33%
Occupancy (Rent, CAM, Utilities)	12%	12.5%	1%	20%
Direct Labor (Excludes Management)	26%	28%	4%	35%

ITEM 20.
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1 – FULL-SERVICE OUTLETS

SYSTEM-WIDE FULL-SERVICE OUTLET SUMMARY FOR YEARS 2021-2023

Outlet Type	**Year**	**Outlets at the Start of the Year**	**Outlets at the End of the Year**	**Net Change**
Franchised	**2021**	**15**	**15**	**0**
	2022	**15**	**15**	**0**
	2023	**15**	**15**	**0**
Company-Owned	**2021**	**0**	**0**	**0**
	2022	**0**	**0**	**0**
	2023	**0**	**0**	**0**
Total Outlets	**2021**	**15**	**15**	**0**

	2022	**15**	**15**	**0**
	2023	**15**	**15**	**0**

TABLE 2 – FULL-SERVICE OUTLETS

TRANSFERS OF FULL-SERVICE OUTLETS FROM FRANCHISEES TO NEW OWNERS FOR YEARS 2021-2023

State	**Year**	**Number of Transfers**
CA	**2021**	**0**
	2022	**0**
	2023	**1**
AZ	**2021**	**0**
	2022	**0**
	2023	**0**
Total	**2021**	**0**
	2022	**0**
	2023	**1**

TABLE 3 – FULL-SERVICE OUTLETS

STATUS OF FULL-SERVICE OUTLETS FOR YEARS 2021-2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at the End of the Year
CA	2021	15	0	0	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	0	15
AZ	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Total	2021	15	0	0	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	0	15

TABLE 4 – FULL-SERVICE OUTLETS

STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2021-2032

There are no company-owned outlets.

TABLE 5 – FULL-SERVICE OUTLETS

PROJECTED FULL-SERVICE OUTLET OPENINGS AS OF DECEMBER 31, 2023

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
CA	0	0	1
AZ	0	0	0
Total	0	0	1

TABLE 1 – EXPRESS UNIT OUTLETS

SYSTEM-WIDE EXPRESS UNIT OUTLET SUMMARY FOR YEARS 2021-2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company-Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	1	1	0
	2022	1	1	0
	2023	1	1	0

TABLE 2 – EXPRESS UNIT OUTLETS

TRANSFERS OF EXPRESS UNIT OUTLETS FROM FRANCHISEES TO NEW OWNERS FOR YEARS 2021-2023

N/A

TABLE 3 – EXPRESS UNIT OUTLETS

STATUS OF EXPRESS UNIT OUTLETS FOR YEARS 2021-2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at the End of the Year
CA	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Total	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1

TABLE 4 – EXPRESS UNIT OUTLETS

STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2021-2023

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired by Franchisor	Sold to Franchisees	Outlets at the End of the Year
CA	2021	1	0	0	0	1
	2022	1	0	0	0	1
	2023	1	0	0	0	1

TABLE 5 – EXPRESS UNIT OUTLETS

PROJECTED PIZZA EXPRESS OUTLET OPENINGS AS OF DECEMBER 31, 2023

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
CA	0	0	0
AZ	0	0	0
Total	0	0	0

Current franchisees and the address and telephone number of each of their outlets:

ARIZONA – OGGI'S™ FULL-SERVICE RESTAURANTS

Oggi's™ Restaurant
Glendale – (623) 566-8080
Corey & Jeanne Greenhill
Corte Freccia Plaza
6681 W. Beardsley Road
Glendale, AZ 85308

CALIFORNIA - OGGI'S™ FULL-SERVICE RESTAURANTS

Oggi's™ Restaurant
Apple Valley – (760) 240-8977
Brent Jones
19201 Bear Valley Blvd., Building D
Apple Valley, CA 92707

Oggi's™ Restaurant
Barstow – (760) 253-2001
Max Talia
2854 Lenwood Road
Barstow, CA 92311

Oggi's™ Restaurant
Carmel Mountain Ranch – (858) 592-7883
Sue Haywood
10155 Rancho Carmel Drive
San Diego, CA 92121

Oggi's™ Restaurant
Del Mar – (858) 481-7883
Ryan & Janis Deady
12840 Carmel Country Road
San Diego, CA 92130

Oggi's™ Restaurant
Encinitas – (760) 944-8170
Charidy & Cherock Alcoser
305 Encinitas Blvd.
Encinitas, CA 92024

Oggi's™ Restaurant
Fontana – (909) 320-8594
Juan Lopez
16918 S. Highland Avenue
Fontana, CA 92336

Oggi's™ Restaurant
Garden Grove – (714) 534-3599
David Harake
12362 Chapman Avenue
Garden Grove, CA 92840

Oggi's™ Restaurant
Liberty Station – (619) 876-5000
John Choukair
2562 Laning Road
San Diego, CA 92106

Oggi's™ Restaurant
Mission Valley - (619) 640-1072
Wayne Glasser, Steven Barrett, Jeff Jones
2245 Fenton Pkwy
San Diego, CA 92108

Oggi's™ Restaurant
Mission Viejo – (949)215-8570
Kanwal and Helen Mundy
24042 Alecia Pkwy
Mission Viejo, CA 92691

Oggi's™ Restaurant
Santa Clarita - (661) 252-7883
David Valencia, Toufic Hemaidan & Andy Gitipityapon
18810 Soledad Canyon Road
Santa Clarita, CA 9135

Oggi's™ Restaurant
Santee – (619) 449-6441
Wayne Glasser, Steven Barrett, Jeff Jones
9828 Mission Gorge Rd., Ste A
Santee, CA 92071

Oggi's™ Restaurant
Upland – *(909) 949-8868*
Felix Perez and Anna Wang
1173 E 19^{th} St
Upland, CA 91784

Oggi's™ Restaurant
Vista - (760)295-3500
Craig and Brian Rustad
425 S. Melrose Dr.
Vista, CA 92084

CALIFORNIA - OGGI'S PIZZA EXPRESS® RESTAURANTS

Oggi's Pizza Express® Restaurant
San Diego State University – (619) 286-4447
Oggi's Pizza & Brewing Company
Aztec Student Union
5500 Campanile Drive, Room 150
San Diego, CA 92182

Former franchisees and the address and telephone number of each of their outlets that were terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the last completed fiscal year:

N/A

"If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system."

Corporate Outlets/Public Venue:

Angel Stadium – (714) 940-2000
200 E Gene Autry Way
Anaheim, CA 92806

ITEM 21.
FINANCIAL STATEMENTS

An independent auditor's report with financial statements for the years ended December 31, 2023, 2022 and 2021 is attached as Exhibit "8."

ITEM 22.
CONTRACTS

Attached to this Disclosure Document are the following contracts:
Exhibit 1. Full-Service Franchise Agreement
Exhibit 2. Express Unit Franchise Agreement
Exhibit 3. Deposit Agreement
Exhibit 4. Lease Assignment Agreement
Exhibit 5. Gift Card Promotional Agreement
Exhibit 6. Area Development Agreement
Exhibit 7. Multi-Franchise Development Agreement

ITEM 23.
RECEIPTS

The receipt is attached as the last exhibit to this Disclosure Document.

State Effective Dates

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

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

State	Effective Date
California	Pending
Arizona	Exempt
Nevada	Exempt

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.

FULL-SERVICE RESTAURANT FRANCHISE AGREEMENT

EXHIBIT 1

TABLE OF CONTENTS

EXHIBIT 1

FRANCHISE AGREEMENT

THIS FULL-SERVICE RESTAURANT FRANCHISE AGREEMENT is made on __________________________, by OGGI'S PIZZA & BREWING COMPANY, a California corporation, with its principal place of business located at 1245 Puerta Del Sol, San Clemente, California 92673, referred to as Franchisor, and ____ [*name of franchisee*], of ____ [*address*], and its Affiliates, referred to as Franchisee.

Recitals

Franchisor and Franchisee mutually acknowledge the following:

Affiliates

This Franchise Agreement is intended to bind Franchisee, as well as its Affiliates, and all the terms, conditions, and covenants shall be binding upon the Affiliates of Franchisee.

"Affiliate" or "Affiliates" means people and companies associated with Franchisee, including, but not limited to, owners, shareholders, members, general partners, and limited partners owning a substantial interest in Franchisee, corporations, limited liability companies, and partnerships in which Franchisee has a substantial interest, and officers, directors, managers, employees or agents of Franchisee. As used in this paragraph, the phrase "substantial interest" means the right to ten percent (10%) or more of the capital or earnings of a limited liability company or partnership or, alternatively, ownership of ten percent (10%) or more of the voting stock of a corporation.

The System

Franchisor is the owner of a dine-in, carry-out, and delivery food establishment for the retail sale of a wide variety of pizza, pasta, burgers, Italian-style and American-bistro food and other products, including micro brewed beer and other alcoholic beverages, referred to as the "Oggi's™ System" or "System," which includes a special design and color scheme of building, equipment, layout, food formulae and specifications for designated food products, methods of inventory and operation control, bookkeeping and accounting procedures, and a manual of business practices and policies, which is being used and widely advertised in California and elsewhere throughout the United States.

Proprietary Rights

Franchisor is the sole and exclusive owner of all proprietary and other property rights and interests in and to the trade names and/or trademarks “Oggi’s Pizza and Brewing Company,” “Oggi’s Pizza & Brewing Co.,” “Oggi’s,” “Oggi’s Sports Brewhouse Pizza,” “Oggi’s Pizza Express,” “California Gold Blonde Ale,” “Paradise Pale Ale,” “McGarvey’s Scottish Ale,” “Sunset Amber Ale,” “Black Magic Stout,” “Torrey Pines India Pale Ale,” “Double Up Double IPA,” “Duck Dive Hefeweizen,” “Oggi’s Light Lager,” “Oggi’s Mighty Light,” “Hoppily Ever After,” “The Daily Grind Ale,” “POG Project,” “50/50 Beersicle,” “Rising Sun IPA,” “Hazy Go Crazy IPA,” “Oggi’s Hard Seltzer,” and all other trademarks and service marks used, or later developed for use in connection with this System, including but not limited to all those trademarks, service marks, and rights residing in the appearance of buildings, signs, and portions thereof by which establishments franchised to adopt to use the names, marks and the products therefrom are known and identified. Franchisor anticipates developing additional trademarks, trade names, service marks, and other commercial symbols, which Franchisee acknowledges and agrees, shall be subject to this agreement.

Promotion and Development

Franchisor has promoted and developed the System.

Franchisor has expended time, effort, and money to develop and protect recipes, business plans, procedures, and marketing in connection with the operation of Oggi’s™ Restaurants.

Franchisor has created and developed a proprietary Confidential Operating Manual to insure uniform and high standards of quality, service and appearance of all Oggi’s™ Restaurants.

In its business operations, Franchisor maintains high standards of quality for its food products such that valuable goodwill is attached to the trade names and trademarks/servicemarks.

Franchisee's Acknowledgment

Franchisee acknowledges Franchisor's rights in the System and desires to acquire the right to adopt and use the said System and names and marks at the location referred to below.

For and in consideration of the mutual covenants and agreements hereinafter set forth, it is mutually agreed and covenanted as follows:

ARTICLE 1.
GRANT AND USE OF FRANCHISE

1.01. Grant of Franchise: Subject to the terms and conditions contained herein, Franchisor hereby grants to Franchisee and Franchisee hereby accepts from Franchisor, the nonassignable right, franchise, and license:

(a) To use Franchisee's Proprietary Marks, Indicia, trademarks, service marks, and/or trade names in the operation of an Oggi's™ Full-Service Restaurant at the location designated in section 1.04, below.

(b) To use the Franchise System and/or the Franchisor's system of operation and method of doing business at such location.

(c) To sell the products and render the services specified, use the menus, Confidential Operating Manual and recipes provided and developed by Franchisor in the conduct of the Oggi's™ Full-Service Restaurant at such location.

1.02. Initial Term of Franchise: Unless earlier terminated for good cause as hereinafter provided, the franchise granted under and pursuant to the terms of this Agreement shall continue in full force and effect for a period of *twenty* (20) years from the date hereof.

1.03. Renewal Terms: Provided that Franchisee shall fully, faithfully, and timely carry out and perform all of its obligations under this Agreement, Franchisee may renew the franchise and license granted hereunder for two (2) successive renewal terms of ten (10) years each, provided that with respect to each renewal: (1) Franchisee has given written notice of your decision to renew at least 12 months prior to the expiration of the then current term, (2) you sign the then current form of franchise agreement (modified to reflect that the agreement relates to a renewal and without providing for more renewal terms), the terms of which may differ from this Agreement, including but not limited to higher fees, (3) you have complied with the remodeling requirements of Section 1.07 and your perform any further items of modernization, redecorating and/or replacement of the building, premises, trade dress, equipment as may be necessary for your franchise to conform to the then current standards of the Franchise for a comparably located Oggi's™ Full-Service Restaurant, to the extent that the remodel work can be accomplished within the architectural and design limitations and requirements of the Authorized Location, and regardless of the cost to Franchisee of such remodel, (4) if leasing the franchise premises, you have renewed the lease and have provided written proof of your ability to remain in the premises throughout the renewal term, (5) you comply with our then current training requirements, (6) you and your Affiliates with a substantial interest execute a general release of claims in a form we prescribe, and (7) you are not in default of this Agreement or any other agreement pertaining to the franchise, have satisfied all monetary and material obligations on a timely basis and are otherwise in good standing. Any failure by Franchisee to perform its obligation under this Agreement that does not constitute grounds for nonrenewal under sections 20025, 20020, and 20021 of the California Business and Professions Code shall not affect Franchisee's right to renew.

In the event that Franchisee agrees to perform remodel work and the agreed work is not completed within one year after the renewal date, this franchise shall automatically expire at the end of the one-year period. If you fail to provide the Franchisor with at least 12 months advance written notice of your intent to renewal, you shall be required to pay a late renewal fee of $5,000.

1.04. Location and Relocation: The Oggi's™ Full-Service Restaurant shall be located at ____

("Authorized Location"). Franchisee does not have the right to relocate its Oggi's™ Full-Service Restaurant to another location. In the event the Oggi's™ Full-Service Restaurant such location is rendered unusable by fire or other casualty or by the proper exercise of the power of eminent domain, or in the event that Franchisee's possession thereof is lost without Franchisee's fault, or in the event that, in Franchisor's judgment, there is a change in character of the location sufficiently detrimental to its business potential to warrant relocation, Franchisor will grant permission for the relocation of the Oggi's™ Full-Service Restaurant to a site acceptable to Franchisor. Any such relocation shall be at Franchisee's sole expense. Upon relocation outside the exclusive area designated in section 1.05, below, Franchisee shall be accorded a new exclusive area as determined by Franchisor in its sole discretion.

1.05. Exclusive Area: In order to facilitate the successful development of the Oggi's™ Full-Service Restaurant and to protect Franchisee's investment therein, Franchisor hereby grants to Franchisee the exclusive right to operate an Oggi's™ Full-Service Restaurant within the following area: ______________________________ of the Authorized Location. During the term of this Agreement, neither Franchisor nor any other of its franchisees shall be authorized to establish any Oggi's™ Restaurant (whether an Oggi's™ Full-Service Restaurant or an Oggi's Pizza Express® Restaurant) within said exclusive area, nor shall Franchisor establish other food service establishments selling products or services similar to those offered by Oggi's™ Restaurants under any other Proprietary Marks, Indicia, trademarks, service marks, or trade names within said exclusive area. In order for the Franchisee to operate an Oggi's™ Restaurant in an additional location a separate franchise agreement must be signed and an additional franchise fee must be paid. However, Special Sites are excluded from your exclusive area due to their unique and separate character from the sites generally developed as Oggi's™ Restaurants, and we have the right to develop, license or franchise the following Special Site locations: (1) military bases; (2) public transportation facilities, including airports and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; and (6) community and special events. Further, Franchisor and its affiliates have the right to offer, sell or distribute, within and outside the Exclusive Area, through any distribution channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names.

1.06. Restrictions: The following restrictions apply to the grant of the franchise:

(a) The Franchisee shall not sell any Oggi's™ products at wholesale, nor shall Franchisee operate a commissary or otherwise engage in mass distribution or sale of Oggi's™ products.

(b) Franchisee shall be required to at all times maintain all licenses and permits necessary to sell beer, wine, spirits and liquor products and/or brew beer at the Authorized Location.

(c) If the Authorized Location has not been determined as of the date of Franchisee's signing of this Agreement, Franchisee shall simultaneously with the execution of this Agreement, enter into an Oggi’s Pizza & Brewing Company ("Deposit Agreement") which contains provisions for selection of an approved site within a designated geographic area. A lease for the Approved Location must be approved by Franchisor in accordance with section 3.03, below.

(d) The Franchisee shall not use Franchisor's Proprietary Marks, Indicia, trademarks, service marks, or trade names, specifically, but not limited to, “Oggi’s,” “Oggi’s Pizza,” “Oggi’s Sports Brewhouse Pizza,” “Oggi’s Pizza & Brewing Company,” and “Oggi’s Pizza Express” standing alone in any domain names, phone numbers, email addresses, account names, usernames, text messaging, and/or websites, without first obtaining written approval from the Franchisor. The Franchisee may use “Oggi’s,” “Oggi’s Pizza,” “Oggi’s Sports Brewhouse Pizza,” “Oggi’s Pizza & Brewing Company,” and “Oggi’s Pizza Express” in conjunction with the Franchisee’s Authorized Location and/or company name in a domain names, phone numbers, email addresses, account names, usernames, text messaging, social sites, and/or websites.

1.07 Additional Authorized Locations. As a condition of obtaining an additional franchise at another Authorized Location, Franchisee, at its sole cost and expense, shall remodel, redecorate, or otherwise update its current franchise(s) to conform with the then current physical appearance of new, comparably located, Oggi’s™ Restaurants, to the extent that the remodel work can be accomplished within the architectural and design limitations and requirements of the Authorized Location. In the event that Franchisee agrees to perform remodel work and the agreed work is not completed within one year after signing the then current Franchise Agreement for another franchise at an Authorized Location, the new franchise shall automatically expire at the end of the one-year period. Furthermore, in order to obtain Franchisor’s consent for an additional franchise at another Authorized Location, Franchisee must meet the following minimum requirements: (1) operating the existing franchise for at least two (2) years, (2) not default under the Franchise Agreement at any point in time, (3) demonstrating that their management staff can handle another franchise location, (4) achieving a minimum profitability of five percent (5%) of gross sales over the twelve (12) months prior to submitting a request for an additional franchise, (5) demonstrating the willingness and ability to operate within the franchise guidelines, and (6) demonstrating that sufficient cash resources and reserves are available to expand while not jeopardizing the current franchise. In the event you have also executed an Area Development Agreement and/or Multi-Unit Development Agreement, the Development Schedule in those agreements shall be controlling and the foregoing restrictions on receiving additional Authorized Locations shall not necessarily apply.

ARTICLE 2.
FRANCHISE PAYMENTS

2.01. Initial Franchise Fee: In consideration of the right, franchise, and license granted by Franchisor to Franchisee and the services to be rendered to Franchisee by Franchisor under this Agreement, Franchisee hereby agrees to pay to Franchisor an initial franchise fee of $50,000 for a single Oggi's™ Full-Service Restaurant. The Initial Franchise Fee is payable with an initial deposit of $2,500.00, and the balance of $47,500.00 upon the execution of the Full-Service Franchise Agreement and the lease agreement with the Landlord for the Authorized Location. All fees once paid are NON-REFUNDABLE.

The Franchise Fee for a second franchise and any subsequent Oggi's™ Full-Service Restaurant is presently 50% of the then current Initial Franchise Fee, subject to change by Franchisor in its discretion. Franchisee shall be required to execute the then current form of Full-Service Franchise Agreement for the subsequent Oggi's™ Full-Service Restaurant.

2.02. Royalty Based on Gross Receipts: In consideration of the right, franchise, and license granted by Franchisor to Franchisee and the services to be rendered to Franchisee by Franchisor under this Agreement, Franchisee hereby agrees to pay to Franchisor a royalty equal to five percent (5%) of the gross receipts of the Oggi's™ Full-Service Restaurant, excluding therefrom, sales taxes, the amount of any incorrect sales amounts, allowances, discounts to customers, and customer net refunds or returns provided that the revenues from sales have previously been included in receipts. For purposes of this Agreement, the term "gross receipts" shall mean the amount of all money and the value of all property received by the Franchisee for goods sold and services rendered in connection with the Oggi's™ Full-Service Restaurant, whether as cash sales or payment for any charge, credit balance or advanced deposit, and "gross receipts" shall include all proceeds from any business interruption insurance. All items that are claimed as deductions must be supported by proper documentation.

2.02.1 Franchisee shall pay said royalty fee, in full via an Automated Clearing House (ACH) transaction, weekly on a day that we periodically designate based upon the gross receipts for the preceding week. Payment received after the due date is late and shall be charged a penalty of ten percent (10%) of the late royalty payment. Payment of continuing royalty and service fees are not refundable.

2.02.2 All third-party delivery company sales must be reported on a monthly basis through the Point-Of-Sale (POS) system as a "house account." Franchisee may not deduct third-party delivery service fees from gross receipts or reduce the royalty payments due to Franchisor. Franchisee shall report those third-party delivery fees as local franchisee marketing and delivery expenses.

2.02.3 Unless Franchisee notifies Franchisor in writing within five (5) calendar days of any discrepancy, each royalty payment shall be deemed true, correct and undisputed by Franchisee.

2.03. Advertising Fee Based on Gross Receipts: In addition to the royalty fees paid by Franchisee, pursuant to section 2.02, Franchisee shall contribute two percent (2%) of the gross receipts of the Oggi's™ Full-Service Restaurant to a special advertising account ("Promotional Fund") established and administered by Franchisor for the purpose of branding for the benefit of Franchisor's franchisees. All payments to the Promotional Fund are due and payable via ACH transaction weekly on a day that we periodically designate based upon the gross receipts for the preceding week. Payment received after the due date of each week is late and shall be charged a penalty of ten percent (10%) of the late advertising fee. All of the advertising fees received from any franchisee shall be pooled and managed by the Franchisor.

2.04. Interest on Late Payments: Any payment called for under this Franchise Agreement not received when due shall bear interest at one and one-half percent (1 1/2%) per month, unless otherwise limited by applicable law, from the date payment was due to the date payment is received by Franchisor.

2.05. Bounced Checks: If a check or ACH payment presented by Franchisee to Franchisor is returned for non-sufficient funds, for any obligation under this Franchise Agreement, Franchisee shall be charged a thirty dollar ($30.00) processing fee and shall be required to make the next six (6) consecutive royalty and advertising payments by Cashier's check. If two or more checks or ACH payments are returned for non-sufficient funds in any twelve (12) month period, the Franchisee shall be required to pay the estimated royalty and advertising payments for the next three (3) months, within fifteen (15) days of notice by the Franchisor of the unpaid check or ACH payment. The remedies of this section are in addition to any other remedies that may be available to the Franchisor, herein.

2.06. Attorney's Fees and Costs for Default: For each default by Franchisee, the Franchisee shall be responsible for paying the actual attorney's fees and costs of the Franchisor for all legal work performed in drafting, sending, serving, or administering notices of default.

ARTICLE 3.
FRANCHISOR'S CONTINUING OBLIGATIONS

3.01. Knowledge and Experience: Franchisor agrees to make available to Franchisee the benefit of its knowledge and experience in the installation of an Oggi's™ Full-Service Restaurant.

3.02. Site Approval: Franchisee is responsible for selecting a site acceptable to Franchisor and reasonably appropriate to Franchisee within one hundred twenty (120) days after execution of this Franchisee Agreement. Franchisor shall observe Franchisee's market area, using informal procedures, to determine site feasibility in approving an Authorized Location. Nothing contained herein shall be interpreted as a guarantee of success for the location. Final site approval shall be made by Franchisor, which approval shall not be unreasonably withheld.

3.03. Lease Approval: Franchisee shall submit a copy of the proposed lease for the Authorized Location, along with such additional information as Franchisor may request, to Franchisor for review and approval. Approval shall not be unreasonably withheld. Review and approval by Franchisor does not include review or approval of the legal sufficiency of the lease and shall not be interpreted as an assurance that the rights or interests of the Franchisee are adequately protected. If Franchisee fails to submit a copy of the proposed lease to Franchisor for review and approval, then Franchisor shall have the right to terminate this Franchise Agreement and all rights granted to Franchisee hereunder. AS A CONDITION TO GRANTING ITS APPROVAL TO A LEASE, FRANCHISOR REQUIRES THAT THE LANDLORD APPROVE OF FRANCHISOR AS A PROSPECTIVE ASSIGNEE UNDER THE LEASE BY EXECUTION OF FRANCHISOR'S "LEASE ASSIGNMENT AGREEMENT."

3.03.1 The Lease Assignment Agreement is non-negotiable. It is incumbent upon Franchisee to have the Landlord approve the Lease Assignment Agreement as part of his/her/its lease negotiations. Should the Landlord or Franchisee require amendments to the Lease Assignment Agreement, Franchisee shall pay all of Franchisor's attorneys' fees and costs in excess of the first three (3) billable hours.

3.03.2 If a Landlord gives Franchisee written notice, at any time that Franchisee is allegedly in breach or default under the terms of any lease, Franchisee shall notify Franchisor within twenty-four (24) hours of the claimed breach or default. Franchisee shall bear the costs of Franchisor's attorneys' fees and costs relating to said alleged breach, if necessary to preserve the franchise's interest.

3.04. Development: Franchisor shall provide basic required criteria for store layout and design (including furnishings, fixtures, signs and decor). Final layout and design must be approved by Franchisor in writing. Franchisee shall not make any changes to the construction plans or alter the store layout or design after construction without the prior written consent of Franchisor. Franchisee shall submit a copy of the drawings for any proposed change to the store layout or design to Franchisor for review and approval.

3.04.1 Upon approval of the lease for the Authorized Location, Franchisor shall oversee, support and assist you in arranging for Franchisee's construction and installation of the tenant improvements, trade fixtures, displays, and interior decor in accordance with the generalized space plan, work flow and general layout of a typical Oggi's™ Full-Service Restaurant. All construction and installation shall be under contracts executed between Franchisee and its contractors. Franchisor's oversight shall consist of recommending qualified contractors and other providers of required goods and services, consultation for the particular space plan applicable to the Approved Location, observation of construction, and assistance in acceptance of the finished work.

3.05. Building Plans and Specifications: Franchisee is required to use the approved color schemes, materials, fabrics, and general design criteria of the Franchisor in building-out or remodeling the Oggi's™ Full-Service Restaurant. Where Franchisor has made available to Franchisee plans, specifications for the building, equipment, furnishings, decor, layout, menu and menu display, and signs for or identified with Oggi's™ Full-Service Restaurants, Franchisee shall bear the cost of duplicating such plans and specifications and the cost of adapting the same to the Oggi's™ Full-Service Restaurant premises. If Franchisee does not use the Franchisor's approved architect, Franchisee shall bear the cost for Franchisor's approved architect to review the building plans and specification to confirm they comply with the Oggi's™ System. Franchisee agrees to return all copies of said plans and specifications to Franchisor upon completion of construction of a new building or improvement of an existing building meeting said plans and specifications.

3.06. Confidential Operating Manual: Franchisor agrees to provide Franchisee with a copy of the proprietary Oggi's™ Confidential Manual of Standard Operating Procedures, hereinafter referred to as "the Confidential Operating Manual," upon execution of this Agreement, the receipt of which Franchisee acknowledges by the execution of this Agreement. The Confidential Operating Manual is designed to insure uniform and high standards of quality, service, and appearance among all Oggi's™ Full-Service Restaurant in order to create and maintain Oggi's goodwill and widespread consumer acceptance; therefore, said Confidential Operating Manual and all amendments thereto, as made from time to time, are incorporated into and made a part of this Agreement, as if fully set forth herein.

3.07. Advisory Services: Franchisor agrees to render advisory services regarding the operation of the Oggi's™ Full-Service Restaurant on at least a semi-annual basis. Such services include, but are not limited to, advice with respect to the following: preparation of food products in accordance with the Confidential Operating Manual, management of food supplies, styles and type of service, operation of the restaurant, and the training of Franchisee and Franchisee's managers in the operation of the Oggi's™ Full-Service Restaurant, consultation on promotion, analysis of Franchisee's service, sales, marketing, and financial data. All training is to be given at the Oggi's™ Restaurant, which at that time is being used for such purpose by Franchisor.

3.08. Training: Franchisor will conduct a two-week comprehensive training program in the management and operation of an Oggi's™ Full-Service Restaurant. The Franchisee and Franchisee's designated manager(s) must attend and successfully complete the training program to the satisfaction of Franchisor prior to the opening of the Oggi's™ Full-Service Restaurant. There is no charge for the initial training program. However, Franchisee is responsible for all travel, food, lodging, and other expenses incurred by Franchisee or Franchisee's manager in connection with attendance at the training program. If Franchisee or Franchisee's designated manager(s) fails to complete the training program to the satisfaction of Franchisor, then Franchisor shall have the right to terminate this Franchise Agreement and all rights granted to Franchisee hereunder. All replacement managers must complete training to Franchisor's satisfaction, and must begin training within 4 weeks of the time of hire. In the event you are given a notice of default relating in whole or in part to a failure to meet any operational standards, Franchisor has the right to require as a condition to cure the default that Franchisee and Franchisee's designated manager(s) comply with any additional training requirements Franchisor prescribes. Additionally, Franchisee's assistant manager(s) and other key personnel may be required to attend training at Franchisee's expense.

3.09. Field Consultation: Franchisor agrees to provide consultation and advice by Franchisor's field representatives. Such consultation may be made either through personal visits from such field representatives or by telephone, mail, email, or otherwise, as may from time to time be reasonably required.

3.10. Inspection: In order to preserve the validity and integrity of the marks, and to assure that Franchisee is properly employing the Oggi's™ System in the operation of the Oggi's™ Full-Service Restaurant, Franchisor or its agents shall at all reasonable times have the right of entry and inspection of Franchisee's premises, and shall have the right to observe the manner in which Franchisee is rendering its services and to confer with Franchisee's employees and customers.

3.11. Proprietary Products: Franchisor shall arrange to provide Franchisee with Oggi's™ spice and dough recipe mixes, which are secret and proprietary food products of Franchisor. You must use only our pizza dough and sauce mixes in the pizza items sold at your Oggi's™ Restaurant. You must purchase these mixes from our approved supplier. You must purchase all beers, proprietary cheeses, dough, tomato sauces, pizza sauces, Philly meats, flours, logo/non logo smallwares, plateware, soft drinks, etc. from our approved suppliers. Approved suppliers may require you to sign contracts with personal guarantees. This is not an exhaustive list. The sale of proprietary food products may include a markup or profit to Franchisor.

You must include for sale our private label beer, seasonal beers, private label spirits and cocktails, approved menu and seasonal menus when applicable. We designate required types of ovens and cooking equipment, computer and electronic cash register hardware and software, apparel for uniforms, and pizza delivery vehicles. You may purchase items we approve from our approved sources or from any other available sources. You must obtain our permission to purchase substitute items.

The specifications we utilize for our required items of equipment and food and drink inventory vary over time, based on our experience and assessment of competition and trends.

If we find it necessary to approve sources and suppliers for required items, we favor sources that have established the ability to produce an accurate, high quality and consistent product. We also base our approval upon availability, price, service, reputation and reliability.

You are required to offer for delivery all of our menu items either through self-delivery or third party delivery.

3.12. Other Products/Items: Franchisor will provide the identities of suggested sources of other products and items such as inventory and supplies which are necessary to operate the Oggi's™ Full-Service Restaurant. Franchisor may make some products and items available for purchase by Franchisee, which may include a markup or profit to Franchisor. Except as provided in section 3.11 above, Franchisee is not required to purchase any products or items from Franchisor.

3.13. Supplies: Franchisee may generally purchase products and items from any reasonable source; provided, however, that Franchisor may limit purchases to approved suppliers. Other suppliers may be approved by Franchisor if their products meet the reasonable quality standards established by Franchisor. Franchisor may furnish to Franchisee from time to time lists of approved supplies or approved suppliers. Franchisee may only use approved products, services, inventory, equipment, fixtures, furnishings, signs, advertising materials, trademarked items, and other items ("approved supplies") in connection with the design, construction and operation of the Oggi's™ Full-Service Restaurant as set forth in the approved supplies and approved suppliers' lists, as Franchisor may amend from time to time.

3.14. Advertising and Public Relations: Franchisor agrees to assist Franchisee in promoting the Oggi's™ Full-Service Restaurant through advertising, public relations campaigns and brand building. Franchisor agrees that it will purchase and place from time to time advertising promoting the Oggi's™ Full-Service Restaurant and the products and services sold by the Franchise. The intent and purpose behind the regional advertising is to brand the Oggi's™ System. Subject to the provisions hereinafter set forth, all decisions from time to time regarding whether to utilize national, regional, or local advertising, or some combination thereof, and regarding selection of the particular medium and advertising content, shall be within the sole discretion of Franchisor and such agencies or others as it may appoint.

3.14.1 Franchisor agrees that it will expend for media costs, commissions and fees, production costs, and other costs of such advertising, with respect to the Oggi's™ Full-Service Restaurant all advertising fees actually received by Franchisor from all such franchisees. Such amounts shall be expended either during the calendar year within which such advertising fees are received by Franchisor or during the immediately succeeding calendar year. Franchisor shall expend said amount for advertising for the following purposes:

(a) To purchase regional or national advertising in broadcast, radio and print media for the benefit of all or most of the franchisees;

(b) To prepare and distribute camera-ready advertising copy for use in local advertising, script or text for broadcast advertising, signs, posters, brochures, banners, and other point-of-sale advertising and promotional materials;

(c) To acquire the services of advertising and public relations professionals;

(d) To carry on such other advertising and promotional activities as Franchisor may reasonably deem advisable to increase demand for products sold through Oggi's™ Restaurants; and

(e) To pay the reasonable expenses of administering the Promotional Fund, including the reasonable compensation of Franchisor's employees while working on behalf of the Promotional Fund. Franchisor has attempted to maintain said administration expenses at fifteen percent (15%) of advertising fees received by Franchisor. The foregoing representation shall not be construed as a promise or guarantee by Franchisor of future administrative expenses.

3.14.2 On occasion we may be required to loan funds to the Promotional Fund in order to take advantage of an advertising opportunity that cannot be covered by the Promotional Fund in full. Any funds we loan to the Promotional Fund are fully reimbursable to us when and if funds become available.

3.14.3 Nothing herein shall be deemed to prohibit Franchisee from engaging in any advertising or promotion of your Oggi's™ Full-Service Restaurant, in addition to the advertising paid for by Franchisor, provided such advertising or promotion shall be at the sole cost of Franchisee, without deduction or credit against royalties or other amounts owed by Franchisee to Franchisor, and shall be subject to the provisions of section 4.14, below.

3.14.4 The Franchisor reserves the right, in its business judgment and without limitation, to do any of the following with the Promotion Fund: (a) compensate for any legal expense related to the activities and purposes of the Promotional Fund, (b) charge the Promotional Fund for attorneys' fees and other costs related in any way to claims against the Franchisor regarding the Promotional Fund, (c) to settle, mediate, arbitrate, and/or litigate any claims against or for Franchisor regarding the Promotional Fund, (d) take legal action or other action against a party defaulting on their obligations to the Promotional Fund; and (e) defend any legal action against the Franchisor regarding the Promotional Fund.

3.15. Store Opening: During the first week of operation of the Oggi's™ Full-Service Restaurant, Franchisor will furnish to Franchisee, at no cost to Franchisee, one of Franchisor's representatives for the purpose of facilitating the successful opening of the Oggi's™ Full-Service Restaurant. The representative will advise and assist Franchisee in establishing and standardizing procedures and techniques essential to the operation of an Oggi's™ Full-Service Restaurant.

3.16. New Products: Franchisor will test and approve new products and menu items from time to time during the term of this Agreement. All new products and menu items that satisfy the standards of quality and other criteria established by Franchisor shall thereafter be offered and sold by Franchisee in the operation of the Oggi's™ Full-Service Restaurant. Franchisor will periodically change the menu items and products meeting its criteria.

ARTICLE 4.
OBLIGATIONS OF FRANCHISEE

4.01. Oggi's™ Full-Service Restaurant Premises: Franchisee agrees that the premises from which Franchisee will conduct the Oggi's™ Full-Service Restaurant will be constructed or improved by Franchisee at Franchisee's expense at the location designated in section 1.04 hereof in strict accordance with the plans and specifications made available to Franchisee pursuant to section 3.04 and 3.05 hereof and that said premises shall be decorated, furnished, equipped, and maintained in strict accordance with said plans and specifications and any applicable provisions of the Confidential Operating Manual made available to Franchisee pursuant to section 3.06 hereof. Franchisee also agrees that Franchisee has significant local knowledge of the geographic territory surrounding the premises.

4.02. Operation of Premises: Franchisee agrees to commence operation of the Oggi's™ Full-Service Restaurant using the Oggi's™ Full-Service Restaurant trademarks, trade name, and other indicia, immediately after the premises in which the Oggi's™ Full-Service Restaurant is located are ready for occupancy, and Franchisor has notified Franchisee in writing that all pre-opening obligations have been satisfied and the opening date has been approved. Franchisee shall continue to operate the same on days and during the business hours specified herein (except when the premises are untenantable as a result of fire or casualty or similar circumstances beyond Franchisee's control). In any event, Franchisee shall commence business operations within nine (9) months after execution of a lease for the Authorized Location. Unless the Franchisee has signed a Multi-Unit Development Agreement or an Area Development Agreement, the Franchisor expects that the Franchisee, its partners, managers, officers, or directors, if the Franchisee is a limited liability company, partnership or corporation, shall personally operate the Franchise business.

Franchisee further agrees to operate the said premises in a quiet, dignified, and respectable manner, in strict accordance with the business standards and practices set forth in the Confidential Operating Manual as it presently exists or as it may be amended from time to time in the future. Franchisee also agrees to maintain sufficient supplies and employ sufficient help at such premises to operate the same at maximum capacity and with maximum efficiency so as to maximize the revenues and profits therefrom.

4.02.1 Assignment of Lease to Franchisor: In the event the lease for the Authorized Location has previously been executed by Franchisee, upon Franchisee entering into this Agreement for the Authorized Location, the lease shall be assigned to Franchisor, or in Franchisor's and the lessor's discretion a new lease shall be executed by Franchisee.

4.03. Use of Name: Franchisee shall conduct the Oggi's™ Full-Service Restaurant only under the Proprietary Marks, Indicia, trademarks, service marks, or trade names ("Marks"), as approved, altered, amended, and modified, from time to time, in strict compliance with the Confidential Operating Manual.

4.03.1 Proprietary Rights: Franchisee acknowledges the exclusive right, title and interest of Franchisor in and to the Marks, and will not, at any time, do or cause to be done any act or thing contesting or in any way impairing or tending to impair the right, title and interest of Franchisor. Franchisee shall not, in any manner, represent that Franchisee has any ownership rights in the Marks, and acknowledges that its use thereof shall not create in its favor any right, title, or interest in or to the marks, but that all uses shall inure to the benefit of Franchisor. Franchisee shall affix trademark notices and indication of registration when necessary or proper in accordance with applicable laws, and shall add notices of any new trademarks or service marks owned by Franchisor as they issue from time to time during the term of this Agreement.

4.03.2 Display of Name: At all times during the term of this Agreement, Franchisee will use the Marks in all advertising, promotion, and communications involving the Oggi's™ Full-Service Restaurant, including but not limited to, yellow page listings, signs, delivery vehicles, banners, business cards, stationery, promotional and advertising materials, forms, contracts, and all other materials which identify the Oggi's™ Full-Service Restaurant. All advertising shall clearly state the specific Authorized Location for which any promotions, events, coupons or discounts shall apply and needs to be approved by Franchisor.

4.03.3 Name Infringement: Franchisee shall promptly notify Franchisor of any claim, demand or suit based upon, or arising in connection with, any attempt by an individual, trust, partnership, association, company or corporation to use the Marks or any colorable variation thereof. Franchisor, at its sole discretion, may elect to defend or prosecute, or to participate in the defense or prosecution of, any action relating to the Marks. In the event that Franchisor undertakes the defense or prosecution of any litigation relating to the Marks, Franchisee shall execute any and all documents and do all acts which may be necessary or of aid, at the determination of Franchisor's legal counsel, to carry out such litigation.

4.04. Business Hours: Franchisee agrees to operate the Oggi's™ Full-Service Restaurant continuously during prevailing business hours in the area of the Authorized Location. The expectation is that the Oggi's™ Full-Service Restaurant will operate seven (7) days per week throughout the year and at least during the hours from 11:00 A.M. to 10:00 P.M. or such other hours as may from time to time be specified by Franchisor. On Fridays and Saturday evenings, the expectation is that the Oggi's™ Full-Service Restaurant will operate until 10:00 p.m. On weekends during Football Season, the expectation is that the Oggi's™ Full-Service Restaurant will open by 9:30 a.m. and will operate until 11:00 p.m. The Oggi's™ Full-Service Restaurant may be closed on the holidays of Christmas (December 25th) and Thanksgiving Day.

4.05. Operating Standards: Franchisee agrees to maintain a high and uniform standard of cleanliness and sanitation in the operation of said premises and to conduct the Oggi's™ Full-Service Restaurant in accordance with the standards, procedures, and methods established and prescribed by Franchisor from time to time and to comply with all laws, ordinances, and regulations relating to the operation of the Oggi's™ Full-Service Restaurant, in order to insure the highest quality of food products and services to the consuming public. Franchisee and all supervisors and managers shall be Serve Safe certified. Franchisee further agrees to participate in the Franchisor's secret shopper program, which shall be conducted from time-to-time. In the event Franchisee fails three evaluations in a 12-month period, Franchisee shall be responsible for the costs and expenses for mandatory training by and through a professional trainer approved by the Franchisor. Although it is not possible to guarantee what training will cost, we estimate that the training costs and expenses will range from $250 to $1,000.

4.06. Inspection of Premises and Products: Franchisee agrees to permit Franchisor to inspect Franchisee's entire premises at any time during regular business hours, without notice, and to obtain and test specimen food items and ingredients and to observe all aspects of the conduct of the Oggi's™ Full-Service Restaurant by Franchisee. Franchisee further agrees to take immediate remedial action to correct any deficiencies and to maintain the standards of quality referred to herein and in the manual. If Franchisor determines that any condition of the Oggi's™ Full-Service Restaurant presents a threat to customers or public health or safety, Franchisor may take whatever measures it deems necessary, including requiring Franchisee to close the franchised location until the situation is remedied to Franchisor's satisfaction.

4.07. Products, Services and Supplies: Franchisee acknowledges that uniform and high standards of quality, service, and appearance among all Oggi's™ Restaurants and Oggi's™ Full-Service Restaurant are necessary in order to create and maintain the goodwill and widespread consumer acceptance of Oggi's™. Therefore, Franchisee agrees that it shall always prepare, sell, and dispense all food products and beverages in compliance with the specifications as to contents and weight or size set forth in the Confidential Operating Manual. Franchisee further agrees to use only those cups, containers, napkins, uniforms, paper goods, and other packaging, supplies, or items bearing the Oggi's™ trade name or marks which conform to the Confidential Operating Manual.

4.08. Adherence to Manual and Standards: Franchisee agrees that adherence to the Confidential Operating Manual and to Franchisor's standardized design and specifications for decor of the Oggi's™ Full-Service Restaurant premises and uniformity of equipment, layout, signs, menus, and other incidents of the Oggi's™ Full-Service Restaurant are essential to the image and goodwill thereof. In recognition of the mutual benefits accruing from the maintenance of uniformity of appearance, service, products, and marketing procedures, it is mutually agreed as follows:

(a) Except as specifically authorized by Franchisor, Franchisee shall not alter the appearance of the premises or the improvements thereto. Franchisee will promptly make all repairs and alterations to the premises and improvements thereto as may be determined by Franchisor to be reasonably necessary.

(b) Franchisee agrees to display Franchisor's trade names and trademarks at the premises in the manner authorized by Franchisor. Franchisee further agrees to maintain and display signs of the color, size, and design and in the locations specified by Franchisor. Franchisee shall not place additional signs or posters on the premises without the written consent of Franchisor. Franchisee shall display all franchise marketing materials, brochures and promotional pieces at Franchisee's location as provided and required by Franchisor.

(c) Franchisee agrees to maintain all specified equipment, furnishings, signs, and other personal property in excellent working condition. As items of equipment become obsolete or in need of replacement, Franchisee will replace such items at their own expense with the same or substantially similar types and kinds of equipment as are being installed in Oggi's™ Full-Service Restaurants at the time replacement becomes necessary. All equipment used in Franchisee's restaurant shall meet Franchisor's specifications.

(d) Pay telephones, newspaper racks, jukeboxes, gum machines, games, rides, or coin vending machines will not be installed on the premises without the prior written approval of Franchisor; however, Franchisor shall not object to the installation of appropriate games, rides and pay telephones, in a reasonable number, in locations which meet Franchisor's specifications therefore.

(e) Franchisee agrees to serve the menu items specified by Franchisor for Oggi's™ Full-Service Restaurants and to sell no other food or drink item or any other merchandise of any kind without the prior written approval of Franchisor.

(f) Franchisee agrees that cups, containers, napkins, paper goods, packaging, and other items imprinted with Franchisor's trade name, trademark, or other indicia shall be purchased by Franchisee through a supplier or manufacturer approved in writing by Franchisor and Franchisor agrees to assist Franchisee in establishing approved sources for such items. Franchisor further agrees to assist Franchisee in establishing approved sources of supply of food items or ingredients.

4.09. Refurbishments: Franchisee agrees to effect such refurbishment, capital improvement and/or modifications of the Oggi's™ Full-Service Restaurant premises necessary to modernize, redecorate and upgrade your Authorized Location, including an upgrade of your audio/visual equipment to reflect the current Oggi's™ Full-Service Restaurants once every seven (7) years and as Franchisor may from time to time require to maintain or improve the appearance and efficient operation of the Oggi's™ Full-Service Restaurant and/or increase its sales potential. Refurbishments must be completed to Franchisor's satisfaction within a reasonable time, not to exceed 1 year from the date of notification that a refurbishment is required. Franchisee agrees that these refurbishments are reasonable and necessary to ensure continued customer patronage and to avoid deterioration and obsolescence with operating the franchise. If Franchisee fails to make the refurbishments described herein, Franchisor may in addition to any other rights under this Agreement, effect such refurbishments at the cost of Franchisee.

4.10. Nondisclosure of Information: Neither Franchisee nor any of its partners, officers, directors, agents, or employees shall, except as required in the performance of the duties contemplated by this Agreement of Franchisee or any such persons (unless the express prior written consent of Franchisor is obtained to do so), disclose or use at any time, whether during the term of this Agreement or thereafter, any information disclosed to or known by Franchisee or any such person as a result of or through this Agreement. Such information includes, but shall not be limited to, information conceived, originated, discovered, or developed by Franchisee or by any employee of Franchisee which is not generally known in the trade or industry, about Franchisor's products, services, or licenses, including information relating to discoveries, ideas, manufacturing, purchasing, accounting, engineering, marketing, merchandising, or selling.

4.11. Right to Discoveries and Ideas: Franchisee shall promptly disclose to Franchisor all discoveries and ideas, whether patentable or not, relating to Franchisor's business, which are conceived or made by Franchisee or any partner, officer, director, agent, or employee of Franchisee, solely or jointly with others, during the term of this Agreement, whether or not Franchisor's facilities, materials, or personnel are utilized in the conception or making of such discoveries or ideas. Franchisee hereby acknowledges and agrees that all such discoveries and ideas are the exclusive property of Franchisor, and that Franchisor shall have no obligation to Franchisee with respect thereto.

4.12. Consent and Compliance: Franchisee shall obtain, within a reasonable time after the execution of this Agreement, written consents to the provisions contained in this Article, signed by each of its partners, officers, and directors holding office at that time; and, thereafter, shall obtain such consents from such persons who take office after that time. In addition, Franchisee shall take all necessary action to insure compliance with the provisions of this Article by such persons as well as by all other employees or agents of Franchisee.

4.13. Promotion of Business: Franchisee shall diligently and fully exploit his rights under this Agreement in every manner by devoting his best efforts and adequate time to the operation of the establishment enfranchised herein, keeping free from conflicting enterprises or any other activities which would be detrimental to or interfere either with the operation enfranchised or with any similar establishment conducted by another franchisee of Franchisor.

4.14. Advertising by Franchisee: Recognizing the value of advertising and the importance. We recommend, but do not require, that you conduct, at your own expense, local advertising and promotional campaigns and activities in an amount ranging from two percent (2%) to four percent (4%) of their monthly net sales. Franchisee will not use, display, publish, broadcast, or in any manner disseminate any advertising or promotional material unless the same has first been approved in writing by Franchisor. Approval shall be obtained by Franchisee submitting a copy of the proposed advertising to Franchisor for review and approval. If Franchisor does not give Franchisee written notice of disapproval within fifteen (15) business days after receipt of the proposed ad copy, then the ad copy shall be deemed to be approved. In the event that Franchisor from time to time furnishes to Franchisee any advertising, promotional, or informational materials to be used, displayed, or distributed in or about Franchisee's Oggi's™ Full-Service Restaurants, Franchisee agrees to follow the instructions of Franchisor in connection therewith.

4.15. Compliance with Laws: Franchisee shall comply with all federal, state, county, and municipal laws, ordinances, and regulations affecting, either directly or indirectly, the operation of the Oggi's™ Full-Service Restaurants. Franchisee shall pay promptly, as due, all state, city, and county licensing and permit fees and charges in connection with the operation of the Oggi's™ Full-Service Restaurant.

4.16. Manager: Franchisee shall designate an on-site manager who shall have direct authority and responsibility for all business operations of the Oggi's™ Full-Service Restaurant. The manager must satisfactorily complete the training program conducted by Franchisor prior to the opening of the Oggi's™ Full-Service Restaurant. Upon the death, disability, or termination of employment of the manager, Franchisee shall designate a successor manager within sixty (60) days. The successor manager must promptly complete the training program or otherwise satisfy Franchisor's requirements regarding management experience.

4.17. Confidential Operating Manual: In order to protect the reputation and goodwill associated with the Marks, and to maintain the uniform standards of quality and operations thereunder, Franchisee shall conduct its Oggi's™ Full-Service Restaurant in strict accordance with the Oggi's™ Confidential Operating Manual, as amended from time to time by the Franchisor. Franchisee shall insert any updated pages in the Confidential Operating Manual upon receipt from Franchisor, and shall remove all superseded pages and return them to Franchisor within five (5) business days. Franchisee agrees that upon termination of this Agreement, Franchisee will immediately return the Confidential Operating Manual, and all amendments thereto, to Franchisor.

4.17.1 The Confidential Operating Manual contains the operating procedures and standards for the Oggi's™ Full-Service Restaurant and is the product of Franchisor's experience, knowledge and expertise in creating and conducting the franchise business. The contents of said Confidential Operating Manual are strictly confidential and any unauthorized copying, reproducing, transmitting or other use contrary to its intended purpose as explained in paragraph 3.06 and 4.18 is strictly forbidden. The Confidential Operating Manual and the contents thereof, whether in hard copy or electronic form, are the sole property of Franchisor and its use by the Franchisee is granted by this Agreement. Maintaining the confidentiality of the Confidential Operating Manual is imperative to the Franchisor. If the Confidential Operating Manual, or any part thereof, is misplaced, lost, or stolen, Franchisee shall be subject to a fine of five hundred dollars ($500), payable to Franchisor within five (5) days of loss. This fine shall be in addition to any other obligation to pay Franchisor pursuant to this Agreement.

4.18. Minimum Inventory: Franchisee shall at all times during the term of this Agreement maintain minimum inventory levels as specified in the Confidential Operating Manual in order to satisfy customer demand for the food products which are offered and sold by Oggi's™ Full – Service Restaurants.

4.19. Proprietary Products: Franchisee acknowledges and agrees that certain food, drink and other products sold and to be sold in the future at Oggi's™ Full-Service Restaurants are and may be comprised of secret recipes or are otherwise proprietary products of Franchisor or its affiliates. In order to maintain and protect the rights of Franchisor in and to its proprietary products, Franchisee shall purchase Oggi's™ spice and dough mixes, private label beer products and/or micro-brewery ingredients, private label spirits and cocktails, and other proprietary products that may be developed in the future only from Franchisor or its designated suppliers. In order to maintain the high standards of quality and uniformity associated with the proprietary products served at Oggi's™ Restaurants, Franchisee shall not use any substitute product in the future, in the operation of the Oggi's™ Full-Service Restaurant.

4.20. New Food Products: If Franchisee conceives of or develops a new food product that it desires to offer and sell at its Oggi's™ Full-Service Restaurant, Franchisee shall first deliver to Franchisor all recipes, preparation and baking instructions for review and testing. If the new product satisfies the then existing approval criteria of Franchisor, the product will be approved by Franchisor and may thereafter be offered and sold by Franchisee and by all other Oggi's™ franchisees as an approved menu item.

4.21. Participation in Certain Programs and Promotions. Franchisee shall participate in all required advertising and promotions and seasonal programs Franchisor establishes. If the promotional program involves alcohol, or any Menu Items listed on the then-current printed menu (including any limited time offers), Franchisor may suggest, but will not require, Franchisee offer the items at a price lower than the everyday menu.

4.22. Quality Control and Uniformity: Franchisee recognizes that it is essential to the proper marketing of Oggi's™ products and to the preservation and promotion of its reputation and acceptance by the public at large, that certain uniform operating procedures, standards of quality and appearance of premises and merchandise be established by Franchisee and maintained. Accordingly, Franchisee agrees that:

(a) The build out, fixturing, equipping, furnishing, signage and decor of Franchisee's Oggi's™ Full-Service Restaurant shall at all times meet Franchisor's high standards of appearance.

(b) Franchisee shall serve all menu items (including beer, wine and alcoholic beverages subjecting the Franchisee to certain licensing requirements) which Franchisor deems appropriate to take full advantage of the potential market and to achieve standardization in the Oggi's™ System as it relates to Oggi's™ Full-Service Restaurants;

(c) Franchisee shall not serve any items which are not set forth in the Confidential Operating Manual unless approved in writing by Franchisor, similarly, Franchisee shall not deviate from the Franchise recipes and production requirements of any menu item, as identified in the Confidential Operating Manual;

(d) Franchisee shall adhere to all specifications contained in the Confidential Operating Manual or as otherwise prescribed by Franchisor as to ingredients, methods of preparation and service, and standards of cleanliness, health and sanitation;

(e) Franchisee is required to use all proprietary ingredients and specified name brands, including but not limited to dough balls, spice mixes, sauces and cheeses;

(f) All food, drink and other items will be served and sold in Franchisor approved containers or packaging;

(g) All delivery vehicles shall at all times meet Franchisor's high standards of safety and appearance;

(h) Franchisee shall use only Franchisor approved menu covers, menu formats and design;

(i) Franchisee shall maintain a good payment history with all vendors;

(j) Franchisee is required to sell all Oggi's private label beer, seasonal beers, private label spirits and cocktails, approved menu and seasonal menus when applicable.

4.22.1 Franchisee shall have ten (10) calendar days from receipt of written notice from Franchisor to cure any default of the provisions contained in section 4.23(a)-(i) or the Confidential Operating Manual. Failure to cure any violation within the 10-day cure period will result in a penalty of ten percent (10%) of the prior month's aggregate royalty payments. Each week or partial week in which a violation(s) continues after the 10-day cure period, shall subject Franchisee to an additional penalty of ten percent (10%) of the prior month's aggregate royalty payments.

4.23. Pricing: Franchisee has the right and authority to set its own prices, pricing policies, discounting policies and customer relations policies. Franchisor may from time to time communicate with Franchisee about prices and may issue suggested price schedules periodically. Franchisee understands, however, that Franchisee is under no obligation to accept the suggestions of Franchisor. Franchisee has the right to deviate from the suggested price schedules and no imposition of any sanctions may be made by Franchisor overtly or covertly, because of Franchisee's pricing policies. Notwithstanding, Franchisee must report and submit for review, at least fifteen (15) days prior to implementation, all price changes or new item pricing. Failure to so report will result in a penalty of ten percent (10%) of the royalty payment for each week in which the violation occurs or continues.

4.24. Accounting Records/Reports: Franchisee shall maintain full and complete records of the Oggi's™ Full-Service Restaurant in accordance with the standards and manuals provided by Franchisor Franchisee shall submit to Franchisor such information and accounting data as Franchisor may request, including without limitation, sales reports, and income statements showing operations for each calendar month and calendar year to date. Said information and accounting data may be required by manual report as well as by computer. Franchisor shall have the right at any time to inspect and audit Franchisee's books, records, and cash control devices or systems. If any audit shows that the Franchisee has underpaid any royalties, continuing fees, or Advertising Fund contributions due to Franchisor, Franchisee shall immediately make payment to Franchisor to correct the underpayment. If the underpayment exceeds two percent (2%) of the total royalties, continuing fees, or Advertising Fund contributions due in any twelve-month period which includes the date when the underpayment occurred, Franchisee shall also pay or reimburse Franchisor for the costs of conducting the audit.

4.24.1 Franchisee must submit a Profit & Loss Statement for its business operations by the twenty-fifth (25^{th}) of the month for the preceding month, based upon Generally Accepted Accounting Principles. Failure to provide this report will result in a penalty of ten percent (10%) of the royalty payment for the period of the report.

4.25. Computer Capability: Franchisee shall purchase or lease computer and/or communications equipment and software that meet specifications of Franchisor to facilitate the creation of standardized financial records and their transmittal to Franchisor via modem. Franchisee shall update its computer capability by adding/replacing equipment and software as reasonably required by Franchisor to at all times maintain a uniform and state of the art financial accounting and reporting system between Franchisor and Franchisee, as well as providing Franchisee inventory and other internal financial controls and capabilities deemed necessary or appropriate by Franchisor to the successful operation of Franchisee's business and the businesses of other Oggi's™ Restaurant franchises under Franchisor's authority. Franchisee shall operate their franchise, at all times, in PCI compliance.

4.26. Confidentiality: Franchisee shall at all times treat as confidential and shall not at any time disclose, copy, duplicate, record or otherwise reproduce, in whole or in part, or otherwise make available to any unauthorized person or source, the contents of the Confidential Operating Manual. The Confidential Operating Manual shall at all times remain the sole property of Franchisor and shall promptly be returned upon the expiration, non-renewal, or other termination of this Franchise Agreement. Franchisee shall not, during the term of this Agreement or after its termination, communicate or divulge (or allow others to communicate or divulge) to any other person, partnership or corporation, any information or knowledge concerning the methods of operation, promotion, sale or distribution used in the Oggi's™ Restaurants nor shall Franchisee communicate or divulge (or allow others to communicate or divulge) in whole or in part any proprietary information or trade secrets of Franchisor or its affiliated companies. The parties acknowledge that upon violation of any of the covenants contained in this section, it will be difficult to determine the resulting damages to Franchisor and, in addition to any other remedies it may have, Franchisor shall be entitled to make application in a court of competent jurisdiction for temporary and permanent injunctive relief without the necessity of proving actual damages.

4.27. Competition: During the term of this Agreement, Franchisee shall not, either directly or indirectly, for itself or on behalf of or in conjunction with any other person, partnership or corporation, own, maintain, engage in, participate or have any interest in the operation of any competing business except other authorized Oggi's™ franchises.

4.27.1. For a period of five (5) years after the termination of this franchise, regardless of the cause of termination, Franchisee shall not, either directly or indirectly, for itself, or on behalf of or in conjunction with any other person, partnership or corporation, own, maintain, engage in, or participate in the operation of any Sports Themed, Brewery, pizza or pasta restaurant business within five (5) miles of any franchisee or other authorized Oggi's™ Restaurant.

4.27.2 Each of the covenants of Franchisee contained in this section is a separate and independent covenant covering the subject matter of the covenant in each of the separate counties and states in the United States in which Franchisor transacts business. To the extent that any covenant shall be determined to be judicially unenforceable in any one or more county or state, that covenant shall not be affected with respect to any other county or state, each covenant being severable and independent.

4.27.3 The parties acknowledge that upon violation of any of the covenants contained in this section, it will be difficult to determine the resulting damages to Franchisor and, in addition to any other remedies it may have, Franchisor shall be entitled to make application in a court of competent jurisdiction for temporary and permanent injunctive relief without the necessity of proving actual damages.

4.28. Food Deliveries and Delivery Vehicles: Any food delivery service in connection with Franchisee's operation of its Oggi's™ Full-Service Restaurant shall be governed by the provisions of this section. The Confidential Operating Manual shall govern implementation of the requirements of this Agreement with respect to delivery service, containing such provisions as Franchisor shall reasonably require, and changes thereto, from time to time, in Franchisor's discretion. No vehicle used in delivery service shall deviate from the standards of Franchisor pertaining to quality and uniformity.

4.28.1 Franchisee shall obtain Franchisor approval prior to purchasing any delivery vehicle. Franchisor shall have sole approval of any artwork or designs on the Franchisee's delivery vehicles.

4.28.2 Franchisee shall be solely responsible for training its delivery personnel, including training to strictly obey all speed limits and driving laws, reflecting a "safety first" policy. Although Franchisor may require observance of special safety standards, Franchisor undertakes no responsibility or obligation to require Franchisee or its agents or employees to observe driving or safety laws.

4.28.3 Franchisee shall require that all delivery vehicles are licensed, registered and insured with minimal insurance levels as required by Franchisor. Franchisee shall also require that all vehicles be in good and proper condition and repair, reflecting favorably upon Franchisor's quality standards. Franchisee shall maintain records for at least three (3) years after termination of each of its delivery personnel records verifying compliance with minimal standards of driver and vehicle safety, insurance, and other requirements set forth above and in Franchisor's Confidential Operating Manual.

4.28.4 Franchisee shall offer for delivery all of our menu items either through self-delivery or third party delivery.

4.29. Signs: Franchisee shall maintain and display signs reflecting the current image of Oggi's™ Full-Service Restaurant and shall not place additional signs or posters on the premises without the prior written consent of Franchisor.

4.30. Taxes: Franchisee shall promptly pay when due all taxes and assessments against the premises or the equipment used in the Oggi's™ Full-Service Restaurant, and all liens or encumbrances of every kind or character created or placed upon or against any of its property, and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of the Oggi's™ Full-Service Restaurant.

4.31. Payroll: Franchisee shall utilize at all times an independent recognized payroll service for the withholding, payment and reporting of employee salaries.

4.32. Utilities: Franchisee shall maintain and pay its own costs of doing business, including rent, telephone, utilities, insurance and all other fixed and variable expenses.

4.33. Franchisee Council:

4.33.1 Formation: Franchisee Councils may be established in the future by Franchisor in designated market areas ("DMA") on a local, regional, or national basis in order to better promote and further the business and interest of all Oggi's™ franchisees within the DMA. Every Oggi's™ franchisee within the DMA must become and remain a member of the Franchisee Council during the term of its franchise agreement.

4.33.2 Contributions: Each Franchisee shall make contributions to the Franchisee Council in the amounts and at the times determined by the members of the Franchisee Council.

4.34. Franchise Sales Promotion: At the request of Franchisor, Franchisee shall maintain at the Authorized Location a display containing information furnished by Franchisor regarding the availability of Oggi's™ franchises.

4.34.1 Gift Cards: The Franchisee is required to offer for sale and redemption Oggi's™ Gift Cards. The Franchisee is responsible for promoting, processing and collection of Gift Card transactions in accordance with the Oggi's™ Gift Card User's Guide and the Gift Card Agreement. The Franchisee is required to participate in the automated Oggi's™ Gift Card program which will clear gift card transactions through a central network to collect and distribute Oggi's™ Gift Card program proceeds.

4.34.2 Franchise Coupons: The Franchisee is required to accept, as a promotion expense, any and all regional and franchise wide coupons or promotions circulated by the Franchisor or Regional Franchisor, as the case may be.

4.34.3 Loyalty Rewards Program. The Franchisee is required to participate in the Oggi's Loyalty Rewards Program where customers earn points that can be used for discounted food and beverage items at any Oggi's franchise. The Franchisee is required to accept customer points when presented as further provided under the Oggi's Loyalty Rewards Program.

4.35. Attendance at Meetings: Franchisee must attend, at its expense, seventy-five percent (75%) of the franchise conventions or meetings, in addition to meetings relating to new products or product preparation procedures, new operational procedures or programs, training, restaurant management, sales or sales promotion, or similar topics. If Franchisee is not able to attend a convention or meeting, Franchisee must notify Franchisor prior to the meeting and must have a substitute person acceptable to Franchisor attend the meeting.

4.36. Additional Representations of Franchisee: Franchisee makes the following additional warranties and representations:

(a) Franchisee is a (check one) ☐ Partnership ☐ Corporation ☐ Limited Liability Company or ☐ Sole Proprietorship.

(b) If Franchisee is a corporation or partnership, there is set forth below the name and address of each shareholder or partner in Franchisee:

NAME	ADDRESS	NO. OF SHARES	PERCENTAGE

(c) The address where Franchisee's records are maintained is:

____

____

(d) The name and address of Franchisee's designated agent to receive notice is:

____

____

Franchisee shall not substitute a new designated agent without prior written notice to Franchisor.

(e) The name and address of Franchisee's manager is:

____

____

(f) The name and address of Franchisee's Affiliates are:

____

____

(h) The name and address of the shareholder(s), member(s) or partner(s) who has at least 5 years of business management experience in the last ten years:

____

____

ARTICLE 5.
USE OF SYSTEM

5.01. Use or Duplication of System: Franchisee acknowledges that Franchisor is engaged in nationwide franchising of the System and that Franchisor's franchises are valuable because its franchisees obtain the benefit of a System which provides expert and experienced organization, meticulous instruction in every detail of building, planning, equipping, purchasing, accounting, marketing, promotion, advertising, and operation of an Oggi's™ Restaurant, for the retail sale of pizza, pasta, burgers, Italian-style and American-bistro food and other products, including micro brewed beer and other alcoholic beverages, in full-service and fast casual-style restaurants including the goodwill of an established name and reputation. Franchisee further acknowledges that any appropriation or duplication of said System or any part thereof for any use or purpose other than for the operation of such establishment at the location specified herein will seriously impair the value of Franchisor's national franchising business, as well as the value of the franchises granted by Franchisor to all of its franchisees throughout the United States. Accordingly, Franchisee agrees that except, as to any of Franchisor's establishments operating under bona fide franchises granted by Franchisor or any direct or beneficial ownership in a company listed on any national exchange, during the term of this Agreement, Franchisee shall not, without the written consent of Franchisor first had and obtained, directly or indirectly engage in or acquire any financial or beneficial interest in any business, or otherwise directly or indirectly use or duplicate said System, or any portion thereof, at any location other than that herein specified in which food or beverages are dispensed by any establishment which is the same as or similar to the Oggi's™ Full-Service Restaurant other than pursuant to this Agreement.

5.02. Trade Secrets: Franchisee acknowledges that Franchisor is the owner of all proprietary rights in and to the said System and each and every part thereof and the material and information now and hereafter provided and/or revealed to Franchisee under this Agreement relating to the System. Franchisee further acknowledges that the System, in its entirety, constitutes trade secrets of Franchisor, that they are revealed to Franchisee in confidence, and that no right is given to or acquired by Franchisee to disclose or reveal any portion thereof, and Franchisee hereby covenants and agrees to keep and respect the confidence hereunder reposed.

5.03. Ownership of Names, Marks, Goodwill: Franchisee acknowledges that Franchisor is the sole owner of all names and marks and goodwill associated with said System now or hereafter attached thereto and used in connection therewith, and that Franchisee, by this Agreement, acquires no right, title, or interest in or to the same whatsoever, other than the right to use the same in the manner prescribed and approved by Franchisor and in accordance with this Agreement.

5.04. Violation as Breach: Franchisee agrees that any violation of the provisions of sections 5.01 through 5.03 hereof shall be deemed to be a substantial breach of this Agreement and shall give Franchisor the right to terminate this Agreement in accordance with the terms and provisions of Article 9 hereof.

ARTICLE 6.
RELATIONSHIP OF PARTIES

6.01. Franchisor's Control: Franchisee shall be responsible to Franchisor only for the requirements and results specified by this Agreement. Franchisee shall not be subject to Franchisor's control with respect to the physical actions or activities of Franchisee or of Franchisee's employees or agents in connection with the operation of the Oggi's™ Full-Service Restaurant or Franchisee's fulfillment of the requirements of this Agreement, except as specifically provided in this Agreement.

6.02. Scope of Authority: Franchisee is, and at all times during the term of this Agreement shall represent and conduct himself as, an independent contractor not as an agent of Franchisor. Franchisee shall not have the authority, express or implied, to bind or obligate Franchisor in any way.

ARTICLE 7.
INSURANCE AND INDEMNITY

7.01. Insurance Coverage: Franchisee hereby agrees to carry workers' compensation insurance, business interruption insurance, comprehensive liability insurance, including products liability insurance, broad form contractual liability, and public liability insurance in amounts not less than $1,000,000 per person and $3,000,000 per incident for bodily injury, and $1,500,000 property damage covering the Oggi's™ Full-Service Restaurant and its premises and products. Not more than $1,000,000 of this minimum liability insurance policy or more than $500,000 of this minimum property and casualty insurance may be covered by an umbrella policy. Franchisee further agrees to name Franchisor as an additional insured in all insurance policies procured pursuant to this Article. Every insurance policy shall contain an endorsement requiring that the policy cannot be canceled or changed in scope or amount without at least thirty (30) days prior written notice to Franchisor - said notice to be provided by the insurer Should any insurance policy be cancelled before or after the expiration date thereof, Franchisee shall provide immediate written notice to the Franchisor. All insurance policies shall be issued by insurance companies of recognized responsibility and shall be satisfactory to Franchisor in form, substance and coverage.

7.02. Indemnity: Franchisee covenants and agrees that in the event that Franchisor shall, without fault on its part, be made or become a party to any suit by reason of this Agreement or by any act or omission by Franchisee hereunder, Franchisee shall pay all costs and expenses, including attorney's fees, incurred by or imposed on Franchisor by or in connection with such litigation. This section includes, but is not limited to damages arising out of the operation of the Oggi's™ Full-Service Restaurant, any transaction entered into between Franchisee and any third party, or Franchisee's improper use of the Marks.

7.03. Proof of Insurance: Franchisee shall deliver to Franchisor a certificate of the issuing insurance company evidencing each policy which is required under this Agreement. If Franchisee fails to obtain any insurance which is required under this Agreement, Franchisor may, but is not obligated to, obtain the required insurance at the sole cost and expense of Franchisee. All costs incurred by Franchisor shall be reimbursed upon demand, together with interest at one and one-half percent (1-1/2%) per month, unless otherwise limited by applicable law, from the date the expense is incurred until the date payment is received by Franchisor.

7.04. Violation as Breach: Franchisee agrees that any violation of the provisions of sections 7.01 through 7.03 hereof shall be deemed to be a material breach of this Agreement and shall give Franchisor the right to terminate this Agreement in accordance with the terms and provisions of Article 9 hereof.

ARTICLE 8.
ASSIGNMENT

8.01 Neither this Agreement nor any interest therein shall be assigned by Franchisee unless the written consent thereto is first had and received from Franchisor. If such consent is given, Franchisee shall continue to be obligated for the performance of Franchisee's obligations hereunder, notwithstanding the grant of such consent.

ARTICLE 9.
DEFAULT AND TERMINATION

9.01. Termination upon Events of Default: Franchisor, at its option and without prejudice to any and all remedies which it may otherwise have, either at law or equity, or under the terms of this Agreement, may forthwith terminate the franchise granted hereunder upon the happening of any of the following events of default:

(a) If Franchisee shall be adjudicated a bankrupt, or become insolvent.

(b) If a receiver of Franchisee's property, or any part thereof, shall be appointed by a court of competent authority.

(c) If Franchisee makes a general assignment for the benefit of his creditors.

(d) If Franchisee defaults in the payment of any indebtedness to Franchisor or to any other person as and when the same becomes due and payable.

(e) If procedures for reorganization or rearrangement of Franchisee's affairs are instituted by, for, or against Franchisee.

(f) If Franchisee's right of possession, as lessee or sublessee of the premises in which Franchisee operates the Oggi's™ Full-Service Restaurant, shall at any time be terminated for any cause whatsoever; or Franchisee fails to timely cure a default under the lease or sublease.

(g) The Franchisee abandons the franchise by failing to operate the Oggi’s™ Full-Service Restaurant for thirty (30) consecutive calendar days during which the Franchisee is required to operate a business under the terms of the franchise, or any shorter period after which it is not unreasonable under the facts and circumstances for Franchisor to conclude that the Franchisee does not intend to continue to operate the franchise, unless such failure to operate is due to fire, flood, earthquake or other similar causes beyond the Franchisee's control.

(h) Franchisor and Franchisee mutually agree in writing to terminate the franchise.

(i) The Franchisee makes any material misrepresentations or omission to Franchisor regarding the acquisition of the Oggi’s™ Full-Service Restaurant.

(j) The Franchisee repeatedly engages in conduct which reflects materially and unfavorably upon the operation and reputation of the Oggi’s™ Full-Service Restaurant or the Oggi’s™ System.

(k) The Franchisee fails, for a period of thirty (30) calendar days after notification of noncompliance, to comply with any federal, state or local law or regulation applicable to the operation of the Oggi’s™ Full-Service Restaurant.

(l) The Franchisee, after curing any default after notice and opportunity to cure, engages in the same noncompliance whether or not such noncompliance is corrected after notice.

(m) The Franchisee repeatedly fails to comply with one or more requirements of the franchise, whether or not corrected after notice.

(n) The Oggi’s™ Full-Service Restaurant is seized, taken over or foreclosed by a government official in the exercise of his duties, or seized, taken over, or foreclosed by a creditor, lienholder or lessor, provided that a final judgment against the Franchisee remains unsatisfied for thirty (30) calendar days (unless a supersedes or other appeal bond has been filed).

(o) A levy of execution has been made upon the license granted by this Franchise Agreement or upon any property used in the Oggi’s™ Full-Service Restaurant, and it is not discharged within five (5) business days of such levy.

(p) The Franchisee is convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise.

(q) The Franchisee fails to pay any franchise fees or other amounts due to Franchisor or any affiliate within five (5) business days after receiving written notice that such fees are overdue.

(r) The Franchisee operates the Oggi’s™ Full-Service Restaurant in such a manner that the health, safety and welfare of the public is threatened.

(s) Franchisee is unable to secure a lease for an authorized location acceptable to Franchisor within nine (9) months after execution of the Franchise Agreement.

(t) Franchisee is unable to select an appropriate site for the operation of the Oggi's™ Full-Service Restaurant within one hundred twenty (120) days after execution of the Franchise Agreement.

(u) Franchisee fails to keep its vendor accounts current, including, but not limited to failure to maintain a good payment history, paying on account late two consecutive months in a row, allowing a balance to carry or accrue beyond the payment or credit terms negotiated with the vendor, or when disciplinary action is taken against the Franchisee by a vendor, such as requiring payment upon delivery of goods.

(v) Franchisee fails to generate a profit for two consecutive years.

(w) Franchisee intentionally understates or underreports Gross Sales, Royalty Fees or Promotional Fees.

(x) Franchisee violates any health, safety or sanitation law or regulation, violates any System standard as to food handling, cleanliness, health and sanitation, or if the operation of the Oggi's™ Full-Service Restaurant presents a health of safety hazard to the Franchisee's customers or to the public (i.e. improper cooking or storage procedures).

9.02. Notice and Cure of Default: Franchisee shall have ten (10) calendar days from receipt of written notice from the Franchisor in which to cure a default enumerated in Section 9.01(a)-(p), (s)-(v) (or within such longer time which Franchisor may determine is reasonably necessary to cure the default under the circumstances). For any default enumerated in Section 9.01(q)-(r), (w)-(x) and any other default of this Agreement or any other agreement with Franchisor pertaining to the operation of the Oggi's™ Full-Service Restaurant, or any lease or sublease of the premises (that do not otherwise provide for a longer cure period), Franchisee shall have five (5) calendar days from receipt of written notice to cure the default. If Franchisee does not fully cure said default or defaults within said time period, Franchisor shall have the absolute right without further notice to fully and finally terminate and declare an end this Agreement.

9.03. Termination by Franchisor: This Franchise Agreement may be canceled at the option of Franchisor upon written notice to Franchisee if Franchisee has been unable to secure a lease for the Authorized Location within nine (9) months after execution of this Franchise Agreement, in accordance with the provisions of section 3.03 above.

9.04. Rights and Duties of Parties upon Expiration or Termination: Upon termination or expiration of the franchise for any reason, all rights of the Franchisee under the Franchise Agreement shall immediately terminate, but Franchisee shall have the following duties which survive termination of the Franchise Agreement:

(a) Franchisee shall promptly pay Franchisor all sums owing under the terms of this Agreement, including all damages, costs, expenses, and reasonable attorneys' fees, incurred by Franchisor by reason of default on the part of Franchisee, whether or not the expenses occur before or after the termination or expiration of the franchise.

(b) Franchisee shall immediately cease to use the Marks in advertising, forms, manuals, slogans, menus, signs or in any other manner whatsoever. Franchisee shall not represent or advertise that Franchisee was formerly an Oggi's™ franchisee, or that Franchisee did business under the Marks. Should Franchisee fail to immediately cease the use of the Marks as stated herein, then Franchisor may seek and obtain a temporary restraining order and/or injunction to guarantee compliance, and Franchisee agrees to pay all of Franchisor's legal fees and costs associated therewith.

(c) Franchisee shall ensure at its own expense that all mention of the Marks in connection with Franchisee is removed at the earliest possible time from all telephone and other directories, directory assistance records, building directories, signboards, membership rosters and every other place and publication.

(d) Franchisee shall take all action to cancel any assumed name or equivalent registration which contains any of the marks, and shall furnish Franchisor with satisfactory evidence of cancellation.

(e) Franchisee shall cease and desist from all use of the Marks, and shall deliver to Franchisor, or its duly authorized representative, all materials and papers upon which the Marks appear. Franchisee will not, at any time, adopt or use any word or mark which is similar to or confusing with the Marks.

(f) Franchisee shall assign to Franchisor all of Franchisee's right, title and interest in and to Franchisee's telephone numbers, and shall execute all documents and instruments and give all instructions necessary to affect the transfer thereof to Franchisor.

(g) At the request of Franchisor, Franchisee shall assign all its interest in equipment or fixture leases and manufacturer and supplier agreements to Franchisor or its designee, and the assignee shall assume all continuing obligations thereunder.

(h) At the request of Franchisor, Franchisee shall assign all its interest in any lease for the Authorized Location to Franchisor or its designee, and the assignee shall assume all continuing obligations thereunder.

(i) Franchisee shall turn over to Franchisor such documents and records as may be reasonably necessary or important to the continuation of business at the Authorized Location, including customer and vendor lists, leases and other contracts and legal documents or lists of outstanding payables and receivables.

(j) Franchisee shall immediately return to Franchisor, at Franchisee's expense, all copies of the Confidential Operating Manual that are in your possession or control or previously disseminated to your employees.

(k) At the request of Franchisor, Franchisee shall transfer all its interest in any liquor licenses for the Authorized Location to Franchisor or its designee, at a fair market price, and the assignee shall assume all continuing obligations thereunder.

9.05. Option to Purchase: Upon the termination of this Agreement, for any reason including lawful termination or nonrenewal of the franchise, Franchisor shall have an option for thirty (30) days following the termination to purchase from Franchisee, at the value of price paid, minus depreciation, all inventory, supplies, equipment, leasehold improvements, fixtures, and furnishings, purchased or paid for under the terms of the Agreement, the lease for the Franchise Location, and the liquor licenses and any other licenses, that are, at the time of the notice of termination or nonrenewal, in the possession of the Franchisee or used by the Franchisee in the franchise business. Franchisor shall have the right to receive clear title to and possession of all items purchased from the Franchisee. Franchisor shall have the right to exclude any items purchased in accordance with this Section that are not approved as meeting the then-current standards for an Oggi's™ Full-Service Restaurant .

9.05.1 Franchisor may deduct and withhold from said purchase price all amounts then due Franchisor from Franchisee, including liens or security interests upon any of the assets so purchased, rentals due under any lease or sublease, or any other indebtedness of Franchisee with respect to the Oggi's™ Full-Service Restaurant and the assets being purchased thereunder. If requested by Franchisor, Franchisee shall forthwith furnish Franchisor with an affidavit and other instruments required by applicable sales tax or other statute. In addition, Franchisee shall assign and convey to Franchisor, at Franchisor's option, all rights, title, and interest of Franchisee in or under any lease or sublease of any real or personal property used by Franchisee in the operation of the Oggi's™ Full-Service Restaurant. In addition to all other remedies provided for herein, Franchisor shall be entitled to specific performance of the option herein granted.

9.05.2 Franchisor shall give written notice of its intent to exercise its option pursuant to section 9.05, mailed to the Franchisee, by U.S. mail, postage prepaid, on or before the thirtieth (30^{th}) day from the effective date of the termination.

9.05.3 Franchisor and Franchisee shall mutually agree upon the fair market price of the Franchisee's business. Should the Franchisor and Franchisee fail to mutually agree upon a price for the Franchisee's business, within thirty (30) days from the Franchisor's notice of intent to exercise option, the Franchisor and Franchisee shall select a mutually agreeable SBA (Small Business Administration) appraiser to appraise the Franchisee's business. If the Franchisor and Franchisee cannot agree upon a mutually satisfactory SBA appraiser, the Franchisor and Franchisee shall each select an SBA appraiser who shall in turn choose a third appraisal to appraise the business.

9.05.4 The appraiser shall appraise the business using standard and customary methods of appraisal and the appraisal shall be acceptable to SBA approved lenders. Should the Franchisor's SBA lender decline to lend on the appraisal, the Franchisor's SBA appraisal shall control for all purposes.

9.05.5 The prevailing appraisal shall determine the purchase price. All adjustments, deductions, and allowances identified in section 9.05.1 and 9.07 shall reduce the purchase price accordingly.

9.05.6 Franchisor shall have 120 days after the completion of the appraisal to close the transaction. Any delays caused by the franchisee shall extend the Franchisor's time to close accordingly.

9.06. <u>Effect of Termination</u>: Upon termination of this Agreement, Franchisee's right to use the System or Franchisor's trademarks, service marks, trade names, or other indicia shall terminate forthwith. Franchisee shall not thereafter, directly or indirectly, identify himself in any manner as an Oggi's™ franchisee, or publicly identify himself as a former Oggi's™ franchisee or use any of Franchisor's trade secrets or materials constituting part of Franchisor's System. In the event that Franchisor shall not exercise the option to require the assignment and conveyance to Franchisor of Franchisee's rights, title, and interest in or under any lease or sublease of the premises, Franchisee agrees upon termination of this Agreement that he shall immediately make such removals or changes in signs and colors of buildings and structures as Franchisor shall reasonably request so as to distinguish the premises from their former appearance and from any other Oggi's™ establishment. If Franchisee fails to make the requested changes as soon as practicable, Franchisor may enter Franchisee's premises and make the changes at Franchisee's expense.

9.07. <u>Termination Fee</u>: Upon termination of this franchise for any reason except due to transfer or assignment, Franchisee shall pay to Franchisor a termination fee in an amount equal to fifty percent (50%) of the then current Initial Franchise Fee to cover the expense of the Franchisor associated with the termination.

9.08. <u>Attorneys' Fees</u>: Regardless of the outcome, if any legal action at law or equity is necessary to enforce or interpret the terms and conditions of this Agreement, each party shall bear his/hers/its own attorneys' fees and costs. Similarly, each party shall bear his/hers/its own costs incident to such action, including, but not limited to preparation, investigation, trial and court costs. No court or governing body shall have the right to award attorney's fees or costs to the other party.

9.09. Franchisee's Right to Terminate: Franchisee has no right to terminate this agreement. Any attempt to terminate this agreement before the expiration of the term or renewal term, as applicable. Notwithstanding the foregoing, nothing in this section should be construed as a limitation on sale or transfer of the franchise, so long as such transfer complies with Article 10, Transfer of Franchise.

ARTICLE 10.
TRANSFER OF FRANCHISE

10.01. Transfer Restrictions: Franchisee shall give Franchisor written notice of any intent to sell, assign, transfer, or convey any interest in this Agreement, in the franchise granted hereby, or in any proprietorship, partnership or corporation which owns any interest in the franchise at least thirty (30) business days prior to taking any action with respect to the intended transfer. No Franchisee, partner (if Franchisee is a partnership), or shareholder (if Franchisee is a corporation), shall, without the prior written consent of Franchisor, by operation of law or otherwise, sell, assign, transfer, convey, give away or encumber to any person, firm or corporation, any interest in this Agreement, in the franchise granted hereby, or in any proprietorship, partnership or corporation which owns any interest in the franchise. Any purported assignment not having the prior written consent of Franchisor shall be null and void and shall constitute material default under this Agreement. Franchisor shall not unreasonably withhold its consent to any transfer when requested; provided, however, that the following conditions and requirements shall first be met to the full satisfaction of Franchisor:

(a) No fractional interest in the license granted by this Franchise Agreement may be created or transferred. The rights and duties created by the Franchise Agreement are unitary and may not be divided in any way.

(b) The proposed transferee or its principals must meet all of Franchisor's then current requirements for any potential new franchisee at the time of the proposed transfer including: education, experience, net worth, and character, as applied by Franchisor on a non-discriminatory basis, and must have or obtain before transfer all licenses required by law for operation of the Oggi's™ Full-Service Restaurant.

(c) The proposed transferee, or one of its principals, and its designated manager, if applicable, must have attended and satisfactorily completed Franchisor's initial training.

(d) The proposed transferee (and each partner of shareholder) must have duly executed the then current form of the Franchise Agreement (modified to reflect that the term remains the same as under this Agreement and any other modifications to reflect that the agreement relates to a transfer), the terms of which may differ from this Agreement, including but not limited to higher fees.

(e) All maintenance, repairs, remodel and renovation required in Franchisor's absolute discretion to bring the Franchisee's premises at the Authorized Location into compliance with Franchisor's standards must have been completed as provided in section 4.09.

(f) The transfer fee specified in section 10.04 must have been paid in full.

(g) All amounts owed by Franchisee to Franchisor or any of Franchisor's affiliates, Franchisee's suppliers or any landlord for the Authorized Location, upon which Franchisor has any contingent liability must be paid in full.

(h) Franchisee must be in full compliance with all obligations under any and all Franchise Agreements and Area Development Agreements executed by and between Franchisor and Franchisee.

(i) Franchisee and each Principal Owner must sign a general release of all claims arising out of or relation to this Agreement and the franchise, in the form we designate, releasing our affiliates and us.

(j) Franchisee must have complied with any other conditions that Franchisor reasonably requires from time to time as per of our transfer policies, provided that such conditions will not be more stringent than any conditions otherwise imposed on new franchisees signing the then current franchise agreement.

(k) Franchisor has not exercised its right of first refusal under section 10.03.

10.01.1 In the event that any of Franchisee's rights under this Agreement are, or become, the property of or are held by a corporate entity (the "Corporation"), then any issuance, redemption, or transfer of the equity or voting securities of the Corporation, or any disposition of the assets of the Corporation in one transaction or in a series of transactions which, in the aggregate, result in more than a twenty five percent (25%) change in the beneficial ownership of the Corporation shall be deemed to be a transfer which requires the Consent of Franchisor. The bylaws of the Corporation and all share certificates evidencing ownership of this Corporation shall contain the following provision:

> "The transfer of stock in this Corporation is subject to the restrictive provisions of a Franchise Agreement with Oggi's™. Reference is made to the Franchise Agreement for all particulars."

10.01.2 In the event that any of Franchisee's rights under this Agreement are, or become, the property of or are held by a general or limited partnership (the "Partnership"), then the admission of a new partner, or the redemption, purchase, liquidation, or transfer of a Partnership interest, or any disposition of the assets of the Partnership, in one transaction or in a series of transactions which, in the aggregate, result in more than a twenty five percent (25%) change in the beneficial ownership of Partnership shall be deemed to be a transfer which requires the consent of Franchisor. The partnership Agreement shall contain the following provision:

> "This transfer of a legal or beneficial interest in the partnership is subject to the restrictive provisions of a Franchise Agreement with Oggi's™. Reference is made to the Franchise Agreement for all particulars."

10.01.3 Franchisee shall give Franchisor written notice of any proposed change in the legal or beneficial ownership of this Agreement not less than ten (10) business days prior to the proposed change in ownership. If the proposed change in ownership will create a legal or beneficial interest in a person who is not a party to this franchise, then that person shall execute this franchise and agree to be bound by all the terms and conditions contained herein before the transfer is effectuated.

10.01.4 No sale, assignment, transfer, conveyance, encumbrance or gift of any interest in this Franchise Agreement, or in the franchise granted hereby, shall relieve Franchisee, or the shareholders or partners participating in any transfer, of the obligations of the covenant not to compete contained in this Franchise Agreement, unless expressly waived in writing by Franchisor.

10.02. Death: Upon the death of the Franchisee, if the Franchisee is an individual, or upon the death of the majority shareholder, member or partner of Franchisee if Franchisee is a corporation or a partnership, ______________________________________ shall have the right to participate in the ownership of the Oggi's™ Full-Service Restaurant under the terms of this Agreement for a period of six (6) months from the date of death. During that time______________________________________ must either:

(a) Satisfy all of the qualifications for a transferee or purchaser of a Oggi's™ franchise, except that no transfer fee or initial franchise fee shall be charged; or

(b) Sell, transfer, or assign the franchise to a person who satisfies all of the qualifications for a transferee or purchaser of an Oggi's™ franchise.

10.03. Right of First Refusal: If at any time during the term of this Agreement, Franchisee receives a bona fide offer to purchase the franchise, which offer Franchisee is willing to accept, Franchisee shall give Franchisor written notice of the terms of the offer and the name of the offeror. Franchisor may elect to purchase the franchise on the same terms as contained in the offer within thirty (30) calendar days after receipt of Franchisee's communication of the offer to Franchisor. Thereafter, Franchisor shall have one hundred twenty (120) days to complete its due diligence and close the transaction. If Franchisor fails to give written notice of election within the thirty (30) calendar days, or if Franchisor fails to close the transaction within one hundred twenty (120) days, Franchisee may sell to the offeror but only on the exact same terms offered, subject to the provisions relating to transferability as set forth in this Article 9. Should any term of the sale change in any way, regardless of degree, the Franchisee must renew its notice pursuant to this paragraph.

10.04. Transfer Fee: Upon any transfer or assignment of this franchise, Franchisee shall pay to Franchisor a transfer fee in an amount equal to fifty percent (50%) of the then current Initial Franchise Fee to cover the expense of evaluating the proposed transferee.

ARTICLE 11.
MISCELLANEOUS PROVISIONS

11.01. Nonwaiver: No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by either of the parties to the Agreement will be considered to imply or constitute a further waiver by the party of the condition or covenant in the Agreement or any other condition, covenant, right, or remedy.

11.02. Governing Law. This Agreement is made in the State of California and all rights hereunder shall be governed by and interpreted under the laws of the State of California. Nothing herein contained shall be deemed to waive the right of either party to obtain injunctive relief against threatened conduct that will cause loss or damage under the usual equity rules including the applicable rules for obtaining a preliminary injunction provided an appropriate bond against damages be provided.

11.03. Jurisdiction and Venue. The parties hereby consent and stipulate to jurisdiction and venue: With regard to any legal action taken with respect to any claim arising from, out of, in conjunction with, or related to this agreement, jurisdiction and venue shall be the City and County of San Diego, California. No claim or action may be brought in a venue outside the City and County of San Diego, California.

11.04. Injunctive Relief. The parties hereby recognize that the Restaurant is one of a large number of restaurants identified by the Marks and similarly situated and selling to the public similar products, and the failure on the part of a single franchisee to comply with the terms of this Agreement could cause irreparable damage to Franchisor and/or some or all of the other franchisees. Therefore, it is mutually agreed that in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, Franchisor shall be entitled to injunctive relief restraining such breach or to a decree of specific performance, without showing or proving actual damages, together with recover of reasonable attorneys' fees and costs in obtaining said equitable relief. These equitable remedies are in addition to any and all other remedies available.

11.05. Construction: Throughout this Agreement, the use of the singular shall be construed to include the plural and vice versa. The use of any gender shall include all genders, whenever required by the context.

11.06. Execution of Documents: Each party to this Agreement shall from time to time, on request by the other party, execute, acknowledge, and deliver to the other party a written statement certifying that this Agreement has not been modified and is in full force and effect (or, if there have been modifications, that they are in full force and effect and stating the modifications). Each party to this Agreement shall also, from time to time, on request by the other party, execute any additional documents that may reasonably be required to effectuate the purposes of this Agreement.

11.07. Successors and Assigns: The provisions of this Agreement shall inure to the benefit of and be binding on the parties and their respective representatives, successors, and assigns.

11.08. Severability of Provisions: If any provision of this Agreement is held to be illegal or invalid by any tribunal in a final decision from which no appeal is or can be taken, that provision shall be deemed modified to eliminate the invalid element, and, as so modified, the provision shall be deemed a part of this Agreement as though originally included in the Agreement. The remaining provisions of this Agreement shall not be affected by the modification.

11.09. Extent of Agreement: This Agreement, and the other exhibits in the Uniform Franchise Disclosure Document, represents the entire agreement between Franchisor and Franchisee, and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by Franchisor and Franchisee.

11.10. Payments, Notices and Communications: All payments are to be paid, and any notices or communications shall be directed to Franchisor by United States mail, postage prepaid, return receipt requested, at the following address:

Oggi's Pizza & Brewing Company
1245 Puerta Del Sol
San Clemente, California 92673

Notices and communications shall be directed to Franchisee by United States mail, postage prepaid, and addressed to the address of the Oggi's™ Full-Service Restaurant as set forth in this Agreement. If Franchisee is other than an individual, Franchisee shall designate in writing to Franchisor the name and address of its agent to receive notice. Notice to the agent shall be conclusively presumed to be full and adequate notice to Franchisee.

11.11. Amendment: This Agreement may be amended, modified or discharged, in whole or in part, only by a document in writing subscribed by all of the parties subscribing to this franchise.

11.12. Remedies Cumulative: The parties shall be entitled to any and all remedies at law or in equity, in addition to any remedies set forth in this Agreement.

11.13. Other Franchises: The parties hereby acknowledge and agree that Franchisor contemplates granting other franchises similar to the franchise granted herein.

11.14. Relationship of the Parties: Franchisee is, in its relationship with Franchisor, an independent contractor. This franchise shall not make any of the parties hereto partners or joint ventures one with the other, or make them agents, servants or employees of the other.

11.15. Other Parties: If Franchisee is other than an individual, then all persons who have any beneficial ownership interest in Franchisee or this Franchise by way of partnership, joint venture, association, incorporation, or otherwise, shall be parties to this franchise and shall execute this Franchise Agreement and shall jointly and severally be bound by all terms and provisions hereof.

11.16. Counterparts: This franchise may be executed in counterparts, all of which together shall constitute this franchise.

11.17. No Guarantees: Franchisee acknowledges that neither Franchisor nor any other person can in any manner assure the success of the business of Franchisee. Further, Franchisee acknowledges that there are inherent and substantial risks associated with undertaking said business, which Franchisee bears sole responsibility.

11.18. Integration Clause: This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business, and your review of the terms set forth in this Agreement, and in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

Executed at _________________ [*city*], _________________ [*state*], and effective on the day and year first above written.

FRANCHISOR
Oggi's Pizza & Brewing Company

______________________________ ______________________________
Dora Hadjis, Chief Financial Officer Date

FRANCHISEE

______________________________ ______________________________
Date

______________________________ ______________________________
Date

AFFILIATES

______________________________ ______________________________
Date

______________________________ ______________________________
Date

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE FULL-SERVICE RESTAURANT FRANCHISE AGREEMENT

In consideration of the execution of the Full-Service Franchise Restaurant Agreement (the "Agreement") between OGGI'S PIZZA & BREWING COMPANY ("we" or "us") and ________________________________ (the "Franchisee"), dated ___________________, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Agreement, to be paid, kept and performed by the Franchisee, including without limitation the arbitration and other dispute resolution provisions of the Agreement.

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

The undersigned waives: (i) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (ii) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; (iii) any right he/she may have to require that an action be brought against the Franchisee or any other person as a condition of liability; and (iv) notice of any changes permitted by the terms of the Agreement or agreed to by the Franchisee.

In addition, the undersigned consents and agrees that: (i) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the Franchisee or any other person; (ii) such liability will not be diminished, relieved or otherwise affected by the Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; and (iii) this Personal Guaranty shall apply in all modifications to the Agreement of any nature agreed to by the Franchisee with or without the undersigned receiving notice thereof. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.
PERSONAL GUARANTORS:

________________________________	________________________________
Individually	Individually
________________________________	________________________________
Print Name	Print Name
________________________________	________________________________
Address	Address
________________________________	________________________________
City State Zip Code	City State Zip Code

FRANCHISEE QUESTIONNAIRE

As you know, Oggi's Pizza & Brewing Company and you are preparing to enter into a Franchise Agreement for the operation of one Oggi's Pizza & Brewing Company franchise. The purposes of this Questionnaire are to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. You must sign and date this Questionnaire the same day you sign the Franchise Agreement and pay your franchise fee. Please closely review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally read the Oggi's Pizza & Brewing Company Franchise Disclosure Document ("**FDD")?**

   Yes______ No______

2. Did you give us a signed receipt for the copy of the FDD that we furnished to you?

   Yes______ No______

3. Do you understand all of the information contained in the FDD?

   Yes______ No______

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

4. Have you received and personally read the Oggi's Pizza & Brewing Company Franchise Agreement?

   Yes______ No______

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

   Yes______ No______

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

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

   Yes______ No______

7. A) Have you, in fact, discussed the FDD, the agreements, and the benefits and risks of operating an Oggi's Pizza & Brewing Company franchise with an attorney?

   Yes______ No______ If yes, name of attorney: ________________________

   If No, do you wish to have more time to do so?

   Yes______ No______

   B) Have you discussed the benefits and risks of operating an Oggi's Pizza & Brewing Company Franchised Business with any other professional advisor?

   Yes______ No______ If yes, name and profession of advisor:

   C) Did you discuss the benefits and risks of operating an Oggi's Pizza & Brewing Company Franchised Business with an existing Oggi's Pizza & Brewing Company franchisee?

   Yes______ No______

8. Other than the information presented in Item 19 of the FDD, have any of our employees or has any other person speaking on our behalf (this does not include franchisees whom you contact on your own) made any statement or representation (oral, written, or visual) regarding:

   A) The amount of money that others have made or that you might make as an Oggi's Pizza & Brewing Company franchisee?

   Yes______ No______

   B) The revenue or profits that a Oggi's Pizza & Brewing Company Restaurant will generate?

   Yes______ No______

   C) Any other financial performance information about Oggi's Pizza & Brewing Company businesses?

   Yes______ No______

9. If your answer to any part of Question 8 is "Yes", please describe the statement or representation. Please include when, where and by whom the statement or representation was made. Please provide full details in the following space. (If you need additional space, please use the "Additional Information Intake Form" included after the signature blocks below).

10. Have you contacted any existing Oggi's Pizza & Brewing Company franchisees about their financial performance?

    Yes______ No______

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

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

    Yes______ No______

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

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

    Yes______ No______

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

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

    Yes______ No______

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

    Yes______ No______

17. Do you understand that, unless otherwise explicitly stated in written agreements you execute with us, we do not have to sell you a franchise or additional franchises (or Areas of Primary Responsibility), or consent to your purchase of existing franchises?

    Yes______ No______

18. Do you understand that the Franchise Agreement contains the entire agreement between us and you concerning the franchise for the Oggi's Pizza & Brewing Company Restaurant, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding?

Yes______ No______

19. Do you understand that once you sign the Franchise Agreement and pay the Initial Franchise Fee, your Initial Franchise Fee payment is nonrefundable under any circumstance?

Yes______ No______

20. Do you understand that, under the terms of the Franchise Agreement, you are fully responsible and liable for complying with all government license and permit requirements, as well as with all laws and regulations applicable to the establishment and operation of your Oggi's Pizza & Brewing Company Restaurant?

Yes______ No______

21. Do you understand the risks of operating an Oggi's Pizza & Brewing Company Restaurant?

Yes______ No______

You understand that we are acting in reliance on the truthfulness and completeness of your responses to the questions above in entering into the Agreements with Franchisee. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

YOU ACKNOWLEDGE AND AGREE THAT IN THE EVENT THAT ANY DISPUTE ARISES, THIS QUESTIONNAIRE WILL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION, AND YOU HEREBY WAIVE, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE.

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

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

FRANCHISEE	**OWNER/GUARANTOR**
____	
a/an_____________________________________	
By: ______________________________________	______________________________________
Name: ___________________________________	Name: _______________________________
Title: ____________________________________	
Date: ____________________________________	Date: ________________________________

EXPRESS UNIT FRANCHISE AGREEMENT

EXHIBIT 2

TABLE OF CONTENTS

EXHIBIT 2

EXPRESS UNIT FRANCHISE AGREEMENT

THIS EXPRESS UNIT FRANCHISE AGREEMENT is made on __________________________, by OGGI'S PIZZA & BREWING COMPANY, a California corporation, with its principal place of business located at 1245 Puerta Del Sol, San Clemente, California 92673, referred to as Franchisor, and ____ [*name of franchisee*], of ____ [*address*], and its Affiliates, referred to as Franchisee.

Recitals

Franchisor and Franchisee mutually acknowledge the following:

Affiliates

This Franchise Agreement is intended to bind Franchisee, as well as its Affiliates, and all the terms, conditions, and covenants shall be binding upon the Affiliates of Franchisee.

"Affiliate" or "Affiliates" means people and companies associated with Franchisee, including, but not limited to, owners, shareholders, members, general partners, and limited partners owning a substantial interest in Franchisee, corporations, limited liability companies, and partnerships in which Franchisee has a substantial interest, and officers, directors, managers, employees or agents of Franchisee. As used in this paragraph, the phrase "substantial interest" means the right to ten percent (10%) or more of the capital or earnings of a limited liability company or partnership or, alternatively, ownership of ten percent (10%) or more of the voting stock of a corporation.

The System

Franchisor is the owner of a dine-in, carry-out, fast casual food establishment for the retail sale of pizza, salads and other products, including micro brewed beer and other beverages. The fast-casual restaurant has a more limited menu than the Oggi's™ full-service restaurants, but collectively they are referred to as the "Oggi's™ System" or "System," which includes a special design and color scheme of building, equipment, layout, food formulae and specifications for designated food products, methods of inventory and operation control, bookkeeping and accounting procedures, and a manual of business practices and policies, which is being used and widely advertised in California and elsewhere throughout the United States.

Proprietary Rights

Franchisor is the sole and exclusive owner of all proprietary and other property rights and interests in and to the trade names and/or trademarks "Oggi's Pizza and Brewing Company," "Oggi's Pizza & Brewing Co.," "Oggi's," "Oggi's Sports Brewhouse Pizza," "Oggi's Pizza Express," "California Gold Blonde Ale," "Paradise Pale Ale," "McGarvey's Scottish Ale," "Sunset Amber Ale," "Black Magic Stout," "Torrey Pines India Pale Ale," "Double Up Double IPA," "Duck Dive Hefeweizen," "Oggi's Light Lager," "Oggi's Mighty Light," "Hoppily Ever After," "The Daily Grind," "POG Project," "50/50 Beersicle," "Rising Sun IPA," "Hazy Go Crazy IPA," and "Oggi's Hard Seltzer," and all other trademarks and service marks used, or later developed for use in connection with this System, including but not limited to all those trademarks, service marks, and rights residing in the appearance of buildings, signs, and portions thereof by which establishments franchised to adopt to use the names, marks and the products therefrom are known and identified. Franchisor anticipates developing additional trademarks, trade names, service marks, and other commercial symbols, which Franchisee acknowledges and agrees, shall be subject to this agreement.

Promotion and Development

Franchisor has promoted and developed the System.

Franchisor has expended time, effort, and money to develop and protect recipes, business plans, procedures, and marketing in connection with the operation of Oggi's™ Restaurants.

Franchisor has created and developed a proprietary Confidential Operating Manual to insure uniform and high standards of quality, service and appearance of all Oggi's™ Restaurants.

In its business operations, Franchisor maintains high standards of quality for its food products such that valuable goodwill is attached to the trade names and trademarks/servicemarks.

Franchisee's Acknowledgment

Franchisee acknowledges Franchisor's rights in the System and desires to acquire the right to adopt and use the said System and names and marks at the location referred to below.

For and in consideration of the mutual covenants and agreements hereinafter set forth, it is mutually agreed and covenanted as follows:

ARTICLE 1.
GRANT AND USE OF FRANCHISE

1.01. Grant of Franchise: Subject to the terms and conditions contained herein, Franchisor hereby grants to Franchisee and Franchisee hereby accepts from Franchisor, the nonassignable right, franchise, and license:

(a) To use Franchisee's Proprietary Marks, Indicia, trademarks, service marks, and/or trade names in the operation of an Oggi's Pizza Express® Restaurant at the location designated in section 1.04, below.

(b) To use the Franchise System and/or the Franchisor's system of operation and method of doing business at such location.

(c) To sell the products and render the services specified, use the menus, Confidential Operating Manual and recipes provided and developed by Franchisor in the conduct of the Oggi's Pizza Express® Restaurant at such location.

1.02. Initial Term of Franchise: Unless earlier terminated for good cause as hereinafter provided, the franchise granted under and pursuant to the terms of this Agreement shall continue in full force and effect for a period of *twenty* (20) years from the date hereof.

1.03. Renewal Terms: Provided that Franchisee shall fully, faithfully, and timely carry out and perform all of its obligations under this Agreement, Franchisee may renew the franchise and license granted hereunder for two (2) successive renewal terms of ten (10) years each, provided that with respect to each renewal: (1) Franchisee has given written notice of your decision to renew at least 12 months prior to the expiration of the then current term, (2) you sign the then current form of franchise agreement (modified to reflect that the agreement relates to a renewal and without providing for more renewal terms), the terms of which may differ from this Agreement, including but not limited to higher fees, (3) you have complied with the remodeling requirements of Section 1.07 and your perform any further items of modernization, redecorating and/or replacement of the building, premises, trade dress, equipment as may be necessary for your franchise to conform to the then current standards of the Franchise for a comparably located Oggi's Pizza Express® Restaurant, to the extent that the remodel work can be accomplished within the architectural and design limitations and requirements of the Authorized Location, and regardless of the cost to Franchisee of such remodel, (4) if leasing the franchise premises, you have renewed the lease and have provided written proof of your ability to remain in the premises throughout the renewal term, (5) you comply with our then current training requirements, (6) your and your Affiliates with a substantial interest execute a general release of claims in a form we prescribe, and (7) you are not in default of this Agreement or any other agreement pertaining to the franchise, have satisfied all monetary and material obligations on a timely basis and are otherwise in good standing. Any failure by Franchisee to perform its obligation under this Agreement that does not constitute grounds for nonrenewal under sections 20025, 20020, and 20021 of the California Business and Professions Code shall not affect Franchisee's right to renew.

In the event that Franchisee agrees to perform remodel work and the agreed work is not completed within one year after the renewal date, this franchise shall automatically expire at the end of the one-year period. If you fail to provide the Franchisor with at least 12 months advance written notice of your intent to renewal, you shall be required to pay a late renewal fee of $5,000.

1.04. Location and Relocation: The Oggi's Pizza Express® Restaurant shall be located at ____ ("Authorized Location"). Franchisee does not have the right to relocate its Oggi's Pizza Express® Restaurant to another location. In the event the premises at such location is rendered unusable by fire or other casualty or by the proper exercise of the power of eminent domain, or in the event that Franchisee's possession thereof is lost without Franchisee's fault, or in the event that, in Franchisor's judgment, there is a change in character of the location sufficiently detrimental to its business potential to warrant relocation, Franchisor will grant permission for the relocation of the Oggi's Pizza Express® Restaurant to a site acceptable to Franchisor. Any such relocation shall be at Franchisee's sole expense. Upon relocation outside the exclusive area designated in section 1.05, below, Franchisee shall be accorded a new exclusive area as determined by Franchisor in its sole discretion.

1.05. Franchisee's Territory: Before this Agreement is executed, we will describe the Territory in Exhibit A. The size of the Territory and it boundaries and exclusions shall be determined in Franchisor's sole discretion. Provided that you are in full compliance with this Agreement, we will not operate or grant a franchise for operation of another Oggi's™ Restaurant at a location within the Territory during the term of this Agreement.

1.06. Restrictions: The following restrictions apply to the grant of the franchise:

(a) The Franchisee shall not sell any Oggi's™ products at wholesale, nor shall Franchisee operate a commissary or otherwise engage in mass distribution or sale of Oggi's™ products.

(b) Franchisee shall be required to at all times maintain all licenses and permits necessary to sell beer, wine, spirits and liquor products or any other authorized products at the Authorized Location.

(c) If the Authorized Location has not been determined as of the date of Franchisee's signing of this Agreement, Franchisee shall simultaneously with the execution of this Agreement, enter into an Oggi's ("Deposit Agreement") which contains provisions for selection of an approved site within a designated geographic area. A lease for the Approved Location must be approved by Franchisor in accordance with section 3.03, below.

(d) The Franchisee shall not use Franchisor's Proprietary Marks, Indicia, trademarks, service marks, or trade names, specifically, but not limited to, “Oggi’s,” “Oggi’s Pizza,” “Oggi’s Sports Brewhouse Pizza,” “Oggi’s Pizza & Brewing Company,” and “Oggi’s Pizza Express” standing alone in any domain names, phone numbers, email addresses, account names, usernames, text messaging, and/or websites, without first obtaining written approval from the Franchisor. The Franchisee may use “Oggi’s,” “Oggi’s Pizza,” “Oggi’s Sports Brewhouse Pizza,” “Oggi’s Pizza & Brewing Company,” and “Oggi’s Pizza Express” in conjunction with the Franchisee’s Authorized Location and/or company name in a domain names, phone numbers, email addresses, account names, usernames, text messaging, social sites, and/or websites.

1.07 Additional Authorized Locations. As a condition of obtaining an additional franchise at another Authorized Location, Franchisee, at its sole cost and expense, shall remodel, redecorate, or otherwise update its current franchise(s) to conform with the then current physical appearance of new, comparably located, Oggi’s Pizza Express® Restaurant, to the extent that the remodel work can be accomplished within the architectural and design limitations and requirements of the Authorized Location. In the event that Franchisee agrees to perform remodel work and the agreed work is not completed within one year after signing the then current Express Unit Franchise Agreement for another Oggi’s Pizza Express® Restaurant at an Authorized Location, approval for the new franchise shall automatically expire at the end of the one-year period. Furthermore, in order to obtain Franchisor’s consent for an additional Oggi’s Pizza Express® Restaurant at another Authorized Location, Franchisee must meet the following minimum requirements: (1) operating the existing franchise for at least two (2) years, (2) not default under the Express Unit Franchise Agreement at any point in time, (3) demonstrating that their management staff can handle another franchise location, (4) achieving a minimum profitability of five percent (5%) of gross sales over the twelve (12) months prior to submitting a request for an additional franchise, (5) demonstrating the willingness and ability to operate within the franchise guidelines, and (6) demonstrating that sufficient cash resources and reserves are available to expand while not jeopardizing the current franchise. In the event you have also executed an Area Development Agreement and/or Multi-Unit Development Agreement, the Development Schedule in those agreements shall be controlling and the foregoing restrictions on receiving additional Authorized Locations shall not necessarily apply.

ARTICLE 2.
FRANCHISE PAYMENTS

2.01. Initial Franchise Fee: In consideration of the right, franchise, and license granted by Franchisor to Franchisee and the services to be rendered to Franchisee by Franchisor under this Agreement, Franchisee hereby agrees to pay to Franchisor an initial franchise fee of $30,000.00 for a single Oggi's Pizza Express® Restaurant at the Authorized Location. The Initial Franchise Fee is payable with an initial deposit of $2,500.00, and the balance of $27,500.00 upon the execution of the Express Unit Franchise Agreement and the lease agreement with the Landlord for the Authorized Location. All fees once paid are NON-REFUNDABLE.

2.02. Royalty Based on Gross Receipts: In consideration of the right, franchise, and license granted by Franchisor to Franchisee and the services to be rendered to Franchisee by Franchisor under this Agreement, Franchisee hereby agrees to pay to Franchisor a royalty equal to five percent (5%) of the gross receipts of the Oggi's Pizza Express® Restaurant, excluding therefrom, sales taxes, the amount of any incorrect sales amounts, allowances, discounts to customers, and customer net refunds or returns provided that the revenues from sales have previously been included in receipts. For purposes of this Agreement, the term "gross receipts" shall mean the amount of all money and the value of all property received by the Franchisee for goods sold and services rendered in connection with the Oggi's Pizza Express® Restaurant, whether as cash sales or payment for any charge, credit balance or advanced deposit, and "gross receipts" shall include all proceeds from any business interruption insurance. All items that are claimed as deductions must be supported by proper documentation.

2.02.1 Franchisee shall pay said royalty fee, in full via an Automated Clearing House (ACH) transaction, weekly on a day that we periodically designate based upon the gross receipts for the preceding week. Payment received after the due date is late and shall be charged a penalty of ten percent (10%) of the late royalty payment. Payment of continuing royalty and service fees are not refundable.

2.02.2 All third-party delivery company sales must be reported on a monthly basis through the Point-Of-Sale (POS) system as a "house account." Franchisee may not deduct third-party delivery service fees from gross receipts or reduce the royalty payments due to Franchisor. Franchisee shall report those third-party delivery fees as local franchisee marketing and delivery expenses.

2.02.3 Unless Franchisee notifies Franchisor in writing within five (5) calendar days of any discrepancy, each royalty payment shall be deemed true, correct and undisputed by Franchisee.

2.03. Advertising Fee Based on Gross Receipts: In addition to the royalty fees paid by Franchisee, pursuant to section 2.02, Franchisee shall contribute two percent (2%) of the gross receipts of the Oggi's Pizza Express® Restaurant to a special advertising account ("Promotional Fund") established and administered by Franchisor for the purpose of branding for the benefit of Franchisor's franchisees. All payments to the Promotional Fund are due and payable via ACH transaction weekly on a day that we periodically designate based upon the gross receipts for the preceding week. Payment received after the due date of each week is late and shall be charged a penalty of ten percent (10%) of the late advertising fee. All of the advertising fees received from any franchisee shall be pooled and managed by the Franchisor.

2.04. Interest on Late Payments: Any payment called for under this Franchise Agreement not received when due shall bear interest at one and one-half percent (1 1/2%) per month, unless otherwise limited by applicable law, from the date payment was due to the date payment is received by Franchisor.

2.05. Bounced Checks: If a check or ACH payment presented by Franchisee to Franchisor is returned for non-sufficient funds, for any obligation under this Franchise Agreement, Franchisee shall be charged a thirty dollar ($30.00) processing fee and shall be required to make the next six (6) consecutive royalty and advertising payments by Cashier's check. If two or more checks or ACH payments are returned for non-sufficient funds in any twelve (12) month period, the Franchisee shall be required to pay the estimated royalty and advertising payments for the next three (3) months, within fifteen (15) days of notice by the Franchisor of the unpaid check or ACH payment. The remedies of this section are in addition to any other remedies that may be available to the Franchisor, herein.

2.06. Attorney's Fees and Costs for Default: For each default by Franchisee, the Franchisee shall be responsible for paying the actual attorneys fees and costs of the Franchisor for all legal work performed in drafting, sending, serving, or administering notices of default.

ARTICLE 3.
FRANCHISOR'S CONTINUING OBLIGATIONS

3.01. Knowledge and Experience: Franchisor agrees to make available to Franchisee the benefit of its knowledge and experience in the installation of an Oggi's Pizza Express® Restaurant.

3.02. Site Approval: Franchisee is responsible for selecting a site acceptable to Franchisor and reasonably appropriate to Franchisee within one hundred twenty (120) days after execution of this Franchisee Agreement. Franchisor shall observe Franchisee's market area, using informal procedures, to determine site feasibility in approving an Authorized Location. Nothing contained herein shall be interpreted as a guarantee of success for the location. Final site approval shall be made by Franchisor, which approval shall not be unreasonably withheld.

3.03. Lease Approval: Franchisee shall submit a copy of the proposed lease for the Authorized Location, along with such additional information as Franchisor may request, to Franchisor for review and approval. Approval shall not be unreasonably withheld. Review and approval by Franchisor does not include review or approval of the legal sufficiency of the lease and shall not be interpreted as an assurance that the rights or interests of the Franchisee are adequately protected. If Franchisee fails to submit a copy of the proposed lease to Franchisor for review and approval, then Franchisor shall have the right to terminate this Express Unit Franchise Agreement and all rights granted to Franchisee hereunder. AS A CONDITION TO GRANTING ITS APPROVAL TO A LEASE, FRANCHISOR REQUIRES THAT THE LANDLORD APPROVE OF FRANCHISOR AS A PROSPECTIVE ASSIGNEE UNDER THE LEASE BY EXECUTION OF FRANCHISOR'S "LEASE ASSIGNMENT AGREEMENT."

3.03.1 The Lease Assignment Agreement is non- negotiable. It is incumbent upon Franchisee to have the Landlord approve the Lease Assignment Agreement as part of his/her/its lease negotiations. Should the Landlord or Franchisee require amendments to the Lease Assignment Agreement, Franchisee shall pay all of Franchisor's attorneys' fees and costs in excess of the first three (3) billable hours.

3.03.2 If a Landlord gives Franchisee written notice, at any time that Franchisee is allegedly in breach or default under the terms of any lease, Franchisee shall notify Franchisor within twenty-four (24) hours of the claimed breach or default. Franchisee shall bear the costs of Franchisor's attorneys' fees and costs relating to said alleged breach, if necessary to preserve the franchise's interest.

3.04. Development: Franchisor shall provide basic required criteria for store layout and design (including furnishings, fixtures, signs and decor). Final layout and design must be approved by Franchisor in writing. Franchisee shall not make any changes to the construction plans or alter the store layout or design after construction without the prior written consent of Franchisor. Franchisee shall submit a copy of the drawings for any proposed change to the store layout or design to Franchisor for review and approval.

3.04.1 Upon approval of the lease for the Authorized Location, Franchisor shall oversee, support and assist you in arranging for Franchisee's construction and installation of the tenant improvements, trade fixtures, displays, and interior decor in accordance with the generalized space plan, workflow and general layout of a typical Oggi's Pizza Express® Restaurant. All construction and installation shall be under contracts executed between Franchisee and its contractors. Franchisor's oversight shall consist of recommending qualified contractors and other providers of required goods and services, consultation for the particular space plan applicable to the Approved Location, observation of construction, and assistance in acceptance of the finished work.

EXHIBIT 2

3.05. Building Plans and Specifications: Franchisee is required to use the approved color schemes, materials, fabrics, and general design criteria of the Franchisor in building-out or remodeling the Oggi's Pizza Express® Restaurant. Where Franchisor has made available to Franchisee plans, specifications for the building, equipment, furnishings, decor, layout, menu and menu display, and signs for or identified with Oggi's Pizza Express® Restaurants, Franchisee shall bear the cost of duplicating such plans and specifications and the cost of adapting the same to the Authorized Location. If Franchisee does not use the Franchisor's approved architect, Franchisee shall bear the cost for Franchisor's approved architect to review the building plans and specification to confirm they comply with the Oggi's™ System. Franchisee agrees to return all copies of said plans and specifications to Franchisor upon completion of construction of a new building or improvement of an existing building meeting said plans and specifications.

3.06. Confidential Operating Manual: Franchisor agrees to provide Franchisee with a copy of the proprietary Oggi's Pizza Express® Confidential Manual of Standard Operating Procedures, hereinafter referred to as "the Confidential Operating Manual," upon execution of this Agreement, the receipt of which Franchisee acknowledges by the execution of this Agreement. The Confidential Operating Manual is designed to insure uniform and high standards of quality, service, and appearance among all Oggi's Pizza Express® Restaurants in order to create and maintain Oggi's™ goodwill and widespread consumer acceptance; therefore, said Confidential Operating Manual and all amendments thereto, as made from time to time, are incorporated into and made a part of this Agreement, as if fully set forth herein.

3.07. Advisory Services: Franchisor agrees to render advisory services regarding the operation of the Oggi's Pizza Express® Restaurant on at least a semi-annual basis. Such services include, but are not limited to, advice with respect to the following: preparation of food products in accordance with the Confidential Operating Manual, management of food supplies, styles and type of service, operation of the restaurant, and the training of Franchisee and Franchisee's managers in the operation of the Oggi's Pizza Express® Restaurant, consultation on promotion, analysis of Franchisee's service, sales, marketing, and financial data. All training is to be given at the Oggi's™ Restaurant, which at that time is being used for such purpose by Franchisor.

3.08. Training: Franchisor will conduct a two-week comprehensive training program in the management and operation of an Oggi's Pizza Express® Restaurant. The Franchisee and Franchisee's designated manager(s) must attend and successfully complete the training program to the satisfaction of Franchisor prior to the opening of the Oggi's Pizza Express® Restaurant. There is no additional charge for the initial training program as it is included in the Initial Franchise Fee. However, Franchisee is responsible for all travel, food, lodging, and other expenses incurred by Franchisee or Franchisee's manager in connection with attendance at the training program. If Franchisee or Franchisee's designated manager(s) fails to complete the training program to the satisfaction of Franchisor, then Franchisor shall have the right to terminate this Agreement and all rights granted to Franchisee hereunder. All replacement managers must complete training to Franchisor's satisfaction, and must begin training within 4 weeks of the time of hire. In the event you are given a notice of default relating in whole or in part to a failure to meet any operational standards, Franchisor has the right to require as a condition to cure the default that Franchisee and Franchisee's designated manager(s) comply with any additional training requirements Franchisor prescribes. Additionally, Franchisee's assistant manager(s) and other key personnel may be required to attend training at Franchisee's expense.

3.09. Field Consultation: Franchisor agrees to provide consultation and advice by Franchisor's field representatives. Such consultation may be made either through personal visits from such field representatives or by telephone, mail, email, or otherwise, as may from time to time be reasonably required.

3.10. Inspection: In order to preserve the validity and integrity of the marks, and to assure that Franchisee is properly employing the Oggi's™ System in the operation of the Oggi's Pizza Express® Restaurant, Franchisor or its agents shall at all reasonable times have the right of entry and inspection of Franchisee's premises, and shall have the right to observe the manner in which Franchisee is rendering its services and to confer with Franchisee's employees and customers.

3.11. Proprietary Products: Franchisor shall arrange to provide Franchisee with Oggi's™ spice and dough recipe mixes, which are secret and proprietary food products of Franchisor. You must use only our pizza dough and sauce mixes in the pizza items sold at your Oggi's™ Restaurant. You must purchase these mixes from our approved supplier. You must purchase all beers, proprietary cheeses, dough, tomato sauces, pizza sauces, Philly meats, flours, logo/non logo smallwares, plateware, soft drinks, etc. from our approved suppliers. Approved suppliers may require you to sign contracts with personal guarantees. This is not an exhaustive list. The sale of proprietary food products may include a markup or profit to Franchisor.

You must include for sale our private label beer, seasonal beers, private label spirits and cocktails, approved menu and seasonal menus when applicable. We designate required types of ovens and cooking equipment, computer and electronic cash register hardware and software, apparel for uniforms, and pizza delivery vehicles. You may purchase items we approve from our approved sources or from any other available sources. You must obtain our permission to purchase substitute items.

The specifications we utilize for our required items of equipment and food and drink inventory vary over time, based on our experience and assessment of competition and trends.

If we find it necessary to approve sources and suppliers for required items, we favor sources that have established the ability to produce an accurate, high quality and consistent product. We also base our approval upon availability, price, service, reputation and reliability.

3.12. Other Products/Items: Franchisor will provide the identities of suggested sources of other products and items such as inventory and supplies which are necessary to operate the Oggi's Pizza Express® Restaurant. Franchisor may make some products and items available for purchase by Franchisee, which may include a markup or profit to Franchisor. Except as provided in section 3.11 above, Franchisee is not required to purchase any products or items from Franchisor.

3.13. Supplies: Franchisee may generally purchase products and items from any reasonable source; provided, however, that Franchisor may limit purchases to approved suppliers. Other suppliers may be approved by Franchisor if their products meet the reasonable quality standards established by Franchisor. Franchisor may furnish to Franchisee from time to time lists of approved supplies or approved suppliers. Franchisee may only use approved products, services, inventory, equipment, fixtures, furnishings, signs, advertising materials, trademarked items, and other items ("approved supplies") in connection with the design, construction and operation of the Oggi's Pizza Express® Restaurant as set forth in the approved supplies and approved suppliers' lists, as Franchisor may amend from time to time.

3.14. Advertising and Public Relations: Franchisor agrees to assist Franchisee in promoting the Oggi's Pizza Express® Restaurant through advertising and brand building. Franchisor agrees that it will purchase and place from time to time advertising promoting the Oggi's Pizza Express® Restaurant and the products and services sold by the Franchise. The intent and purpose behind the regional advertising is to brand the Oggi's™ System. Subject to the provisions hereinafter set forth, all decisions from time to time regarding whether to utilize national, regional, or local advertising, or some combination thereof, and regarding selection of the particular medium and advertising content, shall be within the sole discretion of Franchisor and such agencies or others as it may appoint.

3.14.1 Franchisor agrees that it will expend for media costs, commissions and fees, production costs, and other costs of such advertising, with respect to the Oggi's Pizza Express® Restaurant all advertising fees actually received by Franchisor from all such franchisees. Such amounts shall be expended either during the calendar year within which such advertising fees are received by Franchisor or during the immediately succeeding calendar year. Franchisor shall expend said amount for advertising for the following purposes:

(a) To purchase regional or national advertising in broadcast, radio and print media for the benefit of all or most of the franchisees;

(b) To prepare and distribute camera-ready advertising copy for use in local advertising, script or text for broadcast advertising, signs, posters, brochures, banners, and other point-of-sale advertising and promotional materials;

(c) To acquire the services of advertising and public relations professionals;

(d) To carry on such other advertising and promotional activities as Franchisor may reasonably deem advisable to increase demand for products sold through Oggi's™ Restaurants; and

(e) To pay the reasonable expenses of administering the Promotional Fund, including the reasonable compensation of Franchisor's employees while working on behalf of the Promotional Fund. Franchisor has attempted to maintain said administration expenses at fifteen percent (15%) of advertising fees received by Franchisor. The foregoing representation shall not be construed as a promise or guarantee by Franchisor of future administrative expenses.

3.14.2 On occasion we may be required to loan funds to the Promotional Fund in order to take advantage of an advertising opportunity that cannot be covered by the Promotional Fund in full. Any funds we loan to the Promotional Fund are fully reimbursable to us when and if funds become available.

3.14.3 Nothing herein shall be deemed to prohibit Franchisee from engaging in any advertising or promotion of your Oggi's Pizza Express® Restaurant, in addition to the advertising paid for by Franchisor, provided such advertising or promotion shall be at the sole cost of Franchisee, without deduction or credit against royalties or other amounts owed by Franchisee to Franchisor, and shall be subject to the provisions of section 4.14, below.

3.14.4 The Franchisor reserves the right, in its business judgment and without limitation, to do any of the following with the Promotion Fund: (a) compensate for any legal expense related to the activities and purposes of the Promotional Fund, (b) charge the Promotional Fund for attorneys' fees and other costs related in any way to claims against the Franchisor regarding the Promotional Fund, (c) to settle, mediate, arbitrate, and/or litigate any claims against or for Franchisor regarding the Promotional Fund, (d) take legal action or other action against a party defaulting on their obligations to the Promotional Fund; and (e) defend any legal action against the Franchisor regarding the Promotional Fund.

3.15. Store Opening: During the first week of operation of the Oggi's Pizza Express® Restaurant, Franchisor will furnish to Franchisee, at no cost to Franchisee, one of Franchisor's representatives for the purpose of facilitating the successful opening of the Oggi's Pizza Express® Restaurant. The representative will advise and assist Franchisee in establishing and standardizing procedures and techniques essential to the operation of an Oggi's Pizza Express® Restaurant.

3.16. New Products: Franchisor will test and approve new products and menu items from time to time during the term of this Agreement. All new products and menu items that satisfy the standards of quality and other criteria established by Franchisor shall thereafter be offered and sold by Franchisee in the operation of the Oggi's Pizza Express® Restaurant. Franchisor may periodically change the menu items and products meeting its criteria.

ARTICLE 4.
OBLIGATIONS OF FRANCHISEE

4.01. Oggi's Pizza Express® Restaurant Premises: Franchisee agrees that the premises from which Franchisee will conduct the Oggi's Pizza Express® Restaurant will be constructed or improved by Franchisee at Franchisee's expense at the location designated in section 1.04 hereof in strict accordance with the plans and specifications made available to Franchisee pursuant to section 3.04 and 3.05 hereof and that said premises shall be decorated, furnished, equipped, and maintained in strict accordance with said plans and specifications and any applicable provisions of the Confidential Operating Manual made available to Franchisee pursuant to section 3.06 hereof. Franchisee also agrees that Franchisee has significant local knowledge of the geographic territory surrounding the premises.

4.02. Operation of Premises: Franchisee agrees to commence operation of the Oggi's Pizza Express® Restaurant using the franchised business trademarks, trade name, and other indicia, immediately after the premises in which the Oggi's Pizza Express® Restaurant is located are ready for occupancy, and Franchisor has notified Franchisee in writing that all pre-opening obligations have been satisfied and the opening date has been approved. Franchisee shall continue to operate the same on days and during the business hours specified herein (except when the premises are untenantable as a result of fire or casualty or similar circumstances beyond Franchisee's control). In any event, Franchisee shall commence business operations within nine (9) months after execution of a lease for the Authorized Location. Unless the Franchisee has signed a Multi-Unit Development Agreement or an Area Development Agreement, the Franchisor expects that the Franchisee, its partners, managers, officers, or directors, if the Franchisee is a limited liability company, partnership or corporation, shall personally operate the Franchise business.

Franchisee further agrees to operate the said premises in a quiet, dignified, and respectable manner, in strict accordance with the business standards and practices set forth in the Confidential Operating Manual as it presently exists or as it may be amended from time to time in the future. Franchisee also agrees to maintain sufficient supplies and employ sufficient help at such premises to operate the same at maximum capacity and with maximum efficiency so as to maximize the revenues and profits therefrom.

4.02.1 Assignment of Lease to Franchisor: In the event the lease for the Authorized Location has previously been executed by Franchisee, upon Franchisee entering into this Agreement for the Authorized Location, you must make arrangement to have the Lease Assignment Agreement executed by the landlord, or in Franchisor's and the landlord's discretion a new lease shall be executed by Franchisee.

4.03. Use of Name: Franchisee shall conduct the Oggi's Pizza Express® Restaurant only under the Proprietary Marks, Indicia, trademarks, service marks, or trade names ("Marks"), as approved, altered, amended, and modified, from time to time, in strict compliance with the Confidential Operating Manual.

4.03.1 Proprietary Rights: Franchisee acknowledges the exclusive right, title and interest of Franchisor in and to the Marks, and will not, at any time, do or cause to be done any act or thing contesting or in any way impairing or tending to impair the right, title and interest of Franchisor. Franchisee shall not, in any manner, represent that Franchisee has any ownership rights in the Marks, and acknowledges that its use thereof shall not create in its favor any right, title, or interest in or to the marks, but that all uses shall inure to the benefit of Franchisor. Franchisee shall affix trademark notices and indication of registration when necessary or proper in accordance with applicable laws, and shall add notices of any new trademarks or service marks owned by Franchisor as they issue from time to time during the term of this Agreement.

4.03.2 Display of Name: At all times during the term of this Agreement, Franchisee will use the Marks in all advertising, promotion, and communications involving the Oggi's Pizza Express® Restaurant, including but not limited to, yellow page listings, signs, delivery vehicles, banners, business cards, stationery, promotional and advertising materials, forms, contracts, and all other materials which identify the Oggi's Pizza Express® Restaurant. All advertising shall clearly state the specific Authorized Location for which any promotions, events, coupons or discounts shall apply and needs to be approved by Franchisor.

4.03.3 Name Infringement: Franchisee shall promptly notify Franchisor of any claim, demand or suit based upon, or arising in connection with, any attempt by an individual, trust, partnership, association, company or corporation to use the Marks or any colorable variation thereof. Franchisor, at its sole discretion, may elect to defend or prosecute, or to participate in the defense or prosecution of, any action relating to the Marks. In the event that Franchisor undertakes the defense or prosecution of any litigation relating to the Marks, Franchisee shall execute any and all documents and do all acts which may be necessary or of aid, at the determination of Franchisor's legal counsel, to carry out such litigation.

4.04. Business Hours: Franchisee agrees to operate the Oggi's Pizza Express® Restaurant continuously during prevailing business hours in the area of the Authorized Location. The expectation is that the Oggi's Pizza Express® Restaurant will operate seven (7) days per week throughout the year and at least during the hours from 11:00 A.M. to 10:00 P.M. or such other hours as may from time to time be specified by Franchisor. On Fridays and Saturday evenings, the expectation is that the Oggi's Pizza Express® Restaurant will operate until 10:00 p.m. The Oggi's Pizza Express® Restaurant may be closed on the holidays of Christmas (December 25th) and Thanksgiving Day.

4.05. Operating Standards: Franchisee agrees to maintain a high and uniform standard of cleanliness and sanitation in the operation of said premises and to conduct the Oggi's Pizza Express® Restaurant in accordance with the standards, procedures, and methods established and prescribed by Franchisor from time to time and to comply with all laws, ordinances, and regulations relating to the operation of the Oggi's Pizza Express® Restaurant, in order to insure the highest quality of food products and services to the consuming public. Franchisee and all supervisors and managers shall be Serve Safe certified. Franchisee further agrees to participate in the Franchisor's secret shopper program, which shall be conducted from time-to-time. In the event Franchisee fails three secret shopper evaluations in a 12-month period, Franchisee shall be responsible for the costs and expenses for mandatory training by and through a professional trainer approved by the Franchisor. Although it is not possible to guarantee what training will cost, we estimate that the training costs and expenses will range from $250 to $1,000.

4.06. Inspection of Premises and Products: Franchisee agrees to permit Franchisor to inspect Franchisee's entire premises at any time during regular business hours, without notice, and to obtain and test specimen food items and ingredients and to observe all aspects of the conduct of the Oggi's Pizza Express® Restaurant by Franchisee. Franchisee further agrees to take immediate remedial action to correct any deficiencies and to maintain the standards of quality referred to herein and in the Confidential Operating Manual. If Franchisor determines that any condition of the Oggi's Pizza Express® Restaurant presents a threat to customers or public health or safety, Franchisor may take whatever measures it deems necessary, including requiring Franchisee to close the franchised location until the situation is remedied to Franchisor's satisfaction.

4.07. Products, Services and Supplies: Franchisee acknowledges that uniform and high standards of quality, service, and appearance among all Oggi's™ Restaurants and Oggi's Pizza Express® Restaurants are necessary in order to create and maintain the goodwill and widespread consumer acceptance of Oggi's™. Therefore, Franchisee agrees that it shall always prepare, sell, and dispense all food products and beverages in compliance with the specifications as to contents and weight or size set forth in the Confidential Operating Manual. Franchisee further agrees to use only those cups, containers, napkins, uniforms, paper goods, and other packaging, supplies, or items bearing the Oggi's™ trade name or marks which conform to the Confidential Operating Manual.

4.08. Adherence to Manual and Standards: Franchisee agrees that adherence to the Confidential Operating Manual and to Franchisor's standardized design and specifications for decor of the Oggi's Pizza Express® Restaurant premises and uniformity of equipment, layout, signs, menus, and other incidents of the Oggi's Pizza Express® Restaurant are essential to the image and goodwill thereof. In recognition of the mutual benefits accruing from the maintenance of uniformity of appearance, service, products, and marketing procedures, it is mutually agreed as follows:

(a) Except as specifically authorized by Franchisor, Franchisee shall not alter the appearance of the premises or the improvements thereto. Franchisee will promptly make all repairs and alterations to the premises and improvements thereto as may be determined by Franchisor to be reasonably necessary.

(b) Franchisee agrees to display Franchisor's trade names and trademarks at the premises in the manner authorized by Franchisor. Franchisee further agrees to maintain and display signs of the color, size, and design and in the locations specified by Franchisor. Franchisee shall not place additional signs or posters on the premises without the written consent of Franchisor. Franchisee shall display all franchise marketing materials, brochures and promotional pieces at Franchisee's location as provided and required by Franchisor.

(c) Franchisee agrees to maintain all specified equipment, furnishings, signs, and other personal property in excellent working condition. As items of equipment become obsolete or in need of replacement, Franchisee will replace such items at their own expense with the same or substantially similar types and kinds of equipment as are being installed in Oggi's Pizza Express® Restaurant at the time replacement becomes necessary. All equipment used in Franchisee's restaurant shall meet Franchisor's specifications.

(d) Pay telephones, newspaper racks, jukeboxes, gum machines, games, rides, or coin vending machines will not be installed on the premises without the prior written approval of Franchisor; however, Franchisor shall not object to the installation of appropriate games, rides and pay telephones, in a reasonable number, in locations which meet Franchisor's specifications therefore.

(e) Franchisee agrees to serve the menu items specified by Franchisor for Oggi's Pizza Express® Restaurants and to sell no other food or drink item or any other merchandise of any kind without the prior written approval of Franchisor.

(f) Franchisee agrees that cups, containers, napkins, paper goods, packaging, and other items imprinted with Franchisor's trade name, trademark, or other indicia shall be purchased by Franchisee through a supplier or manufacturer approved in writing by Franchisor and Franchisor agrees to assist Franchisee in establishing approved sources for such items. Franchisor further agrees to assist Franchisee in establishing approved sources of supply of food items or ingredients.

4.09. Refurbishments: Franchisee agrees to effect such refurbishment, capital improvement and/or modifications of the Oggi's Pizza Express® Restaurant premises necessary to modernize, redecorate and upgrade your Authorized Location, including an upgrade of your audio/visual equipment to reflect the current Oggi's Pizza Express® Restaurants once every seven (7) years and as Franchisor may from time to time require to maintain or improve the appearance and efficient operation of the Oggi's Pizza Express® Restaurant and/or increase its sales potential. Refurbishments must be completed to Franchisor's satisfaction within a reasonable time, not to exceed 1 year from the date of notification that a refurbishment is required. Franchisee agrees that these refurbishments are reasonable and necessary to ensure continued customer patronage and to avoid deterioration and obsolescence with operating the franchise. If Franchisee fails to make the refurbishments described herein, Franchisor may in addition to any other rights under this Agreement, effect such refurbishments at the cost of Franchisee.

4.10. Nondisclosure of Information: Neither Franchisee nor any of its partners, officers, directors, agents, or employees shall, except as required in the performance of the duties contemplated by this Agreement of Franchisee or any such persons (unless the express prior written consent of Franchisor is obtained to do so), disclose or use at any time, whether during the term of this Agreement or thereafter, any information disclosed to or known by Franchisee or any such person as a result of or through this Agreement. Such information includes, but shall not be limited to, information conceived, originated, discovered, or developed by Franchisee or by any employee of Franchisee which is not generally known in the trade or industry, about Franchisor's products, services, or licenses, including information relating to discoveries, ideas, manufacturing, purchasing, accounting, engineering, marketing, merchandising, or selling.

4.11. Right to Discoveries and Ideas: Franchisee shall promptly disclose to Franchisor all discoveries and ideas, whether patentable or not, relating to Franchisor's business, which are conceived or made by Franchisee or any partner, officer, director, agent, or employee of Franchisee, solely or jointly with others, during the term of this Agreement, whether or not Franchisor's facilities, materials, or personnel are utilized in the conception or making of such discoveries or ideas. Franchisee hereby acknowledges and agrees that all such discoveries and ideas are the exclusive property of Franchisor, and that Franchisor shall have no obligation to Franchisee with respect thereto.

4.12. Consent and Compliance: Franchisee shall obtain, within a reasonable time after the execution of this Agreement, written consents to the provisions contained in this Article, signed by each of its partners, officers, and directors holding office at that time; and, thereafter, shall obtain such consents from such persons who take office after that time. In addition, Franchisee shall take all necessary action to ensure compliance with the provisions of this Article by such persons as well as by all other employees or agents of Franchisee.

4.13. Promotion of Business: Franchisee shall diligently and fully exploit his rights under this Agreement in every manner by devoting his best efforts and adequate time to the operation of the establishment enfranchised herein, keeping free from conflicting enterprises or any other activities which would be detrimental to or interfere either with the operation enfranchised or with any similar establishment conducted by another franchisee of Franchisor.

4.14. Advertising by Franchisee: We believe that local advertising is extremely important. We recommend, but do not require, that you conduct, at your own expense, local advertising and promotional campaigns and activities in an amount ranging from two percent (2%) to four percent (4%) of your monthly net sales. Franchisee will not use, display, publish, broadcast, or in any manner disseminate any advertising or promotional material unless the same has first been approved in writing by Franchisor. Approval shall be obtained by Franchisee submitting a copy of the proposed advertising to Franchisor for review and approval. If Franchisor does not give Franchisee written notice of disapproval within fifteen (15) business days after receipt of the proposed ad copy, then the ad copy shall be deemed to be approved. In the event that Franchisor from time to time furnishes to Franchisee any advertising, promotional, or informational materials to be used, displayed, or distributed in or about Franchisee's Oggi's Pizza Express® Restaurants, Franchisee agrees to follow the instructions of Franchisor in connection therewith.

4.15. Compliance with Laws: Franchisee shall comply with all federal, state, county, and municipal laws, ordinances, and regulations affecting, either directly or indirectly, the operation of the Oggi's Pizza Express® Restaurant. Franchisee shall pay promptly, as due, all state, city, and county licensing and permit fees and charges in connection with the operation of the Oggi's Pizza Express® Restaurant.

4.16. Manager: Franchisee shall designate an on-site manager who shall have direct authority and responsibility for all business operations of the Oggi's Pizza Express® Restaurant. The manager must satisfactorily complete the training program conducted by Franchisor prior to the opening of the Oggi's Pizza Express® Restaurant. Upon the death, disability, or termination of employment of the manager, Franchisee shall designate a successor manager within sixty (60) days. The successor manager must promptly complete the training program or otherwise satisfy Franchisor's requirements regarding management experience.

4.17. Confidential Operating Manual: In order to protect the reputation and goodwill associated with the Marks, and to maintain the uniform standards of quality and operations thereunder, Franchisee shall conduct its Oggi's Pizza Express® Restaurant in strict accordance with the Oggi's Pizza Express® Confidential Operating Manual, as amended from time to time by the Franchisor. Franchisee shall insert any updated pages in the Confidential Operating Manual upon receipt from Franchisor, and shall remove all superseded pages and return them to Franchisor within five (5) business days. Franchisee agrees that upon termination of this Agreement, Franchisee will immediately return the Confidential Operating Manual, and all amendments thereto, to Franchisor.

4.17.1 The Confidential Operating Manual contains the operating procedures and standards for the Oggi's Pizza Express® Restaurant and is the product of Franchisor's experience, knowledge and expertise in creating and conducting the franchise business. The contents of said Confidential Operating Manual are strictly confidential and any unauthorized copying, reproducing, transmitting or other use contrary to its intended purpose as explained in paragraph 3.06 and 4.18 is strictly forbidden. The Confidential Operating Manual and the contents thereof, whether in hard copy or electronic form, are the sole property of Franchisor and its use by the Franchisee is granted by this Agreement. Maintaining the confidentiality of the Confidential Operating Manual is imperative to the Franchisor. If the Confidential Operating Manual, or any part thereof, is misplaced, lost, or stolen, Franchisee shall be subject to a fine of five hundred dollars ($500), payable to Franchisor within five (5) days of loss. This fine shall be in addition to any other obligation to pay Franchisor pursuant to this Agreement.

4.18. Minimum Inventory: Franchisee shall at all times during the term of this Agreement maintain minimum inventory levels as specified in the Confidential Operating Manual in order to satisfy customer demand for the food products which are offered and sold by Oggi's Pizza Express® Restaurants.

4.19. Proprietary Products: Franchisee acknowledges and agrees that certain food, drink and other products sold and to be sold in the future at Oggi's Pizza Express® Restaurants are and may be comprised of secret recipes or are otherwise proprietary products of Franchisor or its affiliates. In order to maintain and protect the rights of Franchisor in and to its proprietary products, Franchisee shall purchase Oggi's™ spice and dough mixes, private label beer products, private label spirits and cocktails, and other proprietary products that may be developed in the future only from Franchisor or its designated suppliers. In order to maintain the high standards of quality and uniformity associated with the proprietary products served at Oggi's™ Restaurants, Franchisee shall not use any substitute product in the future, in the operation of the Oggi's Pizza Express® Restaurant.

4.20. New Food Products: If Franchisee conceives of or develops a new food product that it desires to offer and sell at its Oggi's Pizza Express® Restaurant, Franchisee shall first deliver to Franchisor all recipes, preparation and baking instructions for review and testing. If the new product satisfies the then existing approval criteria of Franchisor, the product will be approved by Franchisor and may thereafter be offered and sold by Franchisee and by all other Oggi's™ franchisees as an approved menu item.

4.21. Participation in Certain Programs and Promotions. Franchisee shall participate in all required advertising and promotions and seasonal programs Franchisor establishes. If the promotional program involves alcohol, or any Menu Items listed on the then-current printed menu (including any limited time offers), Franchisor may suggest, but will not require, Franchisee offer the items at a price lower than the everyday menu.

4.22. Quality Control and Uniformity: Franchisee recognizes that it is essential to the proper marketing of Oggi's™ products and to the preservation and promotion of its reputation and acceptance by the public at large, that certain uniform operating procedures, standards of quality and appearance of premises and merchandise be established by Franchisee and maintained. Accordingly, Franchisee agrees that:

(a) The build out, fixturing, equipping, furnishing, signage and decor of Franchisee's Oggi's Pizza Express® Restaurant shall at all times meet Franchisor's high standards of appearance.

(b) Franchisee shall serve all menu items (including beer and wine subjecting the Franchisee to certain licensing requirements) which Franchisor deems appropriate to take full advantage of the potential market and to achieve standardization in the Oggi's™ System as it relates to Oggi's Pizza Express® Restaurants;

(c) Franchisee shall not serve any items which are not set forth in the Confidential Operating Manual unless approved in writing by Franchisor, similarly, Franchisee shall not deviate from the Franchise recipes and production requirements of any menu item, as identified in the Confidential Operating Manual;

(d) Franchisee shall adhere to all specifications contained in the Confidential Operating Manual or as otherwise prescribed by Franchisor as to ingredients, methods of preparation and service, and standards of cleanliness, health and sanitation;

(e) Franchisee is required to use all proprietary ingredients and specified name brands, including but not limited to dough balls, spice mixes, sauces and cheeses;

(f) All food, drink and other items will be served and sold in Franchisor approved containers or packaging;

(g) Franchisee shall use only Franchisor approved menu covers, menu formats and design;

(h) Franchisee shall maintain a good payment history with all vendors.

(j) Franchisee is required to sell all Oggi's private label beer, seasonal beers, private label spirits and cocktails, approved menu and seasonal menus when applicable.

4.22.1 Franchisee shall have ten (10) calendar days from receipt of written notice from Franchisor to cure any default of the provisions contained in section 4.23(a)-(i) or the Confidential Operating Manual. Failure to cure any violation within the 10-day cure period will result in a penalty of ten percent (10%) of the prior month's aggregate royalty payments. Each week or partial week in which a violation(s) continues after the 10-day period shall subject Franchisee to an additional penalty of ten percent (10%) of the prior month's aggregate royalty payments.

4.23. Pricing: Franchisee has the right and authority to set its own prices, pricing policies, discounting policies and customer relations policies. Franchisor may from time to time communicate with Franchisee about prices and may issue suggested price schedules periodically. Franchisee understands, however, that Franchisee is under no obligation to accept the suggestions of Franchisor. Franchisee has the right to deviate from the suggested price schedules and no imposition of any sanctions may be made by Franchisor overtly or covertly, because of Franchisee's pricing policies. Notwithstanding, Franchisee must report and submit for review, at least fifteen (15) days prior to implementation, all price changes or new item pricing. Failure to so report will result in a penalty of ten percent (10%) of the royalty payment for each week in which the violation occurs or continues.

4.24. Accounting Records/Reports: Franchisee shall maintain full and complete records of the Oggi's Pizza Express® Restaurant in accordance with the standards provided by Franchisor. Franchisee shall submit to Franchisor such information and accounting data as Franchisor may request, including without limitation, sales reports, and income statements showing operations for each calendar month and calendar year to date. Said information and accounting data may be required by manual report as well as by computer. Franchisor shall have the right at any time to inspect and audit Franchisee's books, records, and cash control devices or systems. If any audit shows that the Franchisee has underpaid any royalties, continuing fees, or Advertising Fund contributions due to Franchisor, Franchisee shall immediately make payment to Franchisor to correct the underpayment. If the underpayment exceeds two percent (2%) of the total royalties, continuing fees, or Advertising Fund contributions due in any twelve-month period which includes the date when the underpayment occurred, Franchisee shall also pay or reimburse Franchisor for the costs of conducting the audit.

4.24.1 Franchisee must submit a Profit & Loss Statement for its business operations by the twenty-fifth (25th) of the month for the preceding month, based upon Generally Accepted Accounting Principals. Failure to provide this report will result in a penalty of ten percent (10%) of the royalty payment for the period of the report.

4.25. Computer Capability: Franchisee shall purchase or lease computer and/or communications equipment and software that meet specifications of Franchisor to facilitate the creation of standardized financial records and their transmittal to Franchisor via modem. Franchisee shall update its computer capability by adding/replacing equipment and software as reasonably required by Franchisor to at all times maintain a uniform and state of the art financial accounting and reporting system between Franchisor and Franchisee, as well as providing Franchisee inventory and other internal financial controls and capabilities deemed necessary or appropriate by Franchisor to the successful operation of Franchisee's business and the businesses of other Oggi's™ Restaurant franchises under Franchisor's authority. Franchisee shall operate their franchise, at all times, in PCI compliance.

4.26. Confidentiality: Franchisee shall at all times treat as confidential and shall not at any time disclose, copy, duplicate, record or otherwise reproduce, in whole or in part, or otherwise make available to any unauthorized person or source, the contents of the Confidential Operating Manual. The Confidential Operating Manual shall at all times remain the sole property of Franchisor and shall promptly be returned upon the expiration, non-renewal, or other termination of this Franchise Agreement. Franchisee shall not, during the term of this Agreement or after its termination, communicate or divulge (or allow others to communicate or divulge) to any other person, partnership or corporation, any information or knowledge concerning the methods of operation, promotion, sale or distribution used in the Oggi's™ Restaurants nor shall Franchisee communicate or divulge (or allow others to communicate or divulge) in whole or in part any proprietary information or trade secrets of Franchisor or its affiliated companies.

4.26.1 The parties acknowledge that upon violation of any of the covenants contained in this section, it will be difficult to determine the resulting damages to Franchisor and, in addition to any other remedies it may have, Franchisor shall be entitled to make application in a court of competent jurisdiction for temporary and permanent injunctive relief without the necessity of proving actual damages.

4.27. Competition: During the term of this Agreement, Franchisee shall not, either directly or indirectly, for itself or on behalf of or in conjunction with any other person, partnership or corporation, own, maintain, engage in, participate or have any interest in the operation of any competing business except other authorized Oggi's™ franchises.

4.27.1 For a period of five (5) years after the termination of this franchise, regardless of the cause of termination, Franchisee shall not, either directly or indirectly, for itself, or on behalf of or in conjunction with any other person, partnership or corporation, own, maintain, engage in, or participate in the operation of any pizza, beer or sports restaurant business within five (5) miles of any franchisee or other authorized Oggi's™ Restaurant.

4.27.2 Each of the covenants of Franchisee contained in this section is a separate and independent covenant covering the subject matter of the covenant in each of the separate counties and states in the United States in which Franchisor transacts business. To the extent that any covenant shall be determined to be judicially unenforceable in any one or more county or state, that covenant shall not be affected with respect to any other county or state, each covenant being severable and independent.

4.27.3 The parties acknowledge that upon violation of any of the covenants contained in this section, it will be difficult to determine the resulting damages to Franchisor and, in addition to any other remedies it may have, Franchisor shall be entitled to make application in a court of competent jurisdiction for temporary and permanent injunctive relief without the necessity of proving actual damages.

4.28. Signs: Franchisee shall maintain and display signs reflecting the current image of an Oggi's Pizza Express® Restaurant and shall not place additional signs or posters on the premises without the prior written consent of Franchisor.

4.29. Taxes: Franchisee shall promptly pay when due all taxes and assessments against the premises or the equipment used in the Oggi's Pizza Express® Restaurant, and all liens or encumbrances of every kind or character created or placed upon or against any of its property, and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of the Oggi's Pizza Express® Restaurant.

4.30. Payroll: Franchisee shall utilize at all times an independent recognized payroll service for the withholding, payment and reporting of employee salaries.

4.31. Utilities: Franchisee shall maintain and pay its own costs of doing business, including rent, telephone, utilities, insurance and all other fixed and variable expenses.

4.32. Franchisee Council:

4.32.1 Formation: Franchisee Councils may be established in the future by Franchisor in designated market areas ("DMA") on a local, regional, or national basis in order to better promote and further the business and interest of all Oggi's™ franchisees within the DMA. Every Oggi's™ franchisee within the DMA must become and remain a member of the Franchisee Council during the term of its franchise agreement.

4.32.2 Contributions: Each Franchisee shall make contributions to the Franchisee Council in the amounts and at the times determined by the members of the Franchisee Council.

4.33. Franchise Sales Promotion: At the request of Franchisor, Franchisee shall maintain at the Authorized Location a display containing information furnished by Franchisor regarding the availability of Oggi's™ franchises.

4.33.1 Gift Cards: The Franchisee is required to offer for sale and redemption Oggi's™ Gift Cards. The Franchisee is responsible for promoting, processing and collection of Gift Card transactions in accordance with the Oggi's™ Gift Card User's Guide and the Gift Card Agreement. The Franchisee is required to participate in the automated Oggi's™ Gift Card program which will clear gift card transactions through a central network to collect and distribute Oggi's™ Gift Card program proceeds.

4.33.2 Franchise Coupons: The Franchisee is required to accept, as a promotion expense, any and all regional and franchise wide coupons or promotions circulated by the Franchisor or Regional Franchisor, as the case may be.

4.33.3 Loyalty Rewards Program. The Franchisee is required to participate in the Oggi's Loyalty Rewards Program where customers earn points that can be used for discounted food and beverage items at any Oggi's franchise. The Franchisee is required to accept customer points when presented as further provided under the Oggi's Loyalty Rewards Program.

4.34. Attendance at Meetings: Franchisee must attend, at its expense, seventy-five percent (75%) of the franchise conventions or meetings, in addition to meetings relating to new products or product preparation procedures, new operational procedures or programs, training, restaurant management, sales or sales promotion, or similar topics. If Franchisee is not able to attend a convention or meeting, Franchisee must notify Franchisor prior to the meeting and must have a substitute person acceptable to Franchisor attend the meeting.

4.35. Additional Representations of Franchisee: Franchisee makes the following additional warranties and representations:

(a) Franchisee is a (check one) ☐ Partnership ☐ Corporation ☐ Limited Liability Company or ☐ Sole Proprietorship.

(b) If Franchisee is a corporation or partnership, there is set forth below the name and address of each shareholder or partner in Franchisee:

NAME	ADDRESS	NO. OF SHARES	PERCENTAGE

(c) The address where Franchisee's records are maintained is:

____

____

(d) The name and address of Franchisee's designated agent to receive notice is:

____

____

Franchisee shall not substitute a new designated agent without prior written notice to Franchisor.

(e) The name and address of Franchisee's manager is:

____

____

(f) The name and address of Franchisee’s Affiliates are:

____

____

(h) The name and address of the shareholder(s), member(s) or partner(s) who has at least 5 years of business management experience in the last ten years: __________________________.

ARTICLE 5.
USE OF SYSTEM

5.01. Use or Duplication of System: Franchisee acknowledges that Franchisor is engaged in nationwide franchising of the System and that Franchisor's franchises are valuable because its franchisees obtain the benefit of a System which provides expert and experienced organization, meticulous instruction in every detail of building, planning, equipping, purchasing, accounting, marketing, promotion, advertising, and operation of an Oggi’s™ Restaurant, for the retail sale of pizza, pasta, burgers, Italian-style and American-bistro food and other products, including micro brewed beer and other alcoholic beverages in full-service and fast-casual style restaurants, including the goodwill of an established name and reputation. Franchisee further acknowledges that any appropriation or duplication of said System or any part thereof for any use or purpose other than for the operation of such establishment at the location specified herein will seriously impair the value of Franchisor's national franchising business, as well as the value of the franchises granted by Franchisor to all of its franchisees throughout the United States. Accordingly, Franchisee agrees that except, as to any of Franchisor's establishments operating under bona fide franchises granted by Franchisor or any direct or beneficial ownership in a company listed on any national exchange, during the term of this Agreement, Franchisee shall not, without the written consent of Franchisor first had and obtained, directly or indirectly engage in or acquire any financial or beneficial interest in any business, or otherwise directly or indirectly use or duplicate said System, or any portion thereof, at any location other than that herein specified in which food or beverages are dispensed by any establishment which is the same as or similar to the Oggi’s Pizza Express® Restaurant other than pursuant to this Agreement.

5.02. Trade Secrets: Franchisee acknowledges that Franchisor is the owner of all proprietary rights in and to the said System and each and every part thereof and the material and information now and hereafter provided and/or revealed to Franchisee under this Agreement relating to the System. Franchisee further acknowledges that the System, in its entirety, constitutes trade secrets of Franchisor, that they are revealed to Franchisee in confidence, and that no right is given to or acquired by Franchisee to disclose or reveal any portion thereof, and Franchisee hereby covenants and agrees to keep and respect the confidence hereunder reposed.

5.03. Ownership of Names, Marks, Goodwill: Franchisee acknowledges that Franchisor is the sole owner of all names and marks and goodwill associated with said System now or hereafter attached thereto and used in connection therewith, and that Franchisee, by this Agreement, acquires no right, title, or interest in or to the same whatsoever, other than the right to use the same in the manner prescribed and approved by Franchisor and in accordance with this Agreement.

5.04. Violation as Breach: Franchisee agrees that any violation of the provisions of sections 5.01 through 5.03 hereof shall be deemed to be a substantial breach of this Agreement and shall give Franchisor the right to terminate this Agreement in accordance with the terms and provisions of Article 9 hereof.

ARTICLE 6.
RELATIONSHIP OF PARTIES

6.01. Franchisor's Control: Franchisee shall be responsible to Franchisor only for the requirements and results specified by this Agreement. Franchisee shall not be subject to Franchisor's control with respect to the physical actions or activities of Franchisee or of Franchisee's employees or agents in connection with the operation of the Oggi's Pizza Express® Restaurant or Franchisee's fulfillment of the requirements of this Agreement, except as specifically provided in this Agreement.

6.02. Scope of Authority: Franchisee is, and at all times during the term of this Agreement shall represent and conduct himself as, an independent contractor not as an agent of Franchisor. Franchisee shall not have the authority, express or implied, to bind or obligate Franchisor in any way.

ARTICLE 7.
INSURANCE AND INDEMNITY

7.01. Insurance Coverage: Franchisee hereby agrees to carry workers' compensation insurance, business interruption insurance, comprehensive liability insurance, including products liability insurance, broad form contractual liability, and public liability insurance in amounts not less than $1,000,000 per person and $3,000,000 per incident for bodily injury, and $1,500,000 property damage covering the Oggi's Pizza Express® Restaurant and its premises and products. Not more than $1,000,000 of this minimum liability insurance policy or more than $500,000 of this minimum property and casualty insurance may be covered by an umbrella policy. Franchisee further agrees to name Franchisor as an additional insured in all insurance policies procured pursuant to this Article. Every insurance policy shall contain an endorsement requiring that the policy cannot be canceled or changed in scope or amount without at least thirty (30) days prior written notice to Franchisor - said notice to be provided by the insurer Should any insurance policy be cancelled before or after the expiration date thereof, Franchisee shall provide immediate written notice to the Franchisor. All insurance policies shall be issued by insurance companies of recognized responsibility and shall be satisfactory to Franchisor in form, substance and coverage.

7.02. Indemnity: Franchisee covenants and agrees that in the event that Franchisor shall, without fault on its part, be made or become a party to any suit by reason of this Agreement or by any act or omission by Franchisee hereunder, Franchisee shall pay all costs and expenses, including attorney's fees, incurred by or imposed on Franchisor by or in connection with such litigation. This section includes, but is not limited to damages arising out of the operation of the Oggi's Pizza Express® Restaurant, any transaction entered into between Franchisee and any third party, or Franchisee's improper use of the Marks.

7.03. Proof of Insurance: Franchisee shall deliver to Franchisor a certificate of the issuing insurance company evidencing each policy which is required under this Agreement. If Franchisee fails to obtain any insurance which is required under this Agreement, Franchisor may, but is not obligated to, obtain the required insurance at the sole cost and expense of Franchisee. All costs incurred by Franchisor shall be reimbursed upon demand, together with interest at one and one-half percent (1-1/2%) per month, unless otherwise limited by applicable law, from the date the expense is incurred until the date payment is received by Franchisor.

7.04. Violation as Breach: Franchisee agrees that any violation of the provisions of sections 7.01 through 7.03 hereof shall be deemed to be a material breach of this Agreement and shall give Franchisor the right to terminate this Agreement in accordance with the terms and provisions of Article 9 hereof.

ARTICLE 8.
ASSIGNMENT

8.01 Neither this Agreement nor any interest therein shall be assigned by Franchisee unless the written consent thereto is first had and received from Franchisor. If such consent is given, Franchisee shall continue to be obligated for the performance of Franchisee's obligations hereunder, notwithstanding the grant of such consent.

ARTICLE 9.
DEFAULT AND TERMINATION

9.01. Termination upon Events of Default: Franchisor, at its option and without prejudice to any and all remedies which it may otherwise have, either at law or equity, or under the terms of this Agreement, may forthwith terminate the franchise granted hereunder upon the happening of any of the following events of default:

(a) If Franchisee shall be adjudicated a bankrupt, or become insolvent.

(b) If a receiver of Franchisee's property, or any part thereof, shall be appointed by a court of competent authority.

(c) If Franchisee makes a general assignment for the benefit of his creditors.

(d) If Franchisee defaults in the payment of any indebtedness to Franchisor or to any other person as and when the same becomes due and payable.

(e) If procedures for reorganization or rearrangement of Franchisee's affairs are instituted by, for, or against Franchisee.

(f) If Franchisee's right of possession, as lessee or sublessee of the premises in which Franchisee operates the Oggi’s Pizza Express® Restaurant, shall at any time be terminated for any cause whatsoever; or Franchisee fails to timely cure a default under the lease or sublease.

(g) The Franchisee abandons the franchise by failing to operate the Oggi’s Pizza Express® Restaurant for thirty (30) consecutive calendar days during which the Franchisee is required to operate a business under the terms of the franchise, or any shorter period after which it is not unreasonable under the facts and circumstances for Franchisor to conclude that the Franchisee does not intend to continue to operate the franchise, unless such failure to operate is due to fire, flood, earthquake or other similar causes beyond the Franchisee's control.

(h) Franchisor and Franchisee mutually agree in writing to terminate the franchise.

(i) The Franchisee makes any material misrepresentations or omission to Franchisor regarding the acquisition of the Oggi’s Pizza Express® Restaurant.

(j) The Franchisee repeatedly engages in conduct which reflects materially and unfavorably upon the operation and reputation of the Oggi’s Pizza Express® Restaurant or the Oggi’s™ System.

(k) The Franchisee fails, for a period of thirty (30) calendar days after notification of noncompliance, to comply with any federal, state or local law or regulation applicable to the operation of the Oggi’s Pizza Express® Restaurant.

(l) The Franchisee, after curing any default after notice and opportunity to cure, engages in the same noncompliance whether or not such noncompliance is corrected after notice.

(m) The Franchisee repeatedly fails to comply with one or more requirements of the franchise, whether or not corrected after notice.

(n) The Oggi’s Pizza Express® Restaurant is seized, taken over or foreclosed by a government official in the exercise of his duties, or seized, taken over, or foreclosed by a creditor, lienholder or lessor, provided that a final judgment against the Franchisee remains unsatisfied for thirty (30) calendar days (unless a supersedes or other appeal bond has been filed).

(o) A levy of execution has been made upon the license granted by this Franchise Agreement or upon any property used in the Oggi’s Pizza Express® Restaurant, and it is not discharged within five (5) business days of such levy.

(p) The Franchisee is convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise.

(q) The Franchisee fails to pay any franchise fees or other amounts due to Franchisor or any affiliate within five (5) business days after receiving written notice that such fees are overdue.

(r) The Franchisee operates the Oggi's Pizza Express® Restaurant in such a manner that the health, safety and welfare of the public are threatened.

(s) Franchisee is unable to secure a lease for an authorized location acceptable to Franchisor within nine (9) months after execution of the Franchise Agreement.

(t) Franchisee is unable to select an appropriate site for the operation of the Oggi's Pizza Express® Restaurant within one hundred twenty (120) days after execution of the Franchise Agreement.

(u) Franchisee fails to keep its vendor accounts current, including, but not limited to failure to maintain a good payment history, paying on account late two consecutive months in a row, allowing a balance to carry or accrue beyond the payment or credit terms negotiated with the vendor, or when disciplinary action is taken against the Franchisee by a vendor, such as requiring payment upon delivery of goods.

(v) Franchisee fails to generate a profit for two consecutive years.

(w) Franchisee intentionally understates or underreports Gross Sales, Royalty Fees or Promotional Fees.

(x) Franchisee violates any health, safety or sanitation law or regulation, violates any System standard as to food handling, cleanliness, health and sanitation, or if the operation of the Oggi's Pizza Express® Restaurant presents a health of safety hazard to the Franchisee's customers or to the public (i.e. improper cooking or storage procedures).

9.02. Notice and Cure of Default: Franchisee shall have ten (10) calendar days from receipt of written notice from the Franchisor in which to cure a default enumerated in Section 9.01(a)-(p), (s)-(v) (or within such longer time which Franchisor may determine is reasonably necessary to cure the default under the circumstances). For any default enumerated in Section 9.01(q)-(r), (w)-(x) and any other default of this Agreement or any other agreement with Franchisor pertaining to the operation of the Oggi's Pizza Express® Restaurant, or any lease or sublease of the premises (that do not otherwise provide for a longer cure period), Franchisee shall have five (5) calendar days from receipt of written notice to cure the default. If Franchisee does not fully cure said default or defaults within said time period, Franchisor shall have the absolute right without further notice to fully and finally terminate and declare an end this Agreement.

9.03. Termination by Franchisor: This Franchise Agreement may be canceled at the option of Franchisor upon written notice to Franchisee if Franchisee has been unable to secure a lease for the Authorized Location within nine (9) months after execution of this Franchise Agreement, in accordance with the provisions of section 3.03 above.

9.04. Rights and Duties of Parties upon Expiration or Termination: Upon termination or expiration of the franchise for any reason, all rights of the Franchisee under the Franchise Agreement shall immediately terminate, but Franchisee shall have the following duties which survive termination of the Franchise Agreement:

(a) Franchisee shall promptly pay Franchisor all sums owing under the terms of this Agreement, including all damages, costs, expenses, and reasonable attorneys' fees, incurred by Franchisor by reason of default on the part of Franchisee, whether or not the expenses occur before or after the termination or expiration of the franchise.

(b) Franchisee shall immediately cease to use the Marks in advertising, forms, manuals, slogans, menus, signs or in any other manner whatsoever. Franchisee shall not represent or advertise that Franchisee was formerly an Oggi's™ franchisee, or that Franchisee did business under the Marks. Should Franchisee fail to immediately cease the use of the Marks as stated herein, then Franchisor may seek and obtain a temporary restraining order and/or injunction to guarantee compliance, and Franchisee agrees to pay all of Franchisor's legal fees and costs associated therewith.

(c) Franchisee shall ensure at its own expense that all mention of the Marks in connection with Franchisee is removed at the earliest possible time from all telephone and other directories, directory assistance records, building directories, signboards, membership rosters and every other place and publication.

(d) Franchisee shall take all action to cancel any assumed name or equivalent registration which contains any of the marks, and shall furnish Franchisor with satisfactory evidence of cancellation.

(e) Franchisee shall cease and desist from all use of the Marks, and shall deliver to Franchisor, or its duly authorized representative, all materials and papers upon which the Marks appear. Franchisee will not, at any time, adopt or use any word or mark which is similar to or confusing with the Marks.

(f) Franchisee shall assign to Franchisor all of Franchisee's right, title and interest in and to Franchisee's telephone numbers, and shall execute all documents and instruments and give all instructions necessary to affect the transfer thereof to Franchisor.

(g) At the request of Franchisor, Franchisee shall assign all its interest in equipment or fixture leases and manufacturer and supplier agreements to Franchisor or its designee, and the assignee shall assume all continuing obligations thereunder.

(h) At the request of Franchisor, Franchisee shall assign all its interest in any lease for the Authorized Location to Franchisor or its designee, and the assignee shall assume all continuing obligations thereunder.

(i) Franchisee shall turn over to Franchisor such documents and records as may be reasonably necessary or important to the continuation of business at the Authorized Location, including customer and vendor lists, leases and other contracts and legal documents or lists of outstanding payables and receivables.

(j) Franchisee shall immediately return to Franchisor, at Franchisee's expense, all copies of the Confidential Operating Manual that are in your possession or control or previously disseminated to your employees.

(k) At the request of Franchisor, Franchisee shall transfer all its interest in any liquor licenses for the Authorized Location to Franchisor or its designee, at a fair market price, and the assignee shall assume all continuing obligations thereunder.

9.05. Option to Purchase: Upon the termination of this Agreement, for any reason including lawful termination or nonrenewal of the franchise, Franchisor shall have an option for thirty (30) days following the termination to purchase from Franchisee, at the value of price paid, minus depreciation, all inventory, supplies, equipment, leasehold improvements, fixtures, and furnishings, purchased or paid for under the terms of the Agreement, the lease for the Franchise Location, and the liquor licenses and any other licenses, that are, at the time of the notice of termination or nonrenewal, in the possession of the Franchisee or used by the Franchisee in the franchise business. Franchisor shall have the right to receive clear title to and possession of all items purchased from the Franchisee. Franchisor shall have the right to exclude any items purchased in accordance with this Section that are not approved as meeting the then-current standards for an Oggi's™ Full-Service Restaurant.

9.05.1 Franchisor may deduct and withhold from said purchase price all amounts then due Franchisor from Franchisee, including liens or security interests upon any of the assets so purchased, rentals due under any lease or sublease, or any other indebtedness of Franchisee with respect to the Oggi's Pizza Express® Restaurant and the assets being purchased thereunder. If requested by Franchisor, Franchisee shall forthwith furnish Franchisor with an affidavit and other instruments required by applicable sales tax or other statute. In addition, Franchisee shall assign and convey to Franchisor, at Franchisor's option, all rights, title, and interest of Franchisee in or under any lease or sublease of any real or personal property used by Franchisee in the operation of the Oggi's Pizza Express® Restaurant. In addition to all other remedies provided for herein, Franchisor shall be entitled to specific performance of the option herein granted.

9.05.2 Franchisor shall give written notice of its intent to exercise its option pursuant to section 9.05, mailed to the Franchisee, by U.S. mail, postage prepaid, on or before the thirtieth (30^{th}) day from the effective date of the termination.

9.05.3 Franchisor and Franchisee shall mutually agree upon the fair market price of the Franchisee's business. Should the Franchisor and Franchisee fail to mutually agree upon a price for the Franchisee's business, within thirty (30) days from the Franchisor's notice of intent to exercise option, the Franchisor and Franchisee shall select a mutually agreeable SBA (Small Business Administration) appraiser to appraise the Franchisee's business. If the Franchisor and Franchisee cannot agree upon a mutually satisfactory SBA appraiser, the Franchisor and Franchisee shall each select an SBA appraiser who shall in turn choose a third appraisal to appraise the business.

9.05.4 The appraiser shall appraise the business using standard and customary methods of appraisal and the appraisal shall be acceptable to SBA approved lenders. Should the Franchisor's SBA lender decline to lend on the appraisal, the Franchisor's SBA appraisal shall control for all purposes.

9.05.5 The prevailing appraisal shall determine the purchase price. All adjustments, deductions, and allowances identified in section 9.05.1 and 9.07 shall reduce the purchase price accordingly.

9.05.6 Franchisor shall have 120 days after the completion of the appraisal to close the transaction. Any delays caused by the franchisee shall extend the Franchisor's time to close accordingly.

9.06. Effect of Termination: Upon termination of this Agreement, Franchisee's right to use the System or Franchisor's trademarks, service marks, trade names, or other indicia shall terminate forthwith. Franchisee shall not thereafter, directly or indirectly, identify himself in any manner as an Oggi's™ franchisee, or publicly identify himself as a former Oggi's™ franchisee or use any of Franchisor's trade secrets or materials constituting part of Franchisor's System. In the event that Franchisor shall not exercise the option to require the assignment and conveyance to Franchisor of Franchisee's rights, title, and interest in or under any lease or sublease of the premises, Franchisee agrees upon termination of this Agreement that he shall immediately make such removals or changes in signs and colors of buildings and structures as Franchisor shall reasonably request so as to distinguish the premises from their former appearance and from any other Oggi's™ establishment. If Franchisee fails to make the requested changes as soon as practicable, Franchisor may enter Franchisee's premises and make the changes at Franchisee's expense.

9.07. Termination Fee: Upon termination of this franchise for any reason except due to transfer or assignment, Franchisee shall pay to Franchisor a termination fee in an amount equal to fifty percent (50%) of the then current Initial Franchise Fee to cover the expense of the Franchisor associated with the termination.

9.08. Attorneys' Fees: Regardless of the outcome, if any legal action at law or equity is necessary to enforce or interpret the terms and conditions of this Agreement, each party shall bear his/hers/its own attorneys fees and costs. Similarly, each party shall bear his/hers/its own costs incident to such action, including, but not limited to preparation, investigation, trial and court costs. No court or governing body shall have the right to award attorney's fees or costs to the other party.

9.09. Franchisee's Right to Terminate: Franchisee has no right to terminate this agreement. Any attempt to terminate this agreement before the expiration of the term or renewal term, as applicable. Notwithstanding the foregoing, nothing in this section should be construed as a limitation on sale or transfer of the franchise, so long as such transfer complies with Article 10, Transfer of Franchise.

ARTICLE 10.
TRANSFER OF FRANCHISE

10.01. Transfer Restrictions: Franchisee shall give Franchisor written notice of any intent to sell, assign, transfer, or convey any interest in this Agreement, in the franchise granted hereby, or in any proprietorship, partnership or corporation which owns any interest in the franchise at least thirty (30) business days prior to taking any action with respect to the intended transfer. No Franchisee, partner (if Franchisee is a partnership), or shareholder (if Franchisee is a corporation), shall, without the prior written consent of Franchisor, by operation of law or otherwise, sell, assign, transfer, convey, give away or encumber to any person, firm or corporation, any interest in this Agreement, in the franchise granted hereby, or in any proprietorship, partnership or corporation which owns any interest in the franchise. Any purported assignment not having the prior written consent of Franchisor shall be null and void and shall constitute material default under this Agreement. Franchisor shall not unreasonably withhold its consent to any transfer when requested; provided, however, that the following conditions and requirements shall first be met to the full satisfaction of Franchisor:

(a) No fractional interest in the license granted by this Franchise Agreement may be created or transferred. The rights and duties created by the Franchise Agreement are unitary and may not be divided in any way.

(b) The proposed transferee or its principals must meet all of Franchisor's then current requirements for any potential new franchisee at the time of the proposed transfer including: education, experience, net worth, and character, as applied by Franchisor on a non-discriminatory basis, and must have or obtain before transfer all licenses required by law for operation of the Oggi's Pizza Express® Restaurant.

(c) The proposed transferee, or one of its principals, and its designated manager, if applicable, must have attended and satisfactorily completed Franchisor's initial training.

(d) The proposed transferee (and each partner of shareholder) must have duly executed the then current form of the Franchise Agreement (modified to reflect that the term remains the same as under this Agreement and any other modifications to reflect that the agreement relates to a transfer), the terms of which may differ from this Agreement, including but not limited to higher fees.

(e) All maintenance, repairs, remodel and renovation required in Franchisor's absolute discretion to bring the Franchisee's premises at the Authorized Location into compliance with Franchisor's standards must have been completed as provided in section 4.09.

(f) The transfer fee specified in section 10.04 must have been paid in full.

(g) All amounts owed by Franchisee to Franchisor or any of Franchisor's affiliates, Franchisee's suppliers or any landlord for the Authorized Location, upon which Franchisor has any contingent liability must be paid in full.

(h) Franchisee must be in full compliance with all obligations under any and all Franchise Agreements and Area Development Agreements executed by and between Franchisor and Franchisee.

(i) Franchisee and each Principal Owner must sign a general release of all claims arising out of or relation to this Agreement and the franchise, in the form we designate, releasing our affiliates and us.

(j) Franchisee must have complied with any other conditions that Franchisor reasonably requires from time to time as per of our transfer policies, provided that such conditions will not be more stringent than any conditions otherwise imposed on new franchisees signing the then current franchise agreement.

(k) Franchisor has not exercised its right of first refusal under section 10.03.

10.01.1 In the event that any of Franchisee's rights under this Agreement are, or become, the property of or are held by a corporate entity (the "Corporation"), then any issuance, redemption, or transfer of the equity or voting securities of the Corporation, or any disposition of the assets of the Corporation in one transaction or in a series of transactions which, in the aggregate, result in more than a twenty five percent (25%) change in the beneficial ownership of the Corporation shall be deemed to be a transfer which requires the Consent of Franchisor. The bylaws of the Corporation and all share certificates evidencing ownership of this Corporation shall contain the following provision:

> "The transfer of stock in this Corporation is subject to the restrictive provisions of a Franchise Agreement with Oggi's™. Reference is made to the Franchise Agreement for all particulars."

10.01.2 In the event that any of Franchisee's rights under this Agreement are, or become, the property of or are held by a general or limited partnership (the "Partnership"), then the admission of a new partner, or the redemption, purchase, liquidation, or transfer of a Partnership interest, or any disposition of the assets of the Partnership, in one transaction or in a series of transactions which, in the aggregate, result in more than a twenty five percent (25%) change in the beneficial ownership of Partnership shall be deemed to be a transfer which requires the consent of Franchisor. The partnership Agreement shall contain the following provision:

> "This transfer of a legal or beneficial interest in the partnership is subject to the restrictive provisions of a Franchise Agreement with Oggi's™. Reference is made to the Franchise Agreement for all particulars."

10.01.3 Franchisee shall give Franchisor written notice of any proposed change in the legal or beneficial ownership of this Agreement not less than ten (10) business days prior to the proposed change in ownership. If the proposed change in ownership will create a legal or beneficial interest in a person who is not a party to this franchise, then that person shall execute this franchise and agree to be bound by all the terms and conditions contained herein before the transfer is effectuated.

10.01.4 No sale, assignment, transfer, conveyance, encumbrance or gift of any interest in this Franchise Agreement, or in the franchise granted hereby, shall relieve Franchisee, or the shareholders or partners participating in any transfer, of the obligations of the covenant not to compete contained in this Franchise Agreement, unless expressly waived in writing by Franchisor.

10.02. Death: Upon the death of the Franchisee, if the Franchisee is an individual, or upon the death of the majority shareholder, member or partner of Franchisee if Franchisee is a corporation or a partnership, ______________________________________ shall have the right to participate in the ownership of the Oggi's Pizza Express® Restaurant under the terms of this Agreement for a period of six (6) months from the date of death. During that time______________________________________ must either:

(a) Satisfy all of the qualifications for a transferee or purchaser of an Oggi's™ franchise, except that no transfer fee or initial franchise fee shall be charged; or

(b) Sell, transfer, or assign the franchise to a person who satisfies all of the qualifications for a transferee or purchaser of an Oggi's™ franchise.

10.03. Right of First Refusal: If at any time during the term of this Agreement, Franchisee receives a bona fide offer to purchase the franchise, which offer Franchisee is willing to accept, Franchisee shall give Franchisor written notice of the terms of the offer and the name of the offeror. Franchisor may elect to purchase the franchise on the same terms as contained in the offer within thirty (30) calendar days after receipt of Franchisee's communication of the offer to Franchisor. Thereafter, Franchisor shall have one hundred twenty (120) days to complete its due diligence and close the transaction. If Franchisor fails to give written notice of election within the thirty (30) calendar days, or if Franchisor fails to close the transaction within one hundred twenty (120) days, Franchisee may sell to the offeror but only on the exact same terms offered, subject to the provisions relating to transferability as set forth in this Article 9. Should any term of the sale change in any way, regardless of degree, the Franchisee must renew its notice pursuant to this paragraph.

10.04. Transfer Fee: Upon any transfer or assignment of this franchise, Franchisee shall pay to Franchisor a transfer fee in an amount equal to fifty percent (50%) of the then current Initial Franchise Fee to cover the expense of evaluating the proposed transferee.

ARTICLE 11.
MISCELLANEOUS PROVISIONS

11.01. Nonwaiver: No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by either of the parties to the Agreement will be considered to imply or constitute a further waiver by the party of the condition or covenant in the Agreement or any other condition, covenant, right, or remedy.

11.02. Governing Law. This Agreement is made in the State of California and all rights hereunder shall be governed by and interpreted under the laws of the State of California. Nothing herein contained shall be deemed to waive the right of either party to obtain injunctive relief against threatened conduct that will cause loss or damage under the usual equity rules including the applicable rules for obtaining a preliminary injunction provided an appropriate bond against damages be provided.

11.03. Jurisdiction and Venue. The parties hereby consent and stipulate to jurisdiction and venue: With regard to any legal action taken with respect to any claim arising from, out of, in conjunction with, or related to this agreement, jurisdiction and venue shall be the City and County of San Diego, California. No claim or action may be brought in a venue outside the City and County of San Diego, California.

11.04. Injunctive Relief. The parties hereby recognize that the Restaurant is one of a large number of restaurants identified by the Marks and similarly situated and selling to the public similar products, and the failure on the part of a single franchisee to comply with the terms of this Agreement could cause irreparable damage to Franchisor and/or some or all of the other franchisees. Therefore, it is mutually agreed that in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, Franchisor shall be entitled to injunctive relief restraining such breach or to a decree of specific performance, without showing or proving actual damages, together with recover of reasonable attorneys' fees and costs in obtaining said equitable relief. These equitable remedies are in addition to any and all other remedies available.

11.05. Construction: Throughout this Agreement, the use of the singular shall be construed to include the plural and vice versa. The use of any gender shall include all genders, whenever required by the context.

11.06. Execution of Documents: Each party to this Agreement shall from time to time, on request by the other party, execute, acknowledge, and deliver to the other party a written statement certifying that this Agreement has not been modified and is in full force and effect (or, if there have been modifications, that they are in full force and effect and stating the modifications). Each party to this Agreement shall also, from time to time, on request by the other party, execute any additional documents that may reasonably be required to effectuate the purposes of this Agreement.

11.07. Successors and Assigns: The provisions of this Agreement shall inure to the benefit of and be binding on the parties and their respective representatives, successors, and assigns.

EXHIBIT 2

11.08. Severability of Provisions: If any provision of this Agreement is held to be illegal or invalid by any tribunal in a final decision from which no appeal is or can be taken, that provision shall be deemed modified to eliminate the invalid element, and, as so modified, the provision shall be deemed a part of this Agreement as though originally included in the Agreement. The remaining provisions of this Agreement shall not be affected by the modification.

11.09. Extent of Agreement: This Agreement, and the other exhibits in the Uniform Franchise Disclosure Document, represents the entire agreement between Franchisor and Franchisee, and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by Franchisor and Franchisee.

11.10. Payments, Notices and Communications: All payments are to be paid, and any notices or communications shall be directed to Franchisor by United States mail, postage prepaid, return receipt requested, at the following address:

Oggi's Pizza & Brewing Company
1245 Puerta Del Sol
San Clemente, California 92673

Notices and communications shall be directed to Franchisee by United States mail, postage prepaid, and addressed to the address of the Oggi's Pizza Express® Restaurant as set forth in this Agreement. If Franchisee is other than an individual, Franchisee shall designate in writing to Franchisor the name and address of its agent to receive notice. Notice to the agent shall be conclusively presumed to be full and adequate notice to Franchisee.

11.11. Amendment: This Agreement may be amended, modified or discharged, in whole or in part, only by a document in writing subscribed by all of the parties subscribing to this franchise.

11.12. Remedies Cumulative: The parties shall be entitled to any and all remedies at law or in equity, in addition to any remedies set forth in this Agreement.

11.13. Other Franchises: The parties hereby acknowledge and agree that Franchisor contemplates granting other franchises similar to the franchise granted herein.

11.14. Relationship of the Parties: Franchisee is, in its relationship with Franchisor, an independent contractor. This franchise shall not make any of the parties hereto partners or joint ventures one with the other, or make them agents, servants or employees of the other.

11.15. Other Parties: If Franchisee is other than an individual, then all persons who have any beneficial ownership interest in Franchisee or this Franchise by way of partnership, joint venture, association, incorporation, or otherwise, shall be parties to this franchise and shall execute this Franchise Agreement and shall jointly and severally be bound by all terms and provisions hereof.

11.16. Counterparts: This franchise may be executed in counterparts, all of which together shall constitute this franchise.

11.17. No Guarantees: Franchisee acknowledges that neither Franchisor nor any other person can in any manner assure the success of the business of Franchisee. Further, Franchisee acknowledges that there are inherent and substantial risks associated with undertaking said business, which Franchisee bears sole responsibility.

11.18. Integration Clause: This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business, and your review of the terms set forth in this Agreement, and in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

Executed at _________________ [*city*], _________________ [*state*], and effective on the day and year first above written.

FRANCHISOR
Oggi's Pizza & Brewing Company

_____________________________ _____________________________
Dora Hadjis, Chief Financial Officer Date

FRANCHISEE

_____________________________ _____________________________
Date

_____________________________ _____________________________
Date

AFFILIATES

_____________________________ _____________________________
Date

_____________________________ _____________________________
Date

EXHIBIT A
TERRITORY

The Territory shall be:

____
____
____
____
____

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

In consideration of the execution of the Express Unit Franchise Restaurant Agreement (the "Agreement") between OGGI'S PIZZA & BREWING COMPANY ("we" or "us") and ________________________________ (the "Franchisee"), dated __________________, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Agreement, to be paid, kept and performed by the Franchisee, including without limitation the arbitration and other dispute resolution provisions of the Agreement.

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

The undersigned waives: (i) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (ii) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; (iii) any right he/she may have to require that an action be brought against the Franchisee or any other person as a condition of liability; and (iv) notice of any changes permitted by the terms of the Agreement or agreed to by the Franchisee.

In addition, the undersigned consents and agrees that: (i) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the Franchisee or any other person; (ii) such liability will not be diminished, relieved or otherwise affected by the Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; and (iii) this Personal Guaranty shall apply in all modifications to the Agreement of any nature agreed to by the Franchisee with or without the undersigned receiving notice thereof. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.

PERSONAL GUARANTORS:

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

FRANCHISEE QUESTIONNAIRE

As you know, Oggi's Pizza & Brewing Company and you are preparing to enter into a Franchise Agreement for the operation of one Oggi's Pizza & Brewing Company franchise. The purposes of this Questionnaire are to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. You must sign and date this Questionnaire the same day you sign the Franchise Agreement and pay your franchise fee. Please closely review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally read the Oggi's Pizza & Brewing Company Franchise Disclosure Document ("**FDD")?**

   Yes______ No______

2. Did you give us a signed receipt for the copy of the FDD that we furnished to you?

   Yes______ No______

3. Do you understand all of the information contained in the FDD?

   Yes______ No______

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

4. Have you received and personally read the Oggi's Pizza & Brewing Company Franchise Agreement?

   Yes______ No______

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

   Yes______ No______

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

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

   Yes______ No______

7. A) Have you, in fact, discussed the FDD, the agreements, and the benefits and risks of operating an Oggi's Pizza & Brewing Company franchise with an attorney?

Yes______ No______ If yes, name of attorney: ________________________

If No, do you wish to have more time to do so?

Yes______ No______

B) Have you discussed the benefits and risks of operating an Oggi's Pizza & Brewing Company Franchised Business with any other professional advisor?

Yes______ No______ If yes, name and profession of advisor:

C) Did you discuss the benefits and risks of operating an Oggi's Pizza & Brewing Company Franchised Business with an existing Oggi's Pizza & Brewing Company franchisee?

Yes______ No______

8. Other than the information presented in Item 19 of the FDD, have any of our employees or has any other person speaking on our behalf (this does not include franchisees whom you contact on your own) made any statement or representation (oral, written, or visual) regarding:

A) The amount of money that others have made or that you might make as an Oggi's Pizza & Brewing Company franchisee?

Yes______ No______

B) The revenue or profits that a Oggi's Pizza & Brewing Company Restaurant will generate?

Yes______ No______

C) Any other financial performance information about Oggi's Pizza & Brewing Company businesses?

Yes______ No______

9. If your answer to any part of Question 8 is "Yes", please describe the statement or representation. Please include when, where and by whom the statement or representation was made. Please provide full details in the following space. (If you need additional space, please use the "Additional Information Intake Form" included after the signature blocks below).

10. Have you contacted any existing Oggi's Pizza & Brewing Company franchisees about their financial performance?

Yes______ No______

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

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

Yes______ No______

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

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

Yes______ No______

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

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

Yes______ No______

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

Yes______ No______

17. Do you understand that, unless otherwise explicitly stated in written agreements you execute with us, we do not have to sell you a franchise or additional franchises (or Areas of Primary Responsibility), or consent to your purchase of existing franchises?

Yes______ No______

18. Do you understand that the Franchise Agreement contains the entire agreement between us and you concerning the franchise for the Oggi's Pizza & Brewing Company Restaurant, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding?

Yes______ No______

19. Do you understand that once you sign the Franchise Agreement and pay the Initial Franchise Fee, your Initial Franchise Fee payment is nonrefundable under any circumstance?

Yes______ No______

20. Do you understand that, under the terms of the Franchise Agreement, you are fully responsible and liable for complying with all government license and permit requirements, as well as with all laws and regulations applicable to the establishment and operation of your Oggi's Pizza & Brewing Company Restaurant?

Yes______ No______

21. Do you understand the risks of operating an Oggi's Pizza & Brewing Company Restaurant?

Yes______ No______

You understand that we are acting in reliance on the truthfulness and completeness of your responses to the questions above in entering into the Agreements with Franchisee. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

YOU ACKNOWLEDGE AND AGREE THAT IN THE EVENT THAT ANY DISPUTE ARISES, THIS QUESTIONNAIRE WILL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION, AND YOU HEREBY WAIVE, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE.

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

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

FRANCHISEE	**OWNER/GUARANTOR**
______________________________	
a/an______________________________	
By: ______________________________	______________________________
Name: ______________________________	Name: ______________________________
Title: ______________________________	
Date: ______________________________	Date: ______________________________

OGGI’S PIZZA & BREWING COMPANY
DEPOSIT AGREEMENT

Agreement made this________ day of ______________, 20 , by and between OGGI’S PIZZA & BREWING COMPANY, a California Corporation (hereinafter "Franchisor") and____ whose address is____ (hereinafter referred to as "Franchisee") with reference to a franchise to own and operate an OGGI’S™ Restaurant pursuant to OGGI’S™ FRANCHISE AGREEMENT ("Franchise Agreement") signed by Franchisee simultaneously with Franchisee's signing this Agreement.

GEOGRAPHICAL REGION FOR THE PROPOSED FRANCHISE AND LOCATION:

Franchisee is desirous of establishing its OGGI’S™ Restaurant in the following geographic area within _____ (STATE) at a site to be determined:_____________________________ and has made a non-refundable deposit of Two Thousand Five Hundred Dollars ($2,500.00).

Franchisee acknowledges its obligation to find and select a location site which is acceptable to Franchisor as follows: Within one hundred twenty (120) days of the date of this Deposit Agreement, Franchisee shall present a Franchise Location acceptable to Franchisor as a site for an OGGI’S™ Restaurant in Franchisee's geographic area of interest. Franchisor reserves the right to withhold its approval, and/or to extend the one hundred twenty (120) day period within which an acceptable site must be presented by Franchisee, in Franchisor's sole discretion. Approval shall not unreasonably be withheld.

APPLICATION OF THE DEPOSIT TO THE FRANCHISE FEE:

Franchisee's entire deposit shall, upon approval of a location, be applied toward the initial franchise fee paid under the Franchise Agreement.

NO REPRESENTATIONS OR PROJECTIONS OF PROFITABILITY:

Franchisee acknowledges and represents that it has not received from Franchisor any representations or projections regarding the amount of income it can expect to earn from a particular Franchise Location that may be the subject of this Agreement. Franchisee acknowledges that no representations or warranties inconsistent with this Agreement were made to induce Franchisee to execute this Agreement.

NONREFUNDABLE DEPOSIT AND EXPIRATION OF DEPOSIT AGREEMENT:

Franchisee acknowledges that the Two Thousand Five Hundred Dollar ($2,500.00) deposit, as well as all other amounts to be paid toward the initial franchise fee, are nonrefundable. Further, the parties agree and acknowledge that if Franchisee should fail to pay any portion of the initial franchise fee when required, or submit a location acceptable to Franchisor within the above-specified one hundred twenty (120) day period (or such extension thereof as Franchisor may grant), or execute an approved lease for the authorized location acceptable to Franchisor within twelve (12) months after the date of the Franchise Agreement, the Franchise Agreement and this Deposit Agreement may be cancelled in the sole discretion of Franchisor. Upon cancellation, all further rights and obligations of the parties under the Franchise Agreement and this Deposit Agreement shall cease and neither party shall have any further rights or obligations under any agreement pertaining to the franchise.

NOTICES:

All notices required to be given hereunder can be given by personal delivery, United States certified or registered mail, return receipt requested, postage prepaid directed to the Franchisor or the Franchisee at the respective last known addresses. Notice by mail should be deemed received on the second business day following the date the same was deposited in the United States Post Office.

THIS AGREEMENT IS NOT EFFECTIVE UNTIL SIGNED BY A CORPORATE OFFICER OF OGGI'S PIZZA & BREWING COMPANY. NO FIELD REPRESENTATIVE OR SALESMAN IS AUTHORIZED TO EXECUTE THIS AGREEMENT ON BEHALF OF OGGI'S PIZZA & BREWING COMPANY. FRANCHISEE IS ADVISED NOT TO INCUR ANY EXPENSE OR OBLIGATION WITH RESPECT TO THE PROPOSED FRANCHISED BUSINESS UNTIL FRANCHISEE HAS RECEIVED A FULLY EXECUTED COPY OF THIS AGREEMENT FROM OGGI'S PIZZA & BREWING COMPANY. PAYMENT OF ANY DEPOSIT IS REQUIRED UPON SIGNING BY FRANCHISEE. ALL DEPOSITS SHALL BE RETURNED TO FRANCHISEE IF THIS AGREEMENT IS NOT SIGNED BY OGGI'S PIZZA & BREWING COMPANY FOR ANY REASON.

IN WITNESS WHEREOF, the parties hereto have caused this Franchise Deposit Agreement to be executed as of the day and year first above written.

FRANCHISOR:

OGGI'S PIZZA & BREWING COMPANY
a California corporation

By______________________________

FRANCHISEE:

(If Franchisee is a corporation, insert the names and capacities of the officers signing.)

By______________________________

By______________________________

(If Franchisee is a corporation/limited liability company/partnership, insert the names of ALL shareholders/members/general partners - Note, ALL must sign in their individual capacities.)

____________________________________ ____________________________________

____________________________________ ____________________________________

(If Franchisee is an individual or individuals, insert the names of ALL owners - Note, ALL must sign.)

____________________________________ ____________________________________

____________________________________ ____________________________________

LEASE ASSIGNMENT AGREEMENT

AGREEMENT made this ______ day of __________, __, by and between OGGI'S PIZZA & BREWING COMPANY, a California corporation (hereinafter "FRANCHISOR") and ____ (hereinafter "LANDLORD") involving the Oggi's Pizza & Brewing Company Restaurant (hereinafter "Restaurant" to be located at ____ (hereinafter "Franchise Location") with reference to the following facts:

A. On ______________, 20 __, FRANCHISEE and LANDLORD entered into a lease agreement (hereinafter "Lease"), a fully executed copy of which is to be attached hereto as Exhibit "A", pursuant to the terms of which FRANCHISEE leased the Franchise Location from LANDLORD to operate the Store thereon.

B. On ______________ FRANCHISOR and FRANCHISEE executed a Franchise Agreement pursuant to the terms of which FRANCHISEE obtained a franchise from FRANCHISOR to operate the Store at the Franchise Location.

C. FRANCHISOR, FRANCHISEE and LANDLORD desire to enter into this agreement to define the rights of FRANCHISOR in and to the Franchise Location and to protect the interests of FRANCHISOR in the continued operation of a Oggi's Pizza & Brewing Company Restaurant at the Franchise Location during the entire term of the Lease, and any and all renewals and extensions thereof, and LANDLORD desires to consent to this assignment on the terms and conditions set forth herein.

NOW, THEREFORE, IT IS AGREED:

1. Assignment. FRANCHISEE hereby assigns, transfers and conveys to FRANCHISOR all of FRANCHISEE's right, title and interest in and to the Lease; however, this assignment shall become effective only upon FRANCHISOR's exercise of the option granted to FRANCHISOR in Paragraph 3 herein subsequent to the occurrence of any of the following events:

a. Default of Lease. IF FRANCHISEE shall be in default in the performance of any of the terms of the Lease, unless such default is cured within the period required in the Lease or within ten (10) days following written demand given by FRANCHISOR, whichever is sooner;

b. Default of Franchise Agreement The occurrence of any acts which would result in immediate termination as specified in the Franchise Agreement or the continuance beyond the period or periods specified in the Franchise Agreement of any default by FRANCHISEE in the performance of payments required under the Franchise Agreement;

c. Non-exercise of Option to Renew or Extend. If FRANCHISEE shall have had an option to renew or extend the Lease and shall have failed or elected not to do so within the time specified in the Lease for such renewal or extension, after having been directed in writing by FRANCHISOR to do so;

d. Sale of Store. Upon FRANCHISEE's sale of his entire right, title and interest in and to the Store conducted at the Franchise Location as a going concern.

2. CONSENT TO ASSIGNMENT. LANDLORD hereby consents to this assignment, which consent shall remain in effect during the entire term of the Lease and any and all renewals or extensions thereof, and agrees that the Lease shall not be amended, assigned, extended or renewed, nor shall the Franchise Location be sublet by FRANCHISEE, without the prior written consent of FRANCHISOR. LANDLORD further agrees to provide FRANCHISOR with written notice of any default in FRANCHISEE's performance of any of the terms of the Lease.

3. EXERCISE OF OPTION BY FRANCHISOR. FRANCHISOR shall exercise the option granted herein and thereby make this assignment unconditional by giving written notice to FRANCHISEE and LANDLORD of its exercise of said option in the manner specified in Paragraph 8 hereof and by thereafter delivering to LANDLORD, within ten (10) business days after LANDLORD requests the same, a written assumption of the obligations of the Lease.

FRANCHISOR shall have the right, concurrently with or subsequent to FRANCHISOR's exercise of the option granted herein, to assign and transfer its rights under this Agreement to a new franchisee selected by FRANCHISOR to operate the store, with the prior written consent of LANDLORD, which shall not be unreasonably withheld, provided that such new franchisee shall have a credit rating and a net worth adequate for the operation of the Store. In such event, such new franchisee shall obtain the assignment of the Lease and shall assume the obligations of the Lease in place and instead of FRANCHISOR.

4. TERMINATION OF RIGHTS OF FRANCHISEE. Upon the exercise of the option granted to FRANCHISOR herein, FRANCHISEE shall no longer be entitled to the use or occupancy of the Franchise Location, all of FRANCHISEE's prior rights in and to the Lease will have been, in all respects, terminated and, by the terms of this Agreement, assigned to FRANCHISOR or its assignee.

5. VACATE FRANCHISEE LOCATION. FRANCHISEE shall immediately vacate the Franchise Location within the period permitted by the Lease; however, in the event that FRANCHISEE shall fail or refuse to do so, FRANCHISOR shall have the right to enter the Franchise Location.

6. INDEMNIFICATION. FRANCHISEE, hereby agrees to indemnify and hold LANDLORD and FRANCHISOR harmless from and against any and all loss, costs, expenses (including attorneys' fees), damages, claims and liabilities, however caused, resulting directly or indirectly from or pertaining to the exercise by FRANCHISOR and/or LANDLORD of the rights and remedies granted under this Agreement.

7. REMEDIES CUMULATIVE. The remedies granted pursuant to this Agreement are in addition to and not in substitution of any or all other remedies available at law or in equity to
FRANCHISOR.

8. NOTICES.

a. Writing. All notices, requests, demands, payments, consents and other communications hereunder shall be transmitted in writing and shall be deemed to have been duly given when sent by registered or certified United States mail, postage prepaid, addressed as follows:

FRANCHISOR:	FRANCHISEE:	LANDLORD:
Oggi's Pizza & Brewing Company 1245 Puerta Del Sol San Clemente, CA 92673		

b. Change of Address. Any party may change its or his address by giving notice of such change of address to the other parties.

c. Mailed Notice. Mailed notices shall be deemed communicated; within three (3) days from the time of mailing if mailed as provided in this Paragraph 8.

9. MISCELLANEOUS.

a. Injunction. FRANCHISEE and LANDLORD recognize the unique value and secondary meaning attached to the Oggi's Pizza & Brewing Company Restaurant, its trademarks, trade names, service marks, insignia and logo designs and the Franchise Location displaying same and agree that any noncompliance with the terms of this Agreement will cause irreparable damage to FRANCHISOR and its franchisees. FRANCHISEE and LANDLORD therefore agree that in the event of any noncompliance with the terms of this Agreement, FRANCHISOR shall be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction in addition to any other remedies prescribed by law.

b. Further Acts. The parties agree to execute such other documents and perform such further acts as may be necessary or desirable to carry out the purposes of this Agreement.

c. Heirs and Successors. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

d. Entire Agreement. This Agreement represents the entire understanding between the parties and supersedes all other negotiations, agreements, representations and covenants, oral or written, except any other agreement executed by FRANCHISOR, LANDLORD and FRANCHISEE in connection herewith. This Agreement may not be modified except by a written instrument signed by the party to be charged. The parties intend this Agreement to be the entire integration of all of their agreements of any nature. No other agreements, representations, promises, commitments or the like, of any nature, exist between the parties, except as set forth or otherwise referenced herein.

e. Waiver. Failure by any party to enforce any rights under this Agreement shall not be construed as a waiver of such rights. Any waiver, including waiver of default, in any one instance shall not constitute a continuing waiver or a waiver in any other instance.

f. Validity. Any invalidity or any portion of this Agreement shall not affect the validity of the remaining portion and unless substantial performance of this Agreement is frustrated by any such invalidity, this Agreement shall continue in effect.

g. Headings and Table of Contents. The headings and Table of Contents used herein are for purposes of convenience only and shall not be used in construing the provisions hereof. As used herein, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular.

h. Execution by Franchisor. This Agreement shall not be binding on FRANCHISOR unless and until it shall have been accepted and signed by an authorized officer of FRANCHISOR.

i. Attorneys' Fees. If FRANCHISOR becomes a party to any litigation concerning this Agreement by reason of any act or omission of FRANCHISEE and/or LANDLORD or their authorized representations and not by any act or omission of FRANCHISOR or any act or omission of its authorized representatives, FRANCHISEE and/or LANDLORD shall be liable to FRANCHISOR for reasonable attorneys' fees and court costs incurred by FRANCHISOR in the litigation.

If any party commences an action against any other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to have and recover from the other party its reasonable attorneys' fees and costs of suit.

10. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California; however, if this Agreement concerns a Store location in a state other than such state and the laws of that state require terms other than those or in addition to those contained herein, then this Agreement shall be deemed modified so as to comply with the appropriate laws of such state, but only to the extent necessary to prevent the invalidity of this Agreement or any provision hereof, the imposition of fines or penalties, or the creation of civil or criminal liability on account thereof. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of the prohibition of unenforceability without invalidating the remaining provisions of this Agreement. Any prohibition against or unenforceability of any provision of this Agreement in any jurisdiction, including the state whose law governs this Agreement, shall not invalidate the provision or render it unenforceable in any other jurisdiction. To the extent permitted by applicable law, FRANCHISEE and LANDLORD waive any provision of law which renders any provision of this Agreement prohibited or unenforceable in any respect.

THIS AGREEMENT IS NOT EFFECTIVE UNTIL SIGNED BY A CORPORATE OFFICER OF OGGI'S PIZZA & BREWING COMPANY NO FIELD REPRESENTATIVE OR SALESMAN IS AUTHORIZED TO EXECUTE THIS AGREEMENT ON BEHALF OF OGGI'S PIZZA & BREWING COMPANY.

FRANCHISEE IS ADVISED NOT TO INCUR ANY EXPENSE OR OBLIGATION WITH RESPECT TO THE PROPOSED FRANCHISED BUSINESS UNTIL FRANCHISEE HAS RECEIVED A FULLY EXECUTED COPY OF THIS AGREEMENT FROM OGGI'S PIZZA & BREWING COMPANY.

IN WITNESS WHEREOF, the parties have executed this Agreement, on the date first shown above.

FRANCHISOR:
OGGI'S PIZZA & BREWING COMPANY
a California corporation

By________________________

LANDLORD:

By________________________

FRANCHISEE:

(If Franchisee is a corporation, insert the
names and capacities of the officers signing.)

By_________________________

By_________________________

(If Franchisee is a corporation/limited liability company/partnership, insert the names of ALL shareholders, members, or general partners - Note, ALL must sign in their individual capacities.)

(If Franchisee is an individual or individuals, insert the names of ALL owners - Note, ALL must sign.)

____________________________________	____________________________________
____________________________________	____________________________________
____________________________________	____________________________________

OGGI'S PIZZA & BREWING COMPANY
GIFT CARD & PROMOTIONAL PROGRAM

This AGREEMENT made on ____________________, by OGGI'S PIZZA & BREWING COMPANY, a California corporation, with its principal place of business located at 1245 Puerta Del Sol, San Clemente, California 92673, referred to as "Franchisor", and ____ [*name of franchisee*], of ____ [*address*], and its Affiliates, referred to as "Franchisee".

Recitals

WHEREAS, Franchisor has changed its gift certificate program and procedures and will no longer distribute gift certificates to Franchisee;

WHEREAS, Franchisor is replacing the gift certificate program with a new gift card program, where customers will purchase a plastic card ("Gift Card"), instead of a paper certificate;

WHEREAS, the customer purchasing a Gift Card will be able to add money to the Gift Card, establishing the cash value, or redeem the value of the Gift Card for purchases at Oggi's™ Restaurants;

WHEREAS, the gift card program is intended to promote the business of the franchise, provide for the convenience of franchise customers, and to each franchise store and the business of each;

NOW, **THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1.00 Purpose. To provide for the sales and redemption of Gift Cards, and the processing and collection of Gift Card transactions through participation in the automated Oggi's™ Gift Card program which will clear gift card Transactions through a central network to collect and distribute Oggi's™ Gift Card program proceeds. The term "Transaction" refers collectively to the sale and redemption of Gift Cards and the corresponding collection and disbursement of Gift Card proceeds, from and to the Franchisees.

2.00 Term of Agreement. The term of this agreement shall be the lesser of the term of the Franchise Agreement between Franchisor and Franchisee, including any options, extensions, or renewals thereof, or until the Oggi's Gift Card program is terminated by the Franchisor.

3.00 Gift Cards.

3.01 Honoring Gift Cards. Franchisee shall promptly honor, without discrimination, all valid Oggi's™ Gift Cards, after complying with the terms of this agreement or the requirements in Oggi's™ Gift Card User Guide.

3.02 Types of Gift Cards. The Oggi's Gift Card Program shall include two (2) types of gift cards: (1) Oggi's™ Gift Cards, and (2) Individual Store Gift Cards.

3.02.1 Oggi's™ Gift Cards. Oggi's™ Gift Cards are sold by each Franchise at every Franchise store, and may be redeemed by the holder at any Franchise restaurant. This card is commonly known as the "Oggi's™ Gift Card Program".

3.02.2 Individual Store Gift Cards. Individual Store Gift Cards are sold by the Franchisee at Franchisee's respective store, for redemption by the Cardholder, exclusively at the Franchisee's store. This card is being offered under the Oggi's™ Gift Card Program as an accommodation to the Franchisee in order to facilitate making donations, satisfying customer complaints, and paying trade, should the Franchisee choose to do so. The use of Individual Store Gift Cards by Franchisee is voluntary.

3.03 Gift Card Inventory. The Franchisor shall supply Franchisee with Oggi's™ Gift Cards, the cost shall be born by Regional Advertising Fund. Initially, one thousand cards shall be purchased for distribution to Franchisees. However, Franchisee is responsible for purchasing Individual Store Gift Cards, which shall be provided to the Franchisee by Franchisor, at the then current price.

4.00 Rules and Procedures.

4.01 Gift Card User's Guide. Franchisor shall, from time to time, establish rules and procedures for the Oggi's™ Gift Card Program. These rules and procedures shall include the then current banking and clearing house requirements. Said rules and procedures shall be maintained in the Oggi's™ Gift Card User's Guide. The Guide will be distributed to Franchisee, from time to time, when amended. Franchisee is responsible for adhering to the procedures set forth herein, as well as the Gift Card User's Guide, as modified, from time to time.

4.02 Advertising. Franchisee agrees to promote the Oggi's™ Gift Card program and the sale of Oggi's™ Gift Cards to their customers.

4.03 Disclosure of Cardholder/Transaction Information. Franchisee agrees: (a) not to reveal, sell, purchase, exchange or otherwise use Oggi's™ Gift Card or Oggi's Gift Card holder information, (b) to store all media containing Oggi's™ Gift Card holder's account information in a safe, secure and confidential manner, and (c) when Transaction record retention requirements have been met, to destroy such media in a manner which renders the data unreadable.

4.04 Change in Franchisee Information. Franchisee shall notify Franchisor, immediately, in writing, in the event of any change in Franchisee information, which would affect the Franchisor's ability to process Oggi's™ Gift Card Transactions, including, but not limited to a change of bank account, or name change. Changes by the Franchisee of their bank account or banking information may require Franchisee to execute a new ACH agreement with Franchisor or its agent. Franchisee hereby consents to execute any and all agreements necessary to effectuate the purpose and intent of this Agreement.

4.05 Maintenance and Retrieval of Transaction Records. Franchisee agrees to retain and provide, at Franchisor's request, and within the time specified, legible copies of all transaction records and related documents, including, but not limited to the signed receipt. Franchisee agrees to maintain all records for up to three years from the date of the transaction. Upon reasonable notice, Franchisee agrees to make available during normal business hours, records of Gift Card Transactions to representatives of Franchisor or the agent of Franchisor. In the event a transaction is challenged, failure to maintain adequate records will result in a debit from your account for the amount of the Gift Card Transaction in question.

4.06 Refunds/Exchanges/Cash Disbursements Prohibited. Franchisee shall maintain the same policy for permitting or not permitting refunds, exchanges, returns, or price adjustments for Oggi's™ Gift Card Transactions as for cash transactions. No cash refund shall be made on a Oggi's™ Gift Card Transaction by paying cash directly to the customer; such refund shall be made by crediting back the refund to the Oggi's™ Gift Card, or if not available, by issuing a new Oggi's™ Gift Card. Franchisee is prohibited from dispensing Cash for any purpose to Oggi's™ Gift Card holder, except as required by section 4.06.1 below.

4.06.1 Oggi's™ Gift Cards as described in section 3.02.1 and in accordance with the amendments to California Civil Code 1749.5 must be exchanged for their cash value when the card balance is less than $10 only upon the request of the cardholder. In no other instance may the card or the card balance be exchanged for cash.

4.06.2 Individual Store Gift Cards as described in section 3.02.2 and in accordance with the amendments to California Civil Code 1749.5 should not be exchanged for their cash value where the store provides the card for any consideration other than cash."

4.07 Minimum/Maximum Transaction. Franchisee shall not establish minimum or maximum transaction amounts as a condition of honoring Oggi's™ Gift Cards.

4.08 Franchisee/Cardholder Disputes. Any and all disputes between the Franchisee and Cardholder shall be conclusively resolved by the Franchisor.

5.00 Technology/Implementation.

5.01 General Information. The Oggi's™ Gift Card Program will work much like a prepaid credit card or calling card. To prevent fraud, the Gift Cards will not be valid on delivered items.

5.02 Electronic Deposit/Withdraw Capture Service - Oggi's Gift Card. Each time Franchisee sells an Oggi's™ Gift Card, the Point of Sale System (POS) will transfer the value of the sale from the bank account of Franchisee into a clearing account, maintained by Franchisor. Each time an Oggi's™ Gift Card is redeemed, the value of the transaction will be transferred from the clearing account maintained by Franchisor, or its agent, to the account of Franchisee. Clearing information will reside on a server managed and maintained by Franchisor or an agent of the Franchisor.

5.03 No Electronic Deposit/Withdraw Capture Service – Individual Store Gift Card. The Individual Store Gift Card is valid only at the store in which it was issued. The card will be printed with the redemption limitation. When Individual Store Gift Cards are sold, the POS system will NOT transfer any money into the clearing account. When Individual Store Gift Cards are redeemed, no money will be transferred to your account.

5.04 Terminal Equipment. Franchisee must have in its possession properly installed and programmed Terminals or related equipment capable of electronically communicating data (hereafter all reference to Terminal or Terminals shall include related or peripheral equipment, and interconnect devices). The current Franchise POS system is sufficient for this purpose.

5.05 CPU to CPU Link Service/POS Gift Card Programming/Training. There is a one time set-up fee to establish the Link Service and POS Gift Card Programming. The set up fee will be the cost charged by the third party provider, in this case, MTC. In addition to the set up fee, there is also a monthly fee, charged by the third party clearing house of thirty dollars ($30) per month. The Regional Advertising Fund shall pay for the initial set up fee of approximately $100, for each store, as well as the monthly fee.

5.06 Fees and Charges. Franchisee shall pay to Franchisor all proceeds received from the sale of Oggi's™ Gift Cards, as well as any other fees, costs, or charges assessed by Franchisor, or its agent, from time to time, including, but not limited to any applicable ACH rejection fees charged to Franchisor or its agent. Franchisee will receive the value of the Oggi's™ Gift Card, at the time a card is redeemed at their store. Franchisor may assess and collect interest on any amounts due hereunder, at the rate of one and one half percent (1 ½%) per month, eighteen percent (18%) per annum. This paragraph shall survive the termination of this agreement.

6.00 Payment.

6.01 Bank Account - Identify. Franchisee shall identify to Franchisor, a bank account for purposes of clearing Oggi's™ Gift Card Transactions. Franchisee shall provide Franchisor a voided check from the bank account from which the Franchisor will procure the bank account and routing information. Franchisee shall attach a voided check to this agreement.

6.02 Authorization. Franchisee hereby authorizes Franchisor or authorized agent of Franchisor to access Franchisee's bank account for purposes of clearing Oggi's™ Gift Card Transactions. This authorization is limited to processing Oggi's™ Gift Card Transactions and includes, but is not limited to, withdrawing money from the amount for Gift Card sales, and depositing money in the amount of Gift Card redemptions. Franchisee hereby authorizes Franchisor and its authorized representative to access information from the POS and to initiate Oggi's™ Gift Card Transactions in the Bank Account of the Franchisee by bankwire or transfer.

6.03 Bank Account Transactions. Franchisor or its authorized agent shall collect any and all of the Oggi's™ Gift Card charges by making a withdrawal, at the time a card is sold, without notice or demand of any kind from the Franchisee's account. Fanchisee agrees the amount of any Oggi's™ Gift Card transaction may be immediately withdrawn by Franchisor, or Franchisor's withdrawing agent or institution, from Franchisee's account, without notice or demand of any kind. In the event the account is closed or the funds in such account are insufficient to cover Oggi'™s Gift Card Transactions as they become due, Franchisee agrees to pay Franchisor, upon demand any amount due and by any other method of payment at Franchisor's discretion.

6.04 Settlement. All credits to Franchisee Bank Account or other payments are subject to, among other things, Franchisor's final audit, refunds, and other related losses. Franchisee agrees that Franchisor or its authorized agent may debit the bank account for any deficiencies, fees and pending returns, or may deduct such amounts from settlement funds due you. Alternatively, Franchisor may elect to invoice Franchisee for any such amounts.

6.05 Excess Money for Unredeemed cards. Not everyone will timely redeem the Gift Cards. However, the Gift Cards do not expire. As such, the Franchisor has the obligation to maintain the proceeds received from gift card sales until redeemed. This amount will remain a liability on the books of Franchisor. However, if at any point in time the Franchisor's auditors require any unredeemed cards to be written off, said funds shall be credited to the franchise advertising account, specifically to offset the costs of the Oggi's™ Gift Card promotion.

7.00 Financial Accommodations.

The parties acknowledge that this Agreement creates a contract for the extension of financial accommodations within the meaning of Section 365(c) of the Bankruptcy Code.

8.00 Representations; Warranties; Limitations on Liability

8.01 Warranties of Franchisee. Without Limiting any other warranties hereunder you represent and warrant as to each Oggi's™ Gift Card Transaction submitted under this Agreement:

(a) the Oggi's™ Gift Card Transaction represents a bona fide sale of merchandise or services not previously submitted;
(b) the Oggi's™ Gift Card Transaction is only for the merchandise or services (including taxes, but without any surcharge) sold and the merchandise or service was actually delivered to or performed for the person entering into the transaction simultaneously upon your accepting and submitting the Card transaction for processing;
(c) the Oggi's™ Gift Card Transaction does not represent the refinancing of an existing obligation of the Franchisee or the Gift Card Holder;
(d) the Franchisee has no knowledge or notice of any fact, circumstances or defense which would indicate that the Oggi's™ Gift Card Transaction was fraudulent or not authorized by the Gift Card Holder;
(e) the Oggi's™ Gift Card Transaction was made in accordance with the general terms and Operating Procedures (as stated in this Agreement and User's Guide).

8.02 Service Agreement. THIS AGREEMENT IS A SERVICE AGREEMENT. FRANCHISOR DISCLAIMS ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO YOU OR ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THIS AGREEMENT.

8.03 Limitation of Liability. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL FRANCHISOR, ITS AFFILIATES, OR ANY OF ITS/THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR SUBCONTRACTORS, BE LIABLE UNDER ANY THEORY OF TORT, CONTRACT, STRICT LIABILITY OR OTHER LEGAL THEORY FOR LOST PROFITS, LOST REVENUES, LOST BUSINESS OPPORTUNITIES, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ANY PARTY OR ANY ENTITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, FRANCHISOR'S CUMULATIVE LIABILITY FOR ALL LOSSES, CLAIMS, SUITS, CONTROVERSIES, BREACHES OR DAMAGES FOR ANY CAUSE WHATSOEVER (INCLUDING, BUT NOT LIMITED TO THOSE ARISING OUT OF OR RELATED TO THIS AGREEMENT) AND REGARDLESS OF THE FORM OF ACTION OR LEGAL THEORY SHALL NOT EXCEED, (1) $1,000; OR (2) THE AMOUNT OF FEES RECEIVED BY FRANCHISOR PURSUANT TO THIS AGREEMENT FOR SERVICES PERFORMED IN THE IMMEDIATELY PRECEDING 12 MONTHS, WHICHEVER IS LESS.

9.00 Miscellaneous Provisions

9.01 Governing Law/Venue. This Agreement is made in the State of California and all rights hereunder shall be governed by and interpreted under the laws of the State of California. Nothing herein contained shall be deemed to waive the right of either party to obtain injunctive relief against threatened conduct that will cause loss or damage under the usual equity rules including the applicable rules for obtaining a preliminary injunction provided an appropriate bond against damages be provided.

9.02 Jurisdiction and Venue. The parties hereby consent and stipulate to jurisdiction and venue: With regard to any legal action taken with respect to any claim arising from, out of, in conjunction with, or related to this agreement, jurisdiction and venue shall be the City and County of San Diego, California. No claim or action may be brought in a venue outside the City and County of San Diego, California.

9.03 Successors and Assigns: The provisions of this Agreement shall inure to the benefit of and be binding on the parties and their respective representatives, successors, and assigns.

9.04 Severability of Provisions: If any provision of this Agreement is held to be illegal or invalid by any tribunal in a final decision from which no appeal is or can be taken, that provision shall be deemed modified to eliminate the invalid element, and, as so modified, the provision shall be deemed a part of this Agreement as though originally included in the Agreement. The remaining provisions of this Agreement shall not be affected by the modification.

9.05 Extent of Agreement: This Agreement represents the entire agreement between Franchisor and Franchisee as to this subject matter herein. This Agreement may be amended only by a written instrument signed by Franchisor and Franchisee.

9.06 Payments, Notices and Communications: All payments are to be paid, and any notices or communications shall be directed to Franchisor by United States mail, postage prepaid, return receipt requested, at the following address:

Oggi's Pizza & Brewing Company
1245 Puerta Del Sol
San Clemente, California 92673

Notices and communications shall be directed to Franchisee by United States mail, postage prepaid, and addressed to the address of the franchised business as set forth in this Agreement.

9.07 Amendment: This Agreement may be amended, modified or discharged, in whole or in part, only by a document in writing subscribed by all of the parties subscribing to this Agreement.

9.08 Counterparts: This Agreement may be executed in counterparts, all of which together shall constitute this Agreement.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

FRANCHISOR	**FRANCHISEE**
______________________________	______________________________
Dora Hadjis, Chief Financial Officer	
Oggi's Pizza & Brewing Company	______________________________(print)

FRANCHISE AREA DEVELOPMENT AGREEMENT

EXHIBIT 6

TABLE OF CONTENTS

FRANCHISE AREA DEVELOPMENT AGREEMENT

THIS FRANCHISE AREA DEVELOPMENT AGREEMENT ("Agreement") is made on and entered into ___________________________ [*date*], by and between OGGI'S PIZZA & BREWING COMPANY, a California corporation, with its principal place of business located at 1245 Puerta Del Sol, San Clemente, California 92673 (referred to herein as "Oggi's Pizza & Brewing Company," "Oggi's™" or "Franchisor"), and ____ [*name of developer*], with its principal place of business located at ____ [*address*] (referred to herein as "Developer").

RECITALS

A. Franchisor is the sole and exclusive owner of all proprietary and other property rights and interests in and to the trade names and/or trademarks "Oggi's," "Oggi's Sports Brewhouse Pizza," "Oggi's Pizza Express," "Oggi's Pizza and Brewing Company," "California Gold Blonde Ale," "Paradise Pale Ale," "McGarvey's Scottish Ale," "Sunset Amber Ale," "Black Magic Stout," "Torrey Pines India Pale Ale," "Double Up Double IPS," "Duck Dive Hefeweizen", "Oggi's Light Lager," "Oggi's Mighty Light," "Hoppily Ever After," "The Daily Grind Ale," "POG Project," "50/50 Beersicle," "Rising Sun IPA," "Hazy Go Crazy IPA," "Oggi's Hard Seltzer," and all other trademarks, service marks, logo types, insignias, trade dress designs and commercial symbols as Franchisor may from time to time authorize or direct Developer to use in connection with the operation of an "Oggi's™" Restaurant (the "Trademarks"). Franchisor anticipates developing additional trademarks, trade names, service marks, and other commercial symbols, which Developer acknowledges and agrees, shall be subject to this Agreement.

B. Franchisor has a unique System for the operation of retail outlets, which consists of distinctive food and beverage products prepared according to special and confidential recipes and formulas with unique storage, preparation, service and delivery procedures and techniques offered in a setting of distinctive exterior and interior layout, design and color scheme, signage, furnishings and materials, and using certain distinctive types of facilities, equipment, supplies, ingredients, business techniques, methods and procedures together with sales promotion programs, all of which Franchisor may modify and change from time to time (the "System"). As part of the System, Oggi's™ offers Oggi's™ Full-Service Restaurants and Oggi's Pizza Express® Restaurants.

C. Developer represents that it is experienced in and has independent knowledge of the nature and specifics of the restaurant business. Developer represents that in entering into this Agreement it has relied solely on its personal knowledge.

D. Developer desires to obtain development rights from Franchisor within a specific geographical area ("Development Territory") specified in Appendix A attached hereto and made a part hereof.

E. Franchisor is willing to grant the right to develop and open either Oggi's™ Full-Service Restaurants or Oggi's Pizza Express® Restaurants as specified in Appendix A within the Development Territory referenced in Appendix A, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and obligations herein contained, Franchisor and Developer hereto agree as follows:

ARTICLE I
TERM

This Agreement shall commence on the Effective Date. Unless sooner terminated pursuant to Articles VI and VII, and subject to the terms detailed in Article II.C, of this Agreement, the term of this Agreement and all rights granted to Developer shall expire upon the earlier of the date that the last Restaurant is scheduled to open under the Development Schedule or upon the actual opening of the last Restaurant listed in the Development Schedule.

ARTICLE II
GRANT OF DEVELOPMENT RIGHTS

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

A. Franchisor grants to Developer, under the terms and conditions of this Agreement, and as long as Developer shall not be in default of this Agreement or any other development, franchise or other agreement between Franchisor and Developer, the right to, establish, develop and operate _____________ (____) franchised restaurants as specified in Appendix A ("Restaurants") within the territory described in Appendix A ("Development Territory"), at specific locations to be designated in separate franchise agreements ("Franchise Agreements"). The Franchise Agreements executed in accordance with this Agreement shall be in the form currently in use by Franchisor at the time of approval of the specific franchise site by Franchisor and shall be either the Full-Service Franchise Agreement or the Express Unit Franchise Agreement as determined in Appendix A.

B. Developer is bound by the development schedule set forth in Appendix B ("Development Schedule"). Time is of the essence for the development of each Restaurant in accordance with the Development Schedule. Each Restaurant must be developed and operated pursuant to a separate Franchise Agreement that Developer enters into with Franchisor pursuant to Article IV.B below.

C. If Developer is in compliance with the Development Schedule, Franchisor will not develop or operate or grant anyone else a franchise to develop and operate a franchised restaurant (except for the Special Sites defined in Section D or as otherwise set forth in this Agreement) in the Development Territory prior to the earlier of: (i) the expiration or termination of this Agreement; (ii) the date on which Developer must execute the Franchise Agreement for Developer's last restaurant pursuant to the terms of the Development Schedule; or (iii) the date on which the Authorized Location for Developer's final Restaurant under this Agreement is determined. However, in the event that the Development Territory covers more than one city, county or designated market area, the protection for each particular city, county or designated market area shall expire upon the earliest of (i) any of the foregoing events or (ii) the date when the Authorized Location for Developer's final Restaurant to be developed in such city, county or designated market area under this Agreement is determined. Notwithstanding anything in this Agreement, upon the earliest occurrence of any of the foregoing events (i) the Development Territory shall expire and (ii) Franchisor will be entitled to develop and operate, or to franchise others to develop and operate, franchised restaurants in the Development Territory, except as may be otherwise provided under any Franchise Agreement that has been executed between Franchisor and Developer and that has not been terminated. At the time Developer executes Developer's final Franchise Agreement under the Development Schedule, Developer must have an Authorized Location for Developer's final Restaurant.

D. The rights granted under this Agreement are limited to the right to develop and operate Restaurants (as determined in Appendix A) located in the Development Territory, and do not include: (i) any right to sell Oggi's™ products and menu items at any location or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce), other than at Developer's Restaurants within the Development Territory; (ii) any right to sell Oggi's™ products and menu items to any person or entity for resale or further distribution; or (iii) any right to exclude, control or impose conditions on Franchisor's development or operation of franchised, company or affiliate owned restaurants at any time or at any location outside of the Development Territory.

E. Developer acknowledges and agrees that Franchisor and Franchisor's affiliates have the right to operate and franchise others the right to operate restaurants or any other business within and outside the Development Territory under trademarks other than the Oggi's™ Trademarks, without compensation to any franchisee, that do not compete with the Franchise. Outside of the Development Territory, Franchisor has the right to grant other franchises or develop and operate company or affiliate owned franchised restaurants and offer, sell or distribute any products or services associated with the System (now or in the future) under the Oggi's™ Trademarks or any other trademarks, service marks or trade names, all without compensation to any franchisee.

F. Franchisor further has the right to offer, sell or distribute, within and outside the Development Territory, through any distribution channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Trademarks, or any other trademarks, service marks or trade names, except for Prohibited Items (as defined below), through any distribution channels or methods, without compensation to any franchisee. The distribution channels or methods include, without limitation, grocery stores, club stores, Convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the internet (or any other existing or future form of electronic commerce). The Prohibited Items are the following items that we will not sell in the Development Territory through other distribution channels or methods: any retail food service Menu Items that are cooked or prepared to be served to the end user or customer for consumption at the retail location (unless sold at the limited seating facilities referenced in this Section). For example, pizza cooked and served to customers at a grocery store or convenience store would be a Prohibited Item, but the sale of frozen or pre-packaged pizzas or pastas at a grocery store or convenience store would be a permitted form of distribution in the Development Territory. Developer acknowledges and agrees that certain locations within the Development Territory are by their nature unique and separate in character from sites generally developed as franchised restaurants. As a result, Developer agree that the following locations (“Special Sites”) are excluded from the Development Territory and Franchisor has the right to develop or franchise such locations: (1) military bases; (2) public transportation facilities; (3) sports facilities, including racetracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; and (6) community and special events.

G. Developer acknowledges, understands and agrees that Franchisor may have already granted franchise rights in and to Oggi’s™ Restaurants in the Development Territory prior to Developer entering into this Agreement, and the exclusivity provisions of this Agreement shall not affect any other franchisee’s preexisting rights.

H. This Agreement is not a Franchise Agreement and Developer has no right to use in any manner the Trademarks by virtue of this Agreement. Developer has no right under this Agreement to sublicense or subfranchise others to operate a business or restaurant or use the System or the Trademarks.

ARTICLE III
DEVELOPMENT FEE

Developer shall pay a Development Fee as described below:

A. As consideration for the rights granted in this Agreement to establish, develop and operate the Oggi's™ Full-Service Restaurants as specified in Appendix A, Developer must pay Franchisor a "Development Fee" of $_________, representing one hundred percent (100%) of the Initial Franchise Fee for the first Restaurant to be developed under this Agreement and fifty percent (50%) of the Initial Franchise Fee for the subsequent Restaurants to be developed under this Agreement. The Initial Franchise Fee for the first franchise is $50,000. The Initial Franchise Fee for each subsequent franchise is discounted to $25,000. As consideration for the rights granted in this Agreement to establish, develop and operate the Oggi's Pizza Express® Restaurants as specified in Appendix A, Developer must pay Franchisor a "Development Fee" of $_________, representing one hundred percent (100%) of the Initial Franchise Fee for the first Restaurant to be developed under this Agreement and fifty percent (50%) of the Initial Franchise Fees for the subsequent Restaurants to be developed under this Agreement.

1. The Development Fee is consideration for this Agreement and not consideration for any Franchise Agreement, is fully earned by Franchisor upon execution of this Agreement, and is nonrefundable. The part of the Initial Franchise Fee that comprises the Development Fee is credited against the Initial Franchise Fee payable upon the signing of each individual Franchise Agreement. The balance of the Initial Franchise Fee, if any, for the first Restaurant must be paid at the time of execution of this Agreement, together with the execution by Developer of the Franchise Agreement for the first Restaurant. The total amount to be paid by Developer at the time of execution of this Agreement pursuant to this Section, including both the Development Fee and the balance of the Initial Franchise Fee for Developer's first Restaurant is $_________. The balance of the Initial Franchise Fee for each subsequent Restaurant is due as specified below in Section B.

2. If this Agreement is terminated pursuant to Articles VI and VII of this Agreement, the Development Fee and the balance of the Initial Franchise Fee paid prior to termination, or any unused portion thereof, shall be forfeited to Franchisor in consideration of the rights granted in the Development Territory up to the time of termination.

B. Developer must submit a separate application for each Restaurant to be established by Developer within the Development Territory as further described in Article IV. Upon Franchisor's consent to the site of Developer's Restaurant, a separate then current Franchise Agreement must be executed for each such Restaurant. Upon signing the current Franchise Agreement and the lease with the landlord for the Authorized Location, the remaining Initial Franchise Fee for that Restaurant is due and owing. Such payment represents the balance of the appropriate Initial Franchise Fee, as described above in Section A. Upon the execution of each then current Franchise Agreement, the terms and conditions of the Franchise Agreement control the establishment and operation of such Restaurant.

ARTICLE IV
DEVELOPMENT SCHEDULE

The following provisions control with respect to Developer's development rights and obligations:

A. Developer is bound by and strictly must follow the Development Schedule. By the dates set forth under the Development Schedule, Developer must enter into Franchise Agreements with Franchisor pursuant to this Agreement for the number of Restaurants described under the Development Schedule. Developer also must comply with the Development Schedule requirements regarding (i) the opening date for each Restaurant and (ii) the cumulative number of Restaurants to be open and continuously operating for business in the Development Territory. If Developer fails to either execute a Franchise Agreement or to open a Restaurant according to the dates set forth in the Franchise Agreement, Franchisor has the right to (i) require that Developer hire a franchise development expert with recognized experience in developing franchises in a similar line of business to Franchisor's or (ii) immediately terminate this Agreement pursuant to Article VII.B. If Developer is developing ____ or more restaurants under this Agreement, Developer will have a "late opening extension right" of two weeks for each restaurant in which Franchisor will not have the right under (i) or (ii) in the previous sentence. To take advantage of this late opening extension, Developer must make a request for the extension 45 days prior to the opening date set forth in the Franchise Agreement and have been in continuous compliance throughout the term of this Agreement.

B. Developer may not develop a Restaurant unless: (i) at least 45 days, but no more than 90 days, prior to the date set forth in the Development Schedule for the execution of each Franchise Agreement, Developer sends Franchisor a notice (a) requiring that Franchisor send Developer Franchisor's then-current disclosure documents, (b) confirming Developer's intention to develop the particular Restaurant and (c) sending Franchisor all information necessary to complete the Franchise Agreement for the particular Restaurant; and (ii) all of the following conditions have been met (these conditions apply to each Restaurant to be developed in the Development Territory):

1. Developer's Submission of Proposed Site. Developer must find a proposed site for the Restaurant, which Developer reasonably believes to conform to Franchisor's site selection criteria, as modified by Franchisor from time to time, and submit to Franchisor a complete site report (containing such demographic, commercial, and other information and photographs as Franchisor may reasonably require) for such site.

2. Franchisor's Acceptance of the Proposed Site. Developer must receive Franchisor's written acceptance of Developer's proposed site. Prior to Franchisor accepting a site, Developer must obtain and submit third-party demographic information and such other analysis and information related to the site and market as Franchisor may require. In reviewing any proposed site, Franchisor will consider such matters as Franchisor deems material, including demographic characteristics of the proposed site, traffic patterns, competition, the proximity to other businesses, the nature of other businesses in proximity to the site, and other commercial characteristics (including the purchase or lease obligations for the proposed site) and the size of premises, appearance and other physical characteristics. Franchisor's acceptance of a proposed site, however, does not in any way constitute a guaranty by Franchisor as to the success of the Restaurant.

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

4. Developer's Compliance with Franchisor's Then-Current Standards for Franchisees. Developer must receive written confirmation from Franchisor that Developer meets Franchisor's then-current standards for franchisees, including financial capability criteria for the development of a new Restaurant. Developer acknowledge and agree that this requirement is necessary to ensure the proper development and operation of Developer's Restaurants, and preserve and enhance the reputation and goodwill of all Oggi's™ Restaurants and the goodwill of the Oggi's™ Trademarks and System. Franchisor's confirmation that Developer meets Franchisor's then-current standards for the development of a new Restaurant, however, does not in any way constitute a guaranty by Franchisor as to Developer's success.

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

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

C. Developer must begin substantial construction of each of the Restaurants at least 150 days before the deadline to open each of the Restaurants if the Restaurant will be in a free-standing location or at least 120 days before the deadline to open the Restaurant if the Restaurant will be in a non-free-standing location. In addition, on or before the deadlines to start construction Developer must submit to Franchisor executed copies of any loan documents and/or any other document that proves that Developer has secured adequate financing to complete the construction of the Restaurant by the date Developer is obligated to have that Restaurant open and in operation. In the event that Developer fails to comply with any of these obligations, Franchisor will have the right to terminate this Agreement without opportunity to cure pursuant to Article VII.B.

D. Developer acknowledge that Developer has conducted an independent investigation of the prospects for the establishment of Restaurants within the Development Territory, and recognizes that the business venture contemplated by this Agreement involves business and economic risks and that Developer's financial and business success will be primarily dependent upon the personal efforts of Developer and Developer's management and employees. Franchisor expressly disclaims the making of, and Developer acknowledges that Developer has not received, any estimates, projections, warranties or guaranties, express or implied, regarding potential gross sales, profits, earnings or the financial success of the Restaurants Developer develops within the Development Territory.

E. Developer recognizes and acknowledges that this Agreement requires Developer to open Restaurants in the future pursuant to the Development Schedule. Developer further acknowledge that the estimated expenses and investment requirements set forth in Items 6 and 7 of Franchisor's Franchise Disclosure Document are subject to increase over time, and that future Restaurants likely will involve greater initial investment and operating capital requirements than those stated in the Franchise Disclosure Document provided to Developer prior to the execution of this Agreement. Developer is obligated to execute all the Franchise Agreements and open all the Restaurants on the dates set forth on the Development Schedule, regardless of: (i) the requirement of a greater investment; (ii) the financial condition or performance of Developer's prior Restaurants; or (iii) any other circumstances, financial or otherwise. The foregoing shall not be interpreted as imposing any obligation upon Franchisor to execute the Franchise Agreements under this Agreement if Developer has not complied with each and every condition necessary to develop the Restaurants. No credit will be given for the development of Restaurants outside of the Development Territory, regardless of the fact that Developer may, upon proper application, obtain from Franchisor a Franchise Agreement for any such development.

ARTICLE V
INSURANCE AND INDEMNIFICATION

A. During the term of this Agreement, Developer shall obtain and maintain insurance coverage for workers' compensation insurance, business interruption insurance, comprehensive liability insurance, including products liability insurance, broad form contractual liability, and public liability insurance in amounts not less than that required by State law covering Developer's Development Territory. Upon the execution of each Franchise Agreement, Developer shall obtain and maintain the insurance coverages required under each Franchise Agreement.

B. Franchisor shall be named as an additional insured on all insurance policies procured pursuant to this Article. Every insurance policy shall contain an endorsement requiring that the policy cannot be canceled or changed in scope or amount without at least thirty (30) days prior written notice to Franchisor - said notice to be provided by the insurer. Should any insurance policy be cancelled before or after the expiration date thereof, Developer shall provide immediate written notice to the Franchisor. All insurance policies shall be issued by insurance companies of recognized responsibility and shall be satisfactory to Franchisor in form, substance and coverage.

C. Franchisor reserves the right to specify reasonable changes in the types and amounts of insurance coverage required by this Article. Developer shall deliver to Franchisor a certificate of the issuing insurance company evidencing each policy which is required under this Agreement. If Developer fails to obtain any insurance which is required under this Agreement, Franchisor may, but is not obligated to, obtain the required insurance at the sole cost and expense of Developer. All costs incurred by Franchisor shall be reimbursed upon demand, together with interest at 18% per annum, unless otherwise limited by applicable law, from the date the expense is incurred until the date payment is received by Franchisor.

D. Developer covenants and agrees that in the event that Franchisor shall, without fault on its part, be made or become a party to any suit by reason of this Agreement or by any act or omission by Developer hereunder, Developer shall defend, pay all costs and expenses, including attorney's fees, incurred by or imposed on Franchisor by or in connection with such litigation, and indemnify and hold harmless Franchisor, affiliates, shareholders, directors, officers, employees, and agents from and against any and all loss, costs, expenses (including without limitation, attorney's fees), damages, liabilities, however caused, resulting directly or indirectly from or pertaining to the use, condition, construction, equipping, decorating, maintenance or operation of any and all Restaurants, and any labor or other employee related claims of any kind. Such loss, costs, expenses, damages, liabilities and claims shall include, without limitation, those arising from the death or injury of any person, or arising from damage to the property of Developer or Franchisor, their affiliates, agents or employees, or any third person, firm or company, whether or not such loss, costs, expenses, damages, liabilities or claims were actually or allegedly caused, in whole or in part through the negligence of Franchisor or any of its affiliates, agents or employees, or resulted from any strict liability imposed on Franchisor or any of its affiliates, agents or employees.

E. Developer agrees that any violation of the provisions of this Article hereof shall be deemed to be a material breach of this Agreement and shall give Franchisor the right to terminate this Agreement in accordance with the terms and provisions of Article VII hereof.

ARTICLE VI
TERMINATION BY DEVELOPER; EXPIRATION OF AGREEMENT

This Agreement shall terminate immediately upon Franchisor's receipt of Developer's notice to terminate, subject to the forfeiture provisions of Article VIII. Notwithstanding any provision to the contrary contained herein, unless earlier terminated by either party, this Agreement shall expire on ______________, 20___, and all rights to Developer herein shall cease and all unapplied or unused portion of the Development Fee and the balance of the Initial Franchise Fee paid prior to expiration shall be forfeited to Franchisor.

ARTICLE VII
DEFAULT & TERMINATION

The following terms and provisions apply with respect to default and termination:

A. The rights and territorial protection granted to Developer in this Agreement have been granted in reliance on Developer's representations and warranties, and strictly on the conditions set forth in Articles II, IV and XI of this Agreement, including the condition that Developer comply strictly with the Development Schedule.

B. Developer shall be default under this Agreement if Developer breaches any of the terms, covenants, or conditions of this Agreement, including the failure to meet the Development Schedule, or the terms, covenants, or conditions of any Franchise Agreement or any other agreements between Developer or Developer's affiliates and Franchisor or Franchisor's affiliates. All rights granted in this Agreement immediately terminate upon written notice without opportunity to cure if: (i) Developer becomes insolvent, commits any affirmative action of insolvency or files any action or petition of insolvency; (ii) a receiver (permanent or temporary) of Developer's property is appointed by a court of competent authority; (iii) Developer makes a general assignment or other similar arrangement for the benefit of Developer's creditors; (iv) a final judgment remains unsatisfied of record for 30 days or longer (unless a supersedeas bond is filed); (v) execution is levied against Developer's business or property; (vi) suit to foreclose any lien or mortgage against the premises or equipment is instituted against Developer and not dismissed within 30 days, or is not in the process of being dismissed; (vii) Developer fails to meet the development obligations set forth in the Development Schedule attached as Appendix B; (viii) failure to start substantial construction of any of the Restaurants by the date established in Article IV.C; (ix) failure to secure financing for the construction of any of the Restaurants by the date set forth in Article IV.C; (x) Developer violates the provisions of Article 10; (xi) Developer fails to comply with any other provision of this Agreement and does not correct the failure within 30 days after written notice of that failure is delivered to Developer; (xii) Franchisor has delivered to Developer a notice of termination of a Franchise Agreement in accordance with its terms and conditions; (xiii) Developer assigns, transfers of sublicenses this Agreement without prior written consent of Franchisor; or (xiv) any change, transfer or conveyance ("Transfer") in the ownership of Developer, which Transfer has not been approved in advance by Franchisor, whose approval or disapproval may be granted in Franchisor's sole discretion.

C. Developer must pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees and expenses, that Franchisor incurs in administering any default by Developer under this Agreement.

ARTICLE VIII
RIGHTS AND DUTIES OF PARTIES UPON TERMINATION OR EXPIRATION

Immediately upon termination or expiration of this Agreement, for any reason, all of Developer's development rights granted pursuant to this Agreement shall automatically terminate and revert to Franchisor; and

A. All remaining rights granted to Developer to develop Restaurants under this Agreement will automatically be revoked and will be null and void. Developer will not be entitled to any refund of any fees. Developer will have no right to develop or operate any business for which a Franchise Agreement has not been executed by Franchisor. Developer understands and agrees that upon expiration or termination of this Agreement, Franchisor or Franchisor's designee, in their sole discretion, will be entitled to develop and operate, or to franchise others to develop and operate, franchised restaurants in the Development Territory, except as may be otherwise provided under any Franchise Agreement that has been executed between Franchisor and Developer that has not been terminated.

B. Developer must immediately cease to operate Developer's business under this Agreement and must not thereafter, directly or indirectly, represent to the public or hold Developer out as a present or former developer of Franchisor.

C. Developer must take such action as may be necessary to cancel or assign to Franchisor or Franchisor's designee, at Franchisor's option, any assumed name, fictitious business name, or equivalent registration that contains the name or any of the words OGGI'S, OGGI'S SPORTS BREWHOUSE PIZZA®, OGGI'S PIZZA, OGGI'S PIZZA EXPRESS®, or OGGI'S PIZZA & BREWING COMPANY or any other Trademark of Franchisor, and Developer must furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within 30 days after termination or expiration of this Agreement.

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

E. Developer must within 30 days of the termination or expiration pay all sums owing to Franchisor and Franchisor's affiliates, including the balance of the Initial Franchise Fees that Franchisor would have received had Developer developed all of the Restaurants set forth in the Development Schedule. Developer agree that this amount is for lost revenues from Royalty Fees and other amounts payable to Franchisor, including the fact that Developer were holding the development rights for those Restaurants and precluding the development of certain Restaurants in the Development Territory, and that it would be difficult to calculate with certainty the amount of damage Franchisor will incur. Notwithstanding Developer's agreement, if a court determines that these liquidated damages payment is unenforceable, then Franchisor may pursue all other available remedies, including consequential damages. All unpaid amounts will bear interest at the rate of 18% per annum or the maximum contract rate of interest permitted by governing law, whichever is less, from and after the date of accrual. In the event of termination for any default by Developer, the sums due will include all damages, costs, and expenses, including reasonable attorneys' fees and expenses, incurred by Franchisor as a result of the default. Developer also must pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees and expenses, that Franchisor incurs subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement.

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

ARTICLE IX
TRANSFER

The following provisions govern any transfer:

A. Franchisor has the right to transfer all or any part of Franchisor's rights or obligations under this Agreement to any person or legal entity.

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

ARTICLE X
NONCOMPETE

To further protect the Oggi's™ System while this Agreement is in effect, Developer and each officer, director, shareholder, member, manager, partner and other equity owner, as applicable, of Developer, if Developer is an entity, shall neither directly nor indirectly own, operate, control or have any financial interest in any other business which would constitute a "Competitive Business" (as hereinafter defined) without the prior written consent of Franchisor; provided further, that Franchisor may, in its sole discretion, consent to the Developer's continued operation of any business already in existence and operating at the time of execution of this Agreement. In addition, Developer covenants that, except as otherwise approved in writing by the Franchisor, Developer shall not, for a continuous, uninterrupted period commencing upon the expiration, termination or assignment of this Agreement, regardless of the cause for termination, and continuing for two (2) years thereafter, either directly or indirectly, for itself, or through or on behalf of, or in conjunction with any person, partnership, corporation or other entity, own, operate, control or have any financial interest in any Competitive Business which is located or has outlets or restaurant units within the Territory. The foregoing shall not apply to operation of a Restaurant by Developer pursuant to a Franchise Agreement with Franchisor or the ownership by Developer of less than five percent (5%) of the issued or outstanding stock of any company whose shares are listed for trading on any public exchange or on the over-the-counter market, provided that Developer does not control or become involved in the operations of any such company. For purposes of this Agreement, Competitive Business shall mean any on-premises dining, carry-out and delivery business serving a wide variety of pizza, pasta, burgers, Italian-style and American-bistro food and other products, including micro brewed beer and other alcoholic beverages. In the event that any provision of this Section shall be determined by a court of competent jurisdiction to be invalid or unenforceable, this Agreement shall not be void, but such provision shall be limited to the extent necessary to make it valid and enforceable.

ARTICLE XI
FRANCHISOR'S TRADE SECRETS AND PROPRIETARY RIGHTS

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

B. Developer expressly acknowledges Franchisor's exclusive right, title, and interest in the Trademarks and the System, and Developer agrees not to represent in any manner that Developer has any ownership in the Trademarks or the System. This Agreement is not a Franchise Agreement. Developer may not open a Restaurant or use the Trademarks or System until it executes a Franchise Agreement for that site. Developer's use of the Trademarks and System shall be limited to those rights granted under each individual Franchise Agreement. Notwithstanding the foregoing, Franchisor may authorize Developer in writing to use the Trademarks in connection with advertising and marketing activities in connection with this Agreement. Developer expressly agrees that such usage is limited to those specific activities or promotional materials approved by Franchisor in advance. Developer further agrees that its use of the Trademarks and System shall not create in its favor any right, title, or interest in or to the Trademarks or System, but that all of such use shall inure to the benefit of Franchisor, and Developer has no rights to the Trademarks or System except to the degree specifically granted by the individual Franchise Agreements. Developer shall have no right to license or franchise others to use the Trademarks or the System by virtue of this Agreement.

C. Developer recognizes the unique value and secondary meaning attached to the Trademarks and the System, and Developer agrees that any noncompliance with the terms of this Agreement or any unauthorized or improper use will cause irreparable damage to Franchisor and its franchisees. Developer, therefore, agrees that if it should engage in any such unauthorized or improper use during, or after, the term of this Agreement, Franchisor shall be entitled to both seek temporary and permanent injunctive relief from any court of competent jurisdiction in addition to any other remedies prescribed by law.

ARTICLE XII
MISCELLANEOUS PROVISIONS

The parties agree to the following provisions:

A. Non-waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by either of the parties to the Agreement will be considered to imply or constitute a further waiver by the party of the condition or covenant in the Agreement or any other condition, covenant, right, or remedy.

B. Independent Contractor. Developer is, and at all times during the term of this Agreement shall represent and conduct himself as, an independent contractor not as an agent of Franchisor. Developer shall not have the authority, express or implied, to bind or obligate Franchisor in any way. Developer shall be responsible to Franchisor only for the requirements and results specified by this Agreement. Developer shall not be subject to Franchisor's control with respect to the physical actions or activities of Developer or of Developer's employees or agents in connection with the operation of the franchised business or Developer's fulfillment of the requirements of this Agreement, except as specifically provided in this Agreement. This Agreement shall not make any of the parties hereto partners or joint ventures one with the other, or make them agents, servants or employees of the other.

C. Governing Law. This Agreement is made in the State of California and all rights hereunder shall be governed by and interpreted under the laws of the State of California. Nothing herein contained shall be deemed to waive the right of either party to obtain injunctive relief against threatened conduct that will cause loss or damage under the usual equity rules including the applicable rules for obtaining a preliminary injunction provided an appropriate bond against damages be provided.

D. Jurisdiction and Venue. The parties hereby consent and stipulate to jurisdiction and venue with regard to any legal action taken with respect to any claim arising from, out of, in conjunction with, or related to this Agreement, jurisdiction and venue shall be the City and County of San Diego, California. No claim or action may be brought in a venue outside the City and County of San Diego, California.

E. Construction: Throughout this Agreement, the use of the singular shall be construed to include the plural and vice versa. The use of any gender shall include all genders, whenever required by the context.

F. Execution of Documents: Each party to this Agreement shall from time to time, on request by the other party, execute, acknowledge, and deliver to the other party a written statement certifying that this Agreement has not been modified and is in full force and effect (or, if there have been modifications, that they are in full force and effect and stating the modifications). Each party to this Agreement shall also, from time to time, on request by the other party, execute any additional documents that may reasonably be required to effectuate the purposes of this Agreement.

G. Successors and Assigns: The provisions of this Agreement shall inure to the benefit of and be binding on the parties and their respective representatives, successors, and assigns.

H. Severability of Provisions: If any provision of this Agreement is held to be illegal or invalid by any tribunal in a final decision from which no appeal is or can be taken, that provision shall be deemed modified to eliminate the invalid element, and, as so modified, the provision shall be deemed a part of this Agreement as though originally included in the Agreement. The remaining provisions of this Agreement shall not be affected by the modification.

I. Extent of Agreement: This Agreement, Appendixes, and the other exhibits in the Franchise Disclosure Document, represents the entire agreement between Franchisor and Developer, and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by Franchisor and Developer.

J. Payments, Notices and Communications: All payments are to be paid, and any notices or communications shall be directed to Franchisor by United States mail, postage prepaid, return receipt requested, at the following address:

Oggi's Pizza & Brewing Company
1245 Puerta Del Sol
San Clemente, California 92673

Notices and communications shall be directed to Developer by United States mail, postage prepaid, and addressed to Developer at ____. If Developer is other than an individual, Developer shall designate in writing to Franchisor the name and address of its agent to receive notice. Notice to the agent shall be conclusively presumed to be full and adequate notice to Franchisee.

K. Remedies Cumulative: The parties shall be entitled to any and all remedies at law or in equity, in addition to any remedies set forth in this Agreement.

L. Other Parties: If Developer is other than an individual, then all persons who have any beneficial ownership interest in Developer by way of partnership, joint venture, association, incorporation, or otherwise, shall be parties to this Agreement and shall execute this Agreement and shall jointly and severally be bound by all terms and provisions hereof.

M. Counterparts: This Agreement may be executed in counterparts, all of which together shall constitute this franchise.

N. No Guarantees. Developer acknowledges that neither Franchisor nor any other person can in any manner assure the success of the business of Developer. Further, Developer acknowledges that there are inherent and substantial risks associated with undertaking said business which Developer bears sole responsibility.

O. Integration Clause. This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business, and your review of the terms set forth in this Agreement, and in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

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

DEVELOPER:
____

Date: _________________________

____
[Signature]
By: ___________________________
Its: __________________________

FRANCHISOR:
OGGI'S PIZZA & BREWING COMPANY

Date: _________________________

____
[Signature]
By: ___________________________
Its: __________________________

DEVELOPER:
____

Date: _________________________

____
[Signature]
By: ___________________________
Its: __________________________

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE AREA DEVELOPMENT AGREEMENT

In consideration of the execution of the Area Development Agreement (the "Agreement") between OGGI'S PIZZA & BREWING COMPANY ("we" or "us") and __________________________________ (the "Developer"), dated ___________________, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Agreement, to be paid, kept and performed by the Developer, including without limitation the arbitration and other dispute resolution provisions of the Agreement.

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

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

In addition, the undersigned consents and agrees that: (i) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the Developer or any other person; (ii) such liability will not be diminished, relieved or otherwise affected by the Developer's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; and (iii) this Personal Guaranty shall apply in all modifications to the Agreement of any nature agreed to by the Developer with or without the undersigned receiving notice thereof. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.

______________________________	______________________________
Individually	Individually
______________________________	______________________________
Print Name	Print Name
______________________________	______________________________
Address	Address
______________________________	______________________________
City / State / Zip Code	City / State / Zip Code
______________________________	______________________________
Telephone / Email	Telephone / Email

APPENDIX A

☐ **Oggi's™ Full-Service Restaurants** _______ _______
Initials **Initials**

☐ **Oggi's Pizza Express® Restaurants** _______ _______
Initials **Initials**

DESCRIPTION OF DEVELOPMENT TERRITORY

____

____

____

____

____

____

____

____

DEVELOPER:	**FRANCHISOR:**
______________________________	**OGGI'S PIZZA & BREWING COMPANY**
Date: _________________________	Date: _________________________
______________________________ [Signature]	______________________________ [Signature]
By: ___________________________	By: ___________________________
Its: __________________________	Its: __________________________

APPENDIX B

☐ **Oggi's™ Full-Service Restaurants** _______ _______
Initials **Initials**

☐ **Oggi's Pizza Express® Restaurants** _______ _______
Initials **Initials**

DEVELOPMENT SCHEDULE

Developer acknowledges and agrees that a material provision of this Franchise Area Development Agreement is that the following number of Oggi's™ Restaurants must be opened and continuously operating in the Development Territory in accordance with the following Development Schedule:

Restaurant Number	Date by Which Franchise Agreement Must be Signed	Date by Which the Restaurant Must be Opened and Continuously Operating for Business in the Development Territory	Cumulative Number of Restaurants Required to be Open and Continuously Operating for Business in the Development Territory as of the Date in the Preceding Column
1			1
2			2
3			3
4			4
5			5

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

DEVELOPER:
____

Date: __________________________

____
[Signature]
By: ____________________________
Its: ___________________________

FRANCHISOR:
OGGI'S PIZZA & BREWING COMPANY

Date: __________________________

____
[Signature]
By: ____________________________
Its: ___________________________

DEVELOPER QUESTIONNAIRE

As you know, Oggi's Pizza & Brewing Company and you are preparing to enter into a Franchise Agreement for the operation of one Oggi's Pizza & Brewing Company franchise. The purposes of this Questionnaire are to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. You must sign and date this Questionnaire the same day you sign the Franchise Agreement and pay your franchise fee. Please closely review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally read the Oggi's Pizza & Brewing Company Franchise Disclosure Document ("**FDD")?**

   Yes______ No______

2. Did you give us a signed receipt for the copy of the FDD that we furnished to you?

   Yes______ No______

3. Do you understand all of the information contained in the FDD?

   Yes______ No______

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

4. Have you received and personally read the Oggi's Pizza & Brewing Company Franchise Agreement?

   Yes______ No______

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

   Yes______ No______

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

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

   Yes______ No______

7. A) Have you, in fact, discussed the FDD, the agreements, and the benefits and risks of operating an Oggi's Pizza & Brewing Company franchise with an attorney?

Yes______ No______ If yes, name of attorney: ________________________

If No, do you wish to have more time to do so?

Yes______ No______

B) Have you discussed the benefits and risks of operating an Oggi's Pizza & Brewing Company Franchised Business with any other professional advisor?

Yes______ No______ If yes, name and profession of advisor:

C) Did you discuss the benefits and risks of operating an Oggi's Pizza & Brewing Company Franchised Business with an existing Oggi's Pizza & Brewing Company franchisee?

Yes______ No______

8. Other than the information presented in Item 19 of the FDD, have any of our employees or has any other person speaking on our behalf (this does not include franchisees whom you contact on your own) made any statement or representation (oral, written, or visual) regarding:

A) The amount of money that others have made or that you might make as an Oggi's Pizza & Brewing Company franchisee?

Yes______ No______

B) The revenue or profits that a Oggi's Pizza & Brewing Company Restaurant will generate?

Yes______ No______

C) Any other financial performance information about Oggi's Pizza & Brewing Company businesses?

Yes______ No______

9. If your answer to any part of Question 8 is "Yes", please describe the statement or representation. Please include when, where and by whom the statement or representation was made. Please provide full details in the following space. (If you need additional space, please use the "Additional Information Intake Form" included after the signature blocks below).

10. Have you contacted any existing Oggi's Pizza & Brewing Company franchisees about their financial performance?

Yes______ No______

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

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

Yes______ No______

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

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

Yes______ No______

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

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

Yes______ No______

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

Yes______ No______

17. Do you understand that, unless otherwise explicitly stated in written agreements you execute with us, we do not have to sell you a franchise or additional franchises (or Areas of Primary Responsibility), or consent to your purchase of existing franchises?

Yes______ No______

18. Do you understand that the Franchise Agreement contains the entire agreement between us and you concerning the franchise for the Oggi's Pizza & Brewing Company Restaurant, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding?

Yes______ No______

19. Do you understand that once you sign the Franchise Agreement and pay the Initial Franchise Fee, your Initial Franchise Fee payment is nonrefundable under any circumstance?

Yes______ No______

20. Do you understand that, under the terms of the Franchise Agreement, you are fully responsible and liable for complying with all government license and permit requirements, as well as with all laws and regulations applicable to the establishment and operation of your Oggi's Pizza & Brewing Company Restaurant?

Yes______ No______

21. Do you understand the risks of operating an Oggi's Pizza & Brewing Company Restaurant?

Yes______ No______

You understand that we are acting in reliance on the truthfulness and completeness of your responses to the questions above in entering into the Agreements with Franchisee. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

YOU ACKNOWLEDGE AND AGREE THAT IN THE EVENT THAT ANY DISPUTE ARISES, THIS QUESTIONNAIRE WILL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION, AND YOU HEREBY WAIVE, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE.

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

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

DEVELOPER	**OWNER/GUARANTOR**
______________________________________	
a/an___________________________________	
By: ___________________________________	___________________________________
Name: _________________________________	Name: ______________________________
Title: _________________________________	
Date: _________________________________	Date: _______________________________

MULTI-FRANCHISE DEVELOPMENT AGREEMENT

EXHIBIT 7

TABLE OF CONTENTS

EXHIBIT 7

MULTI-FRANCHISE DEVELOPMENT AGREEMENT

THIS MULTI-FRANCHISE DEVELOPMENT AGREEMENT ("Agreement") is made on and entered into __________________________ [*date*], by and between OGGI'S PIZZA & BREWING COMPANY, a California corporation, with its principal place of business located at 1245 Puerta Del Sol, San Clemente, California 92673 (referred to herein as "Oggi's Pizza & Brewing Company" or "Franchisor"), and ____ [*name of developer*], with its principal place of business located at ____ [*address*] (referred to herein as "Developer").

RECITALS

A. Franchisor is the sole and exclusive owner of all proprietary and other property rights and interests in and to the trade names and/or trademarks "Oggi's," "Oggi's Sports Brewhouse Pizza," "Oggi's Pizza and Brewing Company," "Oggi's Pizza Express," "California Gold Blonde Ale," "Paradise Pale Ale," "McGarvey's Scottish Ale," "Sunset Amber Ale," "Black Magic Stout," "Torrey Pines India Pale Ale," "Double Up Double IPA," "Duck Dive Hefeweizen", "Oggi's Light Lager," "Oggi's Mighty Light," "Hoppily Ever After," "The Daily Grind Ale," "POG Project," "50/50 Beersicle," "Rising Sun IPA," "Hazy Go Crazy IPA," "Oggi's Hard Seltzer," and all other trademarks, service marks, logo types, insignias, trade dress designs and commercial symbols as Franchisor may from time to time authorize or direct Developer to use in connection with the operation of an "Oggi's™" Restaurant (the "Trademarks"). Franchisor anticipates developing additional trademarks, trade names, service marks, and other commercial symbols, which Developer acknowledges and agrees, shall be subject to this Agreement.

B. Franchisor has a unique System for the operation of retail outlets, which consists of distinctive food and beverage products prepared according to special and confidential recipes and formulas with unique storage, preparation, service and delivery procedures and techniques offered in a setting of distinctive exterior and interior layout, design and color scheme, signage, furnishings and materials, and using certain distinctive types of facilities, equipment, supplies, ingredients, business techniques, methods and procedures together with sales promotion programs, all of which Franchisor may modify and change from time to time (the "System"). As part of the System, Oggi's™ offers Oggi's™ Full-Service Restaurants and Oggi's Pizza Express® Restaurants.

C. Developer represents that it is experienced in and has independent knowledge of the nature and specifics of the restaurant business. Developer represents that in entering into this Agreement it has relied solely on its personal knowledge and has not relied on any representations of Franchisor or any of its officers, directors, employees or agents, except those representations contained in any legally required disclosure document delivered to Developer.

D. Franchisor is willing to grant the right to develop and open either Oggi's™ Full-Service Restaurants or Oggi's Pizza Express® Restaurants as specified in Appendix A, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and obligations herein contained, Franchisor and Developer hereto agree as follows:

ARTICLE I
TERM

This Agreement shall commence on the Effective Date. Unless sooner terminated pursuant to Articles VI and VII, and subject to the terms detailed in Article II.C, of this Agreement, the term of this Agreement and all rights granted to Developer shall expire upon the earlier of the date that the last Restaurant is scheduled to open under the Development Schedule or upon the actual opening of the last Restaurant listed in the Development Schedule.

ARTICLE II
GRANT OF DEVELOPMENT RIGHTS

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

A. Franchisor grants to Developer, under the terms and conditions of this Agreement, and as long as Developer shall not be in default of this Agreement or any other development, franchise or other agreement between Franchisor and Developer, the right to, establish, develop and operate three (3) franchised restaurants ("Restaurants"), at specific locations to be designated in separate franchise agreements ("Franchise Agreements") and which do not infringe upon any other franchisee's protected area. The Franchise Agreements executed in accordance with this Agreement shall be in the form currently in use by Franchisor at the time of approval of the specific franchise site by Franchisor and shall be either the Full-Service Franchise Agreement or the Express Unit Franchise Agreement as determined in Appendix A.

B. Developer is bound by the development schedule set forth in Appendix A ("Development Schedule"). Time is of the essence for the development of each Restaurant in accordance with the Development Schedule. Each Restaurant must be developed and operated pursuant to a separate Franchise Agreement that Developer enters into with Franchisor pursuant to Article IV.B below.

C. The rights granted under this Agreement are limited to the right to develop and operate three (3) Restaurants, and do not include: (i) any right to sell Oggi's™ products and menu items at any location or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce), other than at your Restaurants; (ii) any right to sell Oggi's™ products and menu items to any person or entity for resale or further distribution; or (iii) any right to exclude, control or impose conditions on Franchisor's development or operation of franchised, company or affiliate owned restaurants at any time or at any location outside of the Restaurant's protected area as defined in the Franchise Agreement for that Restaurant.

Developer acknowledges and agrees that Franchisor and Franchisor's affiliates have the right to operate and franchise others the right to operate restaurants or any other business within and outside the Restaurant's protected area under trademarks other than the Oggi's™ Trademarks, without compensation to any franchisee, that do not compete with the Franchise. Outside of a Restaurant's protected area, Franchisor has the right to grant other franchises or develop and operate company or affiliate owned franchised restaurants and offer, sell or distribute any products or services associated with the System (now or in the future) under the Trademarks or any other trademarks, service marks or trade names, all without compensation to any franchisee.

Franchisor further has the right to offer, sell or distribute, within and outside of a Restaurant's protected area, through any distribution channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Trademarks, or any other trademarks, service marks or trade names, except for Prohibited Items (as defined below), through any distribution channels or methods, without compensation to any franchisee. The distribution channels or methods include, without limitation, grocery stores, club stores, Convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the internet (or any other existing or future form of electronic commerce). The Prohibited Items are the following items that we will not sell in Restaurant's protected area through other distribution channels or methods: any retail food service Menu Items that are cooked or prepared to be served to the end user or customer for consumption at the retail location (unless sold at the limited seating facilities referenced in this Section). For example, pizza cooked and served to customers at a grocery store or convenience store would be a Prohibited Item, but the sale of frozen or pre-packaged pizzas or pastas at a grocery store or convenience store would be a permitted form of distribution in a Restaurant's protected area. Developer acknowledges and agrees that certain locations within a Restaurant's protected area are by their nature unique and separate in character from sites generally developed as franchised restaurants. As a result, Developer agree that the following locations ("Special Sites") are excluded from a Restaurant's protected area and Franchisor has the right to develop or franchise such locations: (1) military bases; (2) public transportation facilities; (3) sports facilities, including racetracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; and (6) community and special events.

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

ARTICLE III
DEVELOPMENT FEE

Developer shall pay a Development Fee as described below:

A. As consideration for the rights granted in this Agreement, to establish, develop and operate three (3) Oggi's™ Full-Service Restaurants as specified in Appendix A, Developer must pay Franchisor a "Development Fee" of $75,000.00, representing the total Initial Franchise Fees for three (3) Restaurant to be developed under this Agreement. If Developer seeks to establish, develop and operate three (3) Oggi's Pizza Express® Restaurants as specified in Appendix A, Developer must pay Franchisor a "Development Fee" of $50,000.00, representing the total Initial Franchise Fees for three (3) Restaurant to be developed under this Agreement.

1. The Development Fee is consideration for this Agreement and not consideration for any Franchise Agreement, is fully earned by Franchisor upon execution of this Agreement, and is nonrefundable. Developer shall pay an initial deposit of $2,500. The balance of $72,500 for the three (3) Oggi's™ Full-Service Restaurants or $47,500 for the three (3) Oggi's Pizza Express® Restaurants, shall be paid by Developer upon signing its first Franchise Agreement with the Franchisor and its first lease with the landlord for its Authorized Location. All fees once paid are non-refundable.

2. If this Agreement is terminated pursuant to Articles VI and VII of this Agreement, the Development Fee and the balance of the Initial Franchise Fee paid prior to termination, or any unused portion thereof, shall be forfeited to Franchisor in consideration of the rights granted under this Agreement up to the time of termination.

B. Developer must submit a separate application for each Restaurant to be established by Developer as further described in Article IV. Upon Franchisor's consent to the site of Developer's Restaurant, a separate then current Franchise Agreement must be executed for each such Restaurant. Upon the execution of each then current Franchise Agreement, the terms and conditions of the Franchise Agreement control the establishment and operation of such Restaurant.

ARTICLE IV
DEVELOPMENT SCHEDULE

The following provisions control with respect to Developer's development rights and obligations:

A. Developer shall have five (5) years from the date Developer signs its first Franchise Agreement to open the two (2) additional Restaurants provided for under this Agreement. If Developer fails to either execute a Franchise Agreement or to open a Restaurant according to the dates set forth in the Franchise Agreement, Franchisor has the right to (i) require that Developer hire a franchise development expert with recognized experience in developing franchises in a similar line of business to Franchisor's or (ii) immediately terminate this Agreement pursuant to Article VII.B. Developer will have a "late opening extension right" of two weeks for each restaurant in which Franchisor will not have the right under (i) or (ii) in the previous sentence. To take advantage of this late opening extension, Developer must make a request for the extension 45 days prior to the opening date set forth in the Franchise Agreement and have been in continuous compliance throughout the term of this Agreement.

B. Developer may not develop a Restaurant unless: (i) at least 45 days, but no more than 90 days, prior to the date set forth in the Development Schedule for the execution of each Franchise Agreement, Developer sends Franchisor a notice (a) requiring that Franchisor send Developer Franchisor's then-current disclosure documents, (b) confirming Developer's intention to develop the particular Restaurant and (c) sending Franchisor all information necessary to complete the Franchise Agreement for the particular Restaurant; and (ii) all of the following conditions have been met (these conditions apply to each Restaurant):

1. Developer's Submission of Proposed Site. Developer must find a proposed site for the Restaurant, which Developer reasonably believes to conform to Franchisor's site selection criteria, as modified by Franchisor from time to time, and submit to Franchisor a complete site report (containing such demographic, commercial, and other information and photographs as Franchisor may reasonably require) for such site.

2. Franchisor's Acceptance of the Proposed Site. Developer must receive Franchisor's written acceptance of Developer's proposed site. Prior to Franchisor accepting a site, Developer must obtain and submit third-party demographic information and such other analysis and information related to the site and market as Franchisor may require. In reviewing any proposed site, Franchisor will consider such matters as Franchisor deems material, including demographic characteristics of the proposed site, traffic patterns, competition, the proximity to other businesses, the nature of other businesses in proximity to the site, and other commercial characteristics (including the purchase or lease obligations for the proposed site) and the size of premises, appearance and other physical characteristics. Franchisor's acceptance of a proposed site, however, does not in any way constitute a guaranty by Franchisor as to the success of the Restaurant.

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

4. Developer's Compliance with Franchisor's Then-Current Standards for Franchisees. Developer must receive written confirmation from Franchisor that Developer meets Franchisor's then-current standards for franchisees, including financial capability criteria for the development of a new Restaurant. Developer acknowledge and agree that this requirement is necessary to ensure the proper development and operation of Developer's Restaurants, and preserve and enhance the reputation and goodwill of all Oggi's™ Restaurants and the goodwill of the Oggi's™ Trademarks and System. Franchisor's confirmation that Developer meets Franchisor's then-current standards for the development of a new Restaurant, however, does not in any way constitute a guaranty by Franchisor as to Developer's success.

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

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

C. Developer must begin substantial construction of each of the Restaurants at least 150 days before the termination of this Agreement if the Restaurant will be in a free-standing location or at least 120 days before the deadline to open the Restaurant if the Restaurant will be in a non-free-standing location. In addition, on or before the deadlines to start construction Developer must submit to Franchisor executed copies of any loan documents and/or any other document that proves that Developer has secured adequate financing to complete the construction of the Restaurant by the date Developer is obligated to have that Restaurant open and in operation. In the event that Developer fails to comply with any of these obligations, Franchisor will have the right to terminate this Agreement without opportunity to cure pursuant to Article VII.B.

D. Developer acknowledge that Developer has conducted an independent investigation of the prospects for the establishment of Restaurants pursuant to this Agreement, and recognizes that the business venture contemplated by this Agreement involves business and economic risks and that Developer's financial and business success will be primarily dependent upon the personal efforts of Developer and Developer's management and employees. Franchisor expressly disclaims the making of, and Developer acknowledges that Developer has not received, any estimates, projections, warranties or guaranties, express or implied, regarding potential gross sales, profits, earnings or the financial success of the Restaurants Developer develops pursuant to this Agreement.

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

ARTICLE V
INSURANCE AND INDEMNIFICATION

A. Upon the execution of each Franchise Agreement, Developer shall obtain and maintain the insurance coverages required under each Franchise Agreement.

B. Franchisor shall be named as an additional insured on all insurance policies procured pursuant to this Article. Every insurance policy shall contain an endorsement requiring that the policy cannot be canceled or changed in scope or amount without at least thirty (30) days prior written notice to Franchisor - said notice to be provided by the insurer. Should any insurance policy be cancelled before or after the expiration date thereof, Developer shall provide immediate written notice to the Franchisor. All insurance policies shall be issued by insurance companies of recognized responsibility and shall be satisfactory to Franchisor in form, substance and coverage.

C. Franchisor reserves the right to specify reasonable changes in the types and amounts of insurance coverage required by this Article. Developer shall deliver to Franchisor a certificate of the issuing insurance company evidencing each policy which is required under this Agreement. If Developer fails to obtain any insurance which is required under this Agreement, Franchisor may, but is not obligated to, obtain the required insurance at the sole cost and expense of Developer. All costs incurred by Franchisor shall be reimbursed upon demand, together with interest at 18% per annum, unless otherwise limited by applicable law, from the date the expense is incurred until the date payment is received by Franchisor.

D. Developer covenants and agrees that in the event that Franchisor shall, without fault on its part, be made or become a party to any suit by reason of this Agreement or by any act or omission by Developer hereunder, Developer shall defend, pay all costs and expenses, including attorney's fees, incurred by or imposed on Franchisor by or in connection with such litigation, and indemnify and hold harmless Franchisor, affiliates, shareholders, directors, officers, employees, and agents from and against any and all loss, costs, expenses (including without limitation, attorney's fees), damages, liabilities, however caused, resulting directly or indirectly from or pertaining to the use, condition, construction, equipping, decorating, maintenance or operation of any and all Restaurants, and any labor or other employee related claims of any kind. Such loss, costs, expenses, damages, liabilities and claims shall include, without limitation, those arising from the death or injury of any person, or arising from damage to the property of Developer or Franchisor, their affiliates, agents or employees, or any third person, firm or company, whether or not such loss, costs, expenses, damages, liabilities or claims were actually or allegedly caused, in whole or in part through the negligence of Franchisor or any of its affiliates, agents or employees, or resulted from any strict liability imposed on Franchisor or any of its affiliates, agents or employees.

E. Developer agrees that any violation of the provisions of this Article hereof shall be deemed to be a material breach of this Agreement and shall give Franchisor the right to terminate this Agreement in accordance with the terms and provisions of Article VII hereof.

ARTICLE VI
TERMINATION BY DEVELOPER; EXPIRATION OF AGREEMENT

This Agreement shall terminate immediately upon Franchisor's receipt of Developer's notice to terminate, subject to the forfeiture provisions of Article VIII. Notwithstanding any provision to the contrary contained herein, unless earlier terminated by either party, this Agreement shall expire on ______________, 20___, and all rights to Developer herein shall cease and all unapplied or unused portion of the Development Fee and the balance of the Initial Franchise Fee paid prior to expiration shall be forfeited to Franchisor.

ARTICLE VII
DEFAULT & TERMINATION

The following terms and provisions apply with respect to default and termination:

A. The rights and territorial protection granted to Developer in this Agreement have been granted in reliance on Developer's representations and warranties, and strictly on the conditions set forth in Articles II, IV and XI of this Agreement, including the condition that Developer comply strictly with the Development Schedule.

B. Developer shall be in default under this Agreement if Developer breaches any of the terms, covenants, or conditions of this Agreement, including the failure to meet the Development Schedule, or the terms, covenants, or conditions of any Franchise Agreement or any other agreements between Developer or Developer's affiliates and Franchisor or Franchisor's affiliates. All rights granted in this Agreement immediately terminate upon written notice without opportunity to cure if: (i) Developer becomes insolvent, commits any affirmative action of insolvency or files any action or petition of insolvency; (ii) a receiver (permanent or temporary) of Developer's property is appointed by a court of competent authority; (iii) Developer makes a general assignment or other similar arrangement for the benefit of Developer's creditors; (iv) a final judgment remains unsatisfied of record for 30 days or longer (unless a supersedeas bond is filed); (v) execution is levied against Developer's business or property; (vi) suit to foreclose any lien or mortgage against the premises or equipment is instituted against Developer and not dismissed within 30 days, or is not in the process of being dismissed; (vii) failure to start substantial construction of any of the Restaurants by the date established in Article IV.C; (viii) failure to secure financing for the construction of any of the Restaurants by the date set forth in Article IV.C; (ix) Developer violates the provisions of Article 10; (x) Developer fails to comply with any other provision of this Agreement and does not correct the failure within 30 days after written notice of that failure is delivered to Developer; (xi) Franchisor has delivered to Developer a notice of termination of a Franchise Agreement in accordance with its terms and conditions; (xii) Developer assigns, transfers of sublicenses this Agreement without prior written consent of Franchisor; or (xiii) any change, transfer or conveyance ("Transfer") in the ownership of Developer, which Transfer has not been approved in advance by Franchisor, whose approval or disapproval may be granted in Franchisor's sole discretion.

C. Developer must pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees and expenses that Franchisor incurs in administering any default by Developer under this Agreement.

ARTICLE VIII
RIGHTS AND DUTIES OF PARTIES UPON TERMINATION OR EXPIRATION

Immediately upon termination or expiration of this Agreement, for any reason, all of Developer's development rights granted pursuant to this Agreement shall automatically terminate and revert to Franchisor; and

A. All remaining rights granted to Developer to develop Restaurants under this Agreement will automatically be revoked and will be null and void. Developer will not be entitled to any refund of any fees. Developer will have no right to develop or operate any business for which a Franchise Agreement has not been executed by Franchisor. Developer understands and agrees that upon expiration or termination of this Agreement, Franchisor or Franchisor's designee, in their sole discretion, will be entitled to develop and operate, or to franchise others to develop and operate, franchised restaurants, except as may be otherwise provided under any Franchise Agreement that has been executed between Franchisor and Developer that has not been terminated.

B. Developer must immediately cease to operate Developer's business under this Agreement and must not thereafter, directly or indirectly, represent to the public or hold Developer out as a present or former developer of Franchisor.

C. Developer must take such action as may be necessary to cancel or assign to Franchisor or Franchisor's designee, at Franchisor's option, any assumed name, fictitious business name, or equivalent registration that contains the name or any of the words OGGI'S, OGG'S SPORTS BREWHOUSE PIZZA®, OGGI'S PIZZA, OGGI'S PIZZA EXPRESS®, or OGGI'S PIZZA & BREWING COMPANY or any other Trademark of Franchisor, and Developer must furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within 30 days after termination or expiration of this Agreement.

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

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

ARTICLE IX
TRANSFER

The following provisions govern any transfer:

A. Franchisor has the right to transfer all or any part of Franchisor's rights or obligations under this Agreement to any person or legal entity.

B. This Agreement is entered into by Franchisor with specific reliance upon Developer's personal experience, skills and managerial and financial qualifications. Consequently, this Agreement, and Developer's rights and obligations under it, are and will remain personal to Developer. Developer may only Transfer Developer's rights and interests under this Agreement if Developer obtains Franchisor's prior written consent and Developer transfers all of Developer's rights and interests under all Franchise Agreements for Restaurants pursuant to this Agreement and pays a transfer fee of 50% of the then-current Initial Franchise Fee. Accordingly, the assignment terms and conditions of the Franchise Agreements shall additionally apply to any Transfer of Developer's rights and interests under this Agreement. As used in this Section, the term "Transfer" means any sale, assignment, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of Developer's assets, or of any interest in Developer.

ARTICLE X
NONCOMPETE

To further protect the Oggi's™ System while this Agreement is in effect, Developer and each officer, director, shareholder, member, manager, partner and other equity owner, as applicable, of Developer, if Developer is an entity, shall neither directly nor indirectly own, operate, control or have any financial interest in any other business which would constitute a "Competitive Business" (as hereinafter defined) without the prior written consent of Franchisor; provided further, that Franchisor may, in its sole discretion, consent to the Developer's continued operation of any business already in existence and operating at the time of execution of this Agreement. In addition, Developer covenants that, except as otherwise approved in writing by the Franchisor, Developer shall not, for a continuous, uninterrupted period commencing upon the expiration, termination or assignment of this Agreement, regardless of the cause for termination, and continuing for two (2) years thereafter, either directly or indirectly, for itself, or through or on behalf of, or in conjunction with any person, partnership, corporation or other entity, own, operate, control or have any financial interest in any Competitive Business. The foregoing shall not apply to operation of a Restaurant by Developer pursuant to a Franchise Agreement with Franchisor or the ownership by Developer of less than five percent (5%) of the issued or outstanding stock of any company whose shares are listed for trading on any public exchange or on the over-the-counter market, provided that Developer does not control or become involved in the operations of any such company.

For purposes of this Agreement, Competitive Business shall mean a dine-in, carry-out food establishment for the retail sale of a wide variety of pizza, pasta, burgers, and Italian-style and American-bistro food and other products, including micro brewed beer and other alcoholic beverages.

In the event that any provision of this Section shall be determined by a court of competent jurisdiction to be invalid or unenforceable, this Agreement shall not be void, but such provision shall be limited to the extent necessary to make it valid and enforceable.

ARTICLE XI
FRANCHISOR'S TRADE SECRETS AND PROPRIETARY RIGHTS

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

B. Developer expressly acknowledges Franchisor's exclusive right, title, and interest in the Trademarks and the System, and Developer agrees not to represent in any manner that Developer has any ownership in the Trademarks or the System. This Agreement is not a Franchise Agreement. Developer may not open a Restaurant or use the Trademarks or System until it executes a Franchise Agreement for that site. Developer's use of the Trademarks and System shall be limited to those rights granted under each individual Franchise Agreement. Notwithstanding the foregoing, Franchisor may authorize Developer in writing to use the Trademarks in connection with advertising and marketing activities in connection with this Agreement. Developer expressly agrees that such usage is limited to those specific activities or promotional materials approved by Franchisor in advance. Developer further agrees that its use of the Trademarks and System shall not create in its favor any right, title, or interest in or to the Trademarks or System, but that all of such use shall inure to the benefit of Franchisor, and Developer has no rights to the Trademarks or System except to the degree specifically granted by the individual Franchise Agreements.

Developer shall have no right to license or franchise others to use the Trademarks or the System by virtue of this Agreement.

C. Developer recognizes the unique value and secondary meaning attached to the Trademarks and the System, and Developer agrees that any noncompliance with the terms of this Agreement or any unauthorized or improper use will cause irreparable damage to Franchisor and its franchisees. Developer, therefore, agrees that if it should engage in any such unauthorized or improper use during, or after, the term of this Agreement, Franchisor shall be entitled to both seek temporary and permanent injunctive relief from any court of competent jurisdiction in addition to any other remedies prescribed by law.

ARTICLE XII
MISCELLANEOUS PROVISIONS

The parties agree to the following provisions:

A. Non-waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by either of the parties to the Agreement will be considered to imply or constitute a further waiver by the party of the condition or covenant in the Agreement or any other condition, covenant, right, or remedy.

B. Independent Contractor. Developer is, and at all times during the term of this Agreement shall represent and conduct himself as, an independent contractor not as an agent of Franchisor. Developer shall not have the authority, express or implied, to bind or obligate Franchisor in any way. Developer shall be responsible to Franchisor only for the requirements and results specified by this Agreement. Developer shall not be subject to Franchisor's control with respect to the physical actions or activities of Developer or of Developer's employees or agents in connection with the operation of the franchised business or Developer's fulfillment of the requirements of this Agreement, except as specifically provided in this Agreement. This Agreement shall not make any of the parties hereto partners or joint ventures one with the other, or make them agents, servants or employees of the other.

C. Governing Law. This Agreement is made in the State of California and all rights hereunder shall be governed by and interpreted under the laws of the State of California. Nothing herein contained shall be deemed to waive the right of either party to obtain injunctive relief against threatened conduct that will cause loss or damage under the usual equity rules including the applicable rules for obtaining a preliminary injunction provided an appropriate bond against damages be provided.

D. Jurisdiction and Venue. The parties hereby consent and stipulate to jurisdiction and venue with regard to any legal action taken with respect to any claim arising from, out of, in conjunction with, or related to this Agreement, jurisdiction and venue shall be the City and County of San Diego, California. No claim or action may be brought in a venue outside the City and County of San Diego, California.

E. Construction: Throughout this Agreement, the use of the singular shall be construed to include the plural and vice versa. The use of any gender shall include all genders, whenever required by the context.

F. Execution of Documents: Each party to this Agreement shall from time to time, on request by the other party, execute, acknowledge, and deliver to the other party a written statement certifying that this Agreement has not been modified and is in full force and effect (or, if there have been modifications, that they are in full force and effect and stating the modifications). Each party to this Agreement shall also, from time to time, on request by the other party, execute any additional documents that may reasonably be required to effectuate the purposes of this Agreement.

G. Successors and Assigns: The provisions of this Agreement shall inure to the benefit of and be binding on the parties and their respective representatives, successors, and assigns.

H. Severability of Provisions: If any provision of this Agreement is held to be illegal or invalid by any tribunal in a final decision from which no appeal is or can be taken, that provision shall be deemed modified to eliminate the invalid element, and, as so modified, the provision shall be deemed a part of this Agreement as though originally included in the Agreement. The remaining provisions of this Agreement shall not be affected by the modification.

I. Extent of Agreement: This Agreement, Appendixes, and the other exhibits in the Franchise Disclosure Document, represents the entire agreement between Franchisor and Developer, and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by Franchisor and Developer.

J. Payments, Notices and Communications: All payments are to be paid, and any notices or communications shall be directed to Franchisor by United States mail, postage prepaid, return receipt requested, at the following address:

Oggi's Pizza & Brewing Company
1245 Puerta Del Sol
San Clemente, California 92673

Notices and communications shall be directed to Developer by United States mail, postage prepaid, and addressed to Developer at ____. If Developer is other than an individual, Developer shall designate in writing to Franchisor the name and address of its agent to receive notice. Notice to the agent shall be conclusively presumed to be full and adequate notice to Franchisee.

K. Remedies Cumulative: The parties shall be entitled to any and all remedies at law or in equity, in addition to any remedies set forth in this Agreement.

L. Other Parties: If Developer is other than an individual, then all persons who have any beneficial ownership interest in Developer by way of partnership, joint venture, association, incorporation, or otherwise, shall be parties to this Agreement and shall execute this Agreement and shall jointly and severally be bound by all terms and provisions hereof.

M. Counterparts: This Agreement may be executed in counterparts, all of which together shall constitute this franchise.

N. No Guarantees. Developer acknowledges that neither Franchisor nor any other person can in any manner assure the success of the business of Developer. Further, Developer acknowledges that there are inherent and substantial risks associated with undertaking said business which Developer bears sole responsibility.

O. Integration Clause. This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business, and your review of the terms set forth in this Agreement, and in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

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

DEVELOPER:	**FRANCHISOR:**
______________________________	**OGGI'S PIZZA & BREWING COMPANY**
Date: _________________________	Date: _________________________
______________________________	______________________________
[Signature]	[Signature]
By: ___________________________	By: ___________________________
Its: __________________________	Its: __________________________

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

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

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

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

In addition, the undersigned consents and agrees that: (i) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the Developer or any other person; (ii) such liability will not be diminished, relieved or otherwise affected by the Developer's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; and (iii) this Personal Guaranty shall apply in all modifications to the Agreement of any nature agreed to by the Developer with or without the undersigned receiving notice thereof. It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.

PERSONAL GUARANTORS:

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

APPENDIX A
DEVELOPMENT SCHEDULE

☐ **Oggi's™ Full-Service Restaurants** _______ _______
Initials **Initials**

☐ **Oggi's Pizza Express® Restaurants** _______ _______
Initials **Initials**

Developer acknowledges and agrees that a material provision of this Franchise Multi-Franchise Development Agreement is that the following number of Oggi's™ Restaurants must be opened and continuously operating in accordance with the following Development Schedule:

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

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

DEVELOPER:
____
Date: _________________________

____
[Signature]
By: ___________________________
Its: ___________________________

DEVELOPER:
____
Date: _________________________
____
[Signature]
By: ___________________________
Its: ___________________________

FRANCHISOR:
OGGI'S PIZZA & BREWING COMPANY
Date: _________________________

____
[Signature]
By: ___________________________
Its: ___________________________

DEVELOPER QUESTIONNAIRE

As you know, Oggi's Pizza & Brewing Company and you are preparing to enter into a Franchise Agreement for the operation of one Oggi's Pizza & Brewing Company franchise. The purposes of this Questionnaire are to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. You must sign and date this Questionnaire the same day you sign the Franchise Agreement and pay your franchise fee. Please closely review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally read the Oggi's Pizza & Brewing Company Franchise Disclosure Document ("**FDD")?**

   Yes______ No______

2. Did you give us a signed receipt for the copy of the FDD that we furnished to you?

   Yes______ No______

3. Do you understand all of the information contained in the FDD?

   Yes______ No______

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

4. Have you received and personally read the Oggi's Pizza & Brewing Company Franchise Agreement?

   Yes______ No______

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

   Yes______ No______

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

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

   Yes______ No______

7. A) Have you, in fact, discussed the FDD, the agreements, and the benefits and risks of operating an Oggi's Pizza & Brewing Company franchise with an attorney?

Yes______ No______ If yes, name of attorney: ________________________

If No, do you wish to have more time to do so?

Yes______ No______

B) Have you discussed the benefits and risks of operating an Oggi's Pizza & Brewing Company Franchised Business with any other professional advisor?

Yes______ No______ If yes, name and profession of advisor:

C) Did you discuss the benefits and risks of operating an Oggi's Pizza & Brewing Company Franchised Business with an existing Oggi's Pizza & Brewing Company franchisee?

Yes______ No______

8. Other than the information presented in Item 19 of the FDD, have any of our employees or has any other person speaking on our behalf (this does not include franchisees whom you contact on your own) made any statement or representation (oral, written, or visual) regarding:

A) The amount of money that others have made or that you might make as an Oggi's Pizza & Brewing Company franchisee?

Yes______ No______

B) The revenue or profits that a Oggi's Pizza & Brewing Company Restaurant will generate?

Yes______ No______

C) Any other financial performance information about Oggi's Pizza & Brewing Company businesses?

Yes______ No______

9. If your answer to any part of Question 8 is "Yes", please describe the statement or representation. Please include when, where and by whom the statement or representation was made. Please provide full details in the following space. (If you need additional space, please use the "Additional Information Intake Form" included after the signature blocks below).

10. Have you contacted any existing Oggi's Pizza & Brewing Company franchisees about their financial performance?

Yes______ No______

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

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

Yes______ No______

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

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

Yes______ No______

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

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

Yes______ No______

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

Yes______ No______

17. Do you understand that, unless otherwise explicitly stated in written agreements you execute with us, we do not have to sell you a franchise or additional franchises (or Areas of Primary Responsibility), or consent to your purchase of existing franchises?

Yes______ No______

18. Do you understand that the Franchise Agreement contains the entire agreement between us and you concerning the franchise for the Oggi's Pizza & Brewing Company Restaurant, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding?

Yes______ No______

19. Do you understand that once you sign the Franchise Agreement and pay the Initial Franchise Fee, your Initial Franchise Fee payment is nonrefundable under any circumstance?

Yes______ No______

20. Do you understand that, under the terms of the Franchise Agreement, you are fully responsible and liable for complying with all government license and permit requirements, as well as with all laws and regulations applicable to the establishment and operation of your Oggi's Pizza & Brewing Company Restaurant?

Yes______ No______

21. Do you understand the risks of operating an Oggi's Pizza & Brewing Company Restaurant?

Yes______ No______

You understand that we are acting in reliance on the truthfulness and completeness of your responses to the questions above in entering into the Agreements with Franchisee. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

YOU ACKNOWLEDGE AND AGREE THAT IN THE EVENT THAT ANY DISPUTE ARISES, THIS QUESTIONNAIRE WILL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION, AND YOU HEREBY WAIVE, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE.

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

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

DEVELOPER	**OWNER/GUARANTOR**
______________________________	
a/an______________________________	
By: ______________________________	______________________________
Name: ______________________________	Name: ______________________________
Title: ______________________________	
Date: ______________________________	Date: ______________________________

OGGI'S PIZZA & BREWING COMPANY

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2023, 2022 AND 2021

PORTER & HUNT, LLP
CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT 8

OGGI'S PIZZA & BREWING COMPANY

CONTENTS

EXHIBIT 8

PORTER & HUNT, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

April 10, 2024

To the Board of Directors and Stockholders of
Oggi's Pizza & Brewing Company
San Clemente, California

We have audited the accompanying financial statements of Oggi's Pizza & Brewing Company which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income and retained earnings, and cash flows for the years ended December 31, 2023, 2022 and 2021 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 Oggi's Pizza & Brewing Company as of December 31, 2023 and 2022, and the of its operations and its cash flows for the years ended December 31, 2023, 2022, and 2021 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 Oggi's Pizza & Brewing Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Oggi's Pizza & Brewing 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 Oggi's Pizza & Brewing 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 Oggi's Pizza & Brewing 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.

Porter & Hunt, LLP

PORTER & HUNT, LLP

EXHIBIT 8

OGGI'S PIZZA & BREWING COMPANY
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

ASSETS

	2023	2022
CURRENT ASSETS:		
Cash	$ 1,331,141	$ 1,207,757
Accounts receivable	96,931	114,922
Accounts receivable - other	30,388	21,754
Inventory	10,961	7,023
Prepaid expenses	4,641	17,782
Total current assets	1,474,062	1,369,238
PROPERTY AND EQUIPMENT, at cost:		
Machinery and equipment	637,706	634,553
Furniture and fixtures	181,384	181,384
Trucks and autos	79,212	100,983
Office equipment	35,440	35,440
Leasehold improvement	9,096	9,096
	942,838	961,456
Less: accumulated depreciation	(923,817)	(920,172)
Net property and equipment	19,021	41,284
OPERATING RIGHT OF USE ASSET	307,448	518,084
OTHER ASSETS:		
Due from related party	597,918	517,734
Note receivable - related party	1,097,069	1,097,069
Intangible assets, net of amortization	14,681	17,681
Deposit	16,800	16,800
Total other assets	1,726,468	1,649,284
Total assets	$ 3,526,999	$ 3,577,890

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

EXHIBIT 8

OGGI'S PIZZA & BREWING COMPANY
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

LIABILITIES AND STOCKHOLDERS' EQUITY

	2023	2022
CURRENT LIABILITIES:		
Accounts payable	$ 99,546	$ 79,296
Accrued expenses	190,328	184,680
Contract liability - current	24,375	24,583
Lease liability current - operating	198,286	252,290
Notes payable - current	-	10,496
Total current liabilities	512,535	551,345
LONG TERM LIABILITIES:		
Contract liability	254,909	255,534
Lease liability	104,658	254,719
Total long term liabilities	359,567	510,253
Total liabilities	872,102	1,061,598
STOCKHOLDERS' EQUITY:		
Common stock - $1 par value; 10,000 shares authorized, 1,500 shares issued and outstanding	1,500	1,500
Additional paid-in capital	132,561	132,561
Retained earnings	2,520,836	2,382,231
Total stockholders' equity	2,654,897	2,516,292
Total liabilities and stockholders' equity	$ 3,526,999	$ 3,577,890

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

EXHIBIT 8

OGGI'S PIZZA & BREWING COMPANY
STATEMENTS OF INCOME AND RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	2023	2022	2021
REVENUES:			
Royalty income	$ 1,505,891	$ 1,493,045	$ 1,338,558
Advertising fund revenue	754,037	727,211	643,808
Franchise fees	50,833	25,625	25,625
Proprietary products sales	64,405	78,703	59,223
Negotiated rate contracts	68,666	62,308	55,674
Restaurant sales	1,200,343	1,038,628	467,081
Concession sales	871,049	821,501	615,645
Total revenues	4,515,224	4,247,021	3,205,614
COST OF REVENUES	1,396,765	1,237,360	663,037
Gross profit	3,118,459	3,009,661	2,542,577
EXPENSES:			
General and administrative expense	2,374,131	1,973,566	1,632,417
Advertising fund expenses	554,082	549,327	464,501
Total expenses	2,928,213	2,522,893	2,096,918
Income from operations	190,246	486,768	445,659
OTHER INCOME (EXPENSE):			
Interest expense	(17,574)	(14,204)	(79,185)
Interest income	64,015	27,427	27,427
Rent income	79,993	69,404	71,176
Gain on extinguishment of debt	-	-	643,516
Restaurant revitalization fund grant	-	-	1,458,160
Other income	298	1,619	12,817
Total other income (expense)	126,732	84,246	2,133,911
Income before provision for income taxes	316,978	571,014	2,579,570
PROVISION FOR INCOME TAXES	8,870	7,346	7,923
Net income	308,108	563,668	2,571,647
RETAINED EARNINGS (DEFICIT), beginning	2,382,231	1,962,007	(609,640)
DISTRIBUTIONS	(169,503)	(143,444)	-
RETAINED EARNINGS, ending	$ 2,520,836	$ 2,382,231	$ 1,962,007

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

EXHIBIT 8

OGGI'S PIZZA & BREWING COMPANY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	2023	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 308,108	$ 563,668	$ 2,571,647
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	27,997	28,797	31,310
Loss on disposal of fixed assets	-	-	1,500
Gain on extinguishment of debt	-	-	(643,516)
Lease acitivity	6,571	-	-
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	17,991	(21,321)	(46,477)
(Increase) decrease in accounts receivable - other	(8,634)	5,640	54,814
(Increase) decrease in inventory	(3,938)	1,332	1,291
(Increase) decrease in prepaid expenses	13,141	10,859	(24,941)
Increase (decrease) in accounts payable and accrued expenses	25,898	(375,406)	(23,907)
Increase (decrease) in other liabilities	(833)	(25,625)	(25,625)
Net cash provided by operating activities	386,301	187,944	1,896,096
CASH FLOWS FROM INVESTING ACTIVITIES:			
Advances to related party	(80,184)	(9,226)	51,963
Purchase of fixed assets	(2,734)	(2,091)	(2,981)
Proceeds from sale of fixed assets	-	-	3,500
Net cash provided by (used in) investing activities	(82,918)	(11,317)	52,482
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net borrowings (payments) on lines of credit	-	-	(462,208)
Proceeds from issuance of notes payable	-	-	366,016
Principal payments on notes payable	(10,496)	(131,150)	(484,763)
Shareholder loans	-	(91)	(79,065)
Shareholder distributions	(169,503)	(143,444)	-
Net cash used in financing activities	(179,999)	(274,685)	(660,020)

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

EXHIBIT 8

OGGI'S PIZZA & BREWING COMPANY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	2023	2022	2021
CONTINUED			
NET INCREASE (DECREASE) IN CASH	123,384	(98,058)	1,288,558
CASH, beginning of year	1,207,757	1,305,815	17,257
CASH, end of year	$ 1,331,141	$ 1,207,757	$ 1,305,815

SUPPLMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	2023	2022	2021
Cash paid during the year for:			
Interest	$ 17,575	$ 14,204	$ 73,710
Income taxes	$ 8,870	$ 6,181	$ 1,623

Schedule of Noncash Financing Activities:

On January 1, 2022, the Company adopted ASC 842 which resulted in recording of a right-of-use asset of $518,084 and a lease liability of $507,009 on the balance sheet.

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

EXHIBIT 8

NOTE 1 – BUSINESS DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES

Oggi's Pizza & Brewing Company (the Company) is a California corporation formed on August 29, 2000 and is headquartered in San Clemente, California. The Company's primary business purpose is to solicit, support and sell franchises for pizza and brew pub theme restaurants known as Oggi's Sports Brewhouse Pizza. The Company currently has fifteen franchises located in Southern California and one in Arizona. The Company also has a restaurant located at the San Diego State University and operates concessions at Angels Stadium.

Basis of Accounting – The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America using the accrual basis of accounting.

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

Cash and Cash Equivalents – For purposes of the balance sheet and statement of cash flows, the Company considers all highly liquid debt instruments purchased with maturities of three months or less to be cash equivalents.

Accounts Receivable – Receivables are recorded when billed or accrued and represent claims against third parties that will be settled in cash. The carrying value of receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. The allowance for doubtful accounts is estimated based on historical collection trends, type of customer, the age of outstanding receivables and existing economic conditions. The allowance is adjusted for events or changes in circumstances related to the collectability of those balances. Past due receivable balances are written-off when collection efforts have been unsuccessful in collecting the amounts due. Management believes all accounts are collectible, therefore no allowance has been established.

Inventories **–** Inventories consist of food and supplies and are stated at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method, and NRV is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

	2023	2022
Food	$ 9,251	$ 4,900
Supplies	1,710	2,123
	$ 10,961	$ 7,023

EXHIBIT 8

NOTE 1 – BUSINESS DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments – The carrying amount of the Company's financial instruments, which include accounts receivable, accounts receivable – other, accounts payable and accrued expenses approximate their fair value due to the short period to maturity of these instruments.

Property and Equipment – Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that exceed $2,500 and that materially extend the life of the assets are capitalized. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the assets ranging from three to seven years. Depreciation expense for the years ended December 31, 2023, 2022 and 2021 amounted to $24,997, $25,797 and $28,310, respectively.

Other Assets – Intangible assets consist of loan fees, software, and architect fees that are determined to have definite lives are amortized over their useful lives. Amortization is three to ten years. Amortization expense for the years ended December 31, 2023, 2022 and 2021 was $3,000, each year. Amortization for the next five years is expected to be approximately $3,000 per year.

	2023	2022
Intangible assets	$ 482,595	$ 482,595
Accumulated amortization	(467,914)	(464,914)
	$ 14,681	$ 17,681

Contract Liabilities- Contract liabilities consist of deferred franchise fees. As of December 31, 2023 and 2022, the Company had a contract liabilities of $279,284 and $280,117 associated with deferred franchise fees received through December 31, 2023 and 2022.

	2023	2022
Contract liability	$ 279,284	$ 280,117
Current contract liability	(24,375)	(24,583)
Long term contract liability	$ 254,909	$ 255,534

Compensated Absences - Certain employees are entitled for vacation and paid sick days depending on job classification, length of service, and other factors. It is not practicable for the Company to estimate the amount of compensation for future absences; accordingly, no liability has been recorded in the accompanying financial statements. The Company recognizes these costs when paid.

EXHIBIT 8

NOTE 1 – BUSINESS DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recognition of Revenue – Revenue is measured based on consideration specified in contracts with customers and excludes waivers or incentives and amounts collected on behalf of third parties, primarily sales tax. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a customer, are excluded from revenue.

The Company adopted ASC Topic 606, "Revenue from Contracts with Customers" ("Topic 606").

The Company has determined up front franchise fees received from franchisees do not relate to separate and distinct performance obligations from the franchise right and those upfront fees will therefore be recognized as revenue over the term of each respective franchise store agreement, which is typically 20 years. Initial franchise fees are $50,000 per franchise.

Company-owned stores revenues are comprised of retail sales of food and are recognized when the items are delivered to or carried out by customers. Customer payments are generally due at the time of sale. Sales taxes related to these sales are collected from customers and remitted to the appropriate taxing authority and are not reflected in the Company's statements of income as revenue.

Franchise royalties and fees are primarily comprised of royalties and fees from Oggi's Pizza & Brewing Company franchisees. Each franchisee is generally required to pay a 5% royalty fee on franchisee sales. Royalty revenues are based on a percentage of franchise retail sales and are recognized when the items are delivered to or carried out by franchisees' customers.

The Company receives an advertising fee from each of its franchisees based on 2% of their gross receipts to promote the Oggi's brand through advertising, public relations campaigns, and brand building. The Company concludes that the performance obligation associated with the franchise advertising contributions received are not separate from franchise royalties; therefore, revenue should be recognized in a similar manner. As a result, these contributions are recognized on a gross basis and are included in the income statement as revenue and the related advertising is expensed in advertising fund expenses. Advertising fund administrative expenses are included in general and administrative expenses. For the years ended December 31, 2023, 2022 and 2021, the Company received administrative fees of approximately $256,000, $233,000 and $188,000, respectively.

Disaggregation of Revenue **-** Current accounting standards require that companies disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. The Company has included its revenues disaggregated in its statements of income to satisfy this requirement.

NOTE 1 – BUSINESS DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes – Effective January 1, 2016, the Company made an election to be taxed as an S Corporation pursuant to the Internal Revenue Code and under the laws of the state of California in lieu of corporation taxes. Each stockholder is taxed on their proportionate share of the Company's taxable income on their respective federal individual income tax returns. For California purposes, state income tax is assessed at a rate of one and one-half percent of taxable income, with an annual minimum tax of $800.

ASC Topic 740-10 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. For the years ended December 31, 2023, 2022 and 2021, the Company has no material uncertain tax positions to be accounted for in the financial statements. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in interest expense. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examinations for years prior to 2019.

Recently Adopted Accounting Standards - Effective January 1, 2022, the Company adopted the new lease accounting guidance in Accounting Standards Update No. 2016-02, *Leases (Topic 842)*. The Company has elected the package of practical expedients permitted in ASC Topic 842. Accordingly, the Company accounted for its existing operating lease as an operating lease under the new guidance, without reassessing (a) whether the contract contains a lease under ASC Topic 842, (b) whether classification of the operating lease would be different in accordance with ASC Topic 842, or (c) whether the unamortized initial direct costs before transition adjustments (as of December 31, 2021) would have met the definition of initial direct costs in ASC Topic 842 at lease commencement. As a result of the adoption of the new lease accounting guidance, the Company recognized on January 1, 2022 (a) a lease liability of $729,202, which represents the present value of the remaining lease payments of $785,240, discounted using the Company's incremental borrowing rate of 5%, and (b) a right-of-use asset of $729,202. At December 31, 2023 and 2022, the right-of-use asset was $307,448 and $518,084 and the lease liability was $302,944 and $507,009, respectively.

The Company determines if an arrangement is or contains a lease at contract inception and recognizes a right-of-use asset and a lease liability at the lease commencement date. Leases with an initial term of 12 months or less but greater than one month are not recorded on the balance sheet for select asset classes. The lease liability is measured at the present value of future lease payments as of the lease commencement date. The right-of-use asset recognized is based on the lease liability adjusted for prepaid and deferred rent and unamortized lease incentives. An operating lease right-of-use asset is amortized on a straight-line basis over the lease term and is recognized as a single lease cost against the operating lease liability. A finance lease right-of-use asset is amortized on a straight-line basis, with interest costs reported separately, over the lesser of the useful life of the leased asset or lease term. Operating lease is over the lease term and is included in operating costs or general and administrative expenses. Variable lease payments are expensed as incurred.

EXHIBIT 8

NOTE 1 – BUSINESS DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company uses its incremental borrowing rates as the discount rate for its leases, which is equal to the rate of interest the Company would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms. The lease terms for all the Company's leases include the contractually obligated period of the leases, plus any additional periods covered by Company options to extend the leases that the Company is reasonably certain to exercise.

Certain leases provide that the lease payments may be increased annually based on the fixed rate terms or adjustable terms such as the Consumer Price Index. Future base rent escalations that are not contractually quantifiable as of the lease commencement date are not included in our lease liability.

Date of Management's Review - Subsequent events were evaluated through April 10, 2024, which is the date the financial statements were available to be issued.

NOTE 2 –RELATED PARTY TRANSACTIONS

The Company has a note receivable due from Left Coast Brewing Company ("Left Coast") for past due rent and related expenses that has accumulated over the years. The amount due at December 31, 2023 and 2022 amounted to $1,097,069, respectively. The loan is interest only at 2.50% and has no maturity date. Interest received from Left Coast for each of the years ended December 31, 2023, 2022 and 2021 was $27,427. The Company owned store, SDSU Oggi's Express, purchased inventory from Left Coast in the amount of $28,446, $22,793 and $12,115, for the years ended December 31, 2023, 2022 and 2021. In April 2021, the Company entered into a vendor service agreement with Left Coast to manage and produce the Oggi's proprietary beer products and service franchisee draft systems. The agreement called for a 10% fee based on beer sales to the franchisees and in 2023 was amended to $15,000 per month. The amount paid to Left Coast was approximately $180,000, $61,000, $45,000 for the years ended December 31, 2023, 2022 and 2021. In addition, the Company advances funds to Left Coast and the amounts due at December 31, 2023 and 2022 were $572,505 and $437,932, respectively. Left Coast rents part of the facility in which Oggi's operates and was charged rent, property taxes and other operating expenses of approximately $80,000, $70,000 and $71,000 for the years ended December 31, 203, 2022 and 2020, respectively.

NOTE 3 – LEASES

Lease Agreements – The Company leases its facilities under long-term non-cancelable operating lease agreements. On November 16, 2021, the corporate lease was extended through May 31, 2025 with an option to extend for three years and has a monthly lease payment of $13,469 and increases by 2.5% every year. The agreement requires the payment of common area maintenance, utilities, real estate taxes, insurance, and certain repairs. SDSU Oggi's Express also has a lease with a minimum monthly lease payment equal to $7,917 or 10% of net receipts per month and expires March 2024 with an option to extend the lease for two additional periods of five years each.

EXHIBIT 8

NOTE 3 – LEASES – (Continued)

In addition, the Company also leases two autos under a long-term operating lease. Payments are $606 and $1,086 per month and the leases expire on January 1, 2025 and December 1, 2027.

Total lease costs as of December 31, 2023 are made up of the following and are included on the statement of income as cost of revenue:

Lease cost:	Amount
Operating lease cost	$ 257,916
Variable lease cost	32,879
Sublease income	(79,993)
Total lease cost	$ 210,802

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities as of December 31, 2023:

Year Ending December 31,	Amount
2024	$ 208,034
2025	82,663
2026	13,028
2027	11,943
Total lease payments to be paid	315,668
Less: effects of discounting	(12,724)
	302,944
Less: current portion	(198,286)
Lease liabilities	$ 104,658

The following table displays the weighted-average term and discount rates for operating leases outstanding as of December 31, 2023 and 2022, respectively.

Weighted-average term (months)	13.43
Weighted-average discount rate	4.72%

EXHIBIT 8

NOTE 4 – NOTES PAYABLE

	2023	2022
Unsecured note payable to SDSU. Monthly principal and interest payments of $2,448. Interest is at $9.45% and matures April 30, 2023.	$ -	$ 10,496

NOTE 5 – PENSION PLAN

The Company offers employee participation in a 401(k) profit sharing plan that covers eligible employees who have attained the age of 21 and completed one year of service. The Company may make a discretionary profit-sharing contribution and elected not to for the years ended December 31, 2023, 2022 and 2021, respectively.

NOTE 6 – PAYCHECK PROTECTION PROGRAM

On January 27, 2021, the Company received loan proceeds in the amount of $366,016 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act) provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loan and accrued interest are forgivable as long as the borrower properly allocates the use of the loan proceeds for the eligible purposes, including qualified payroll, benefits, rent, mortgage interest and utilities. The loan is accounted for under ASC 470-50: Debt which records a liability on the balance sheet and if, and when, the loan is forgiven the gain on extinguishment will be included in other income. The loan was forgiven on October 26, 2021 and is included in other income as a gain on extinguishment of debt on the 2021 statement of income.

On April 9, 2020, the Company received $277,500 under PPP. On March 10, 2021, the Company received a notice from the Small Business Administration (SBA) stating that the entire loan amount and related interest had been forgiven. The $277,500 has been included in other income as a gain on extinguishment of debt on the 2021 statement of income.

NOTE 7 - GRANTS

On June 8, 2021, the Company received a Restaurant Revitalization Fund Grant (RRF) from the Small Business Administration (SBA) in the amount of $1,458,160. This tax free grant is awarded to eligible food and beverage establishments that have at least 33% of gross receipts in on site sales to the public and have suffered revenue losses related to the Covid-19 pandemic. Grant awards must be spent on eligible expenses which include business payroll costs, debt service, rent, maintenance, inventory and operating expenses that occurred between February 15, 2020 to March 11 2023, the covered period. Recipients that are unable to use all of the funds received on eligible expenses by the end of the covered period must return the unused funds to the Treasury. The RRF is accounted for under ASC 958-605, Not-for-Profit Entities – Revenue Recognition. Under this model, conditional grants received are deferred until the conditions are substantially met or explicitly waived. As of December 31, 2021, the Company fully expended the funds and as a result have included the $1,458,160 in grant revenue included in other income on the statement of income.

EXHIBIT 8

NOTE 8 – STATE PASS-THROUGH ENTITY TAX

The Company elected to pay a newly imposed California Pass-Through Entity (PTE) tax on behalf of its shareholders. This tax is assessed as 9.3% of income and is applied to reduce each shareholder's proportionate share of federal income reportable on that shareholder personal income tax return. Accordingly, each shareholder recognizes a federal income tax benefit as if the shareholder's state income tax were fully deductible on the shareholder's personal federal income tax return. Since the income tax benefits associated with the PTE Tax exclusively benefit the shareholders, each shareholder's proportionate share of the tax is recognized as a distribution to that shareholder. For the years ended December 31, 2023 and 2022 the total benefit to the shareholders was $27,462 and $55,800.

EXHIBIT 8

List of State Administrators

To contact the Department's Consumer Services Offices, call toll-fee (866) 275-2677 or email Ask.dfpi.ca.gov

The Department of Financial Protection and Innovation has three offices. The hours of operation are Monday through Friday, 8:00 a.m. to 5:00 p.m., excluding State Holidays.

- Sacramento: 2101 Arena Boulevard, Sacramento, CA 95834
- San Francisco: One Sansome Street, Suite 600, San Francisco, CA 94104-4428
- Los Angeles: 320 West 4th Street, Suite 750, Los Angeles, CA 90013-2344

EXHIBIT 9

Oggi's Sports Brewhouse Pizza

Operations Manual

Table of Contents

EXHIBIT 10

EXHIBIT 10

OPE Operations Manual

Table of Contents

Addendum to the Disclosure Document for California

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

2. Neither Franchisor, nor any person or Franchise Broker listed in item 2, 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.

3. Section 31125 of the Franchise Investment Law requires the Franchisor to give the Franchisee a disclosure document approved by the Commissioner of the Department of Financial Protection and Innovation before Franchisor asks Franchisee to consider a material modification of a Franchise Agreement.

4. California Business and Professions Code Sections 20000 and 20043 provide rights to Franchisee concerning nonrenewal and termination of the Franchise Agreement. The Federal Bankruptcy Code also provides rights to Franchisee concerning termination of the Franchise Agreement upon certain bankruptcy-related events. To the extent the Franchise Agreement contains a provision that is inconsistent with these laws, these laws will control. 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.).

5. Franchisee must sign a general release upon renewal or transfer of the Franchise. California Corporations Code Section 31512 voids a waiver of Franchisee's rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of Franchisee's rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

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

7. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the Franchise. This provision may not be enforceable under California law.

8. Franchisee must comply with the requirements set forth in the Alcoholic Beverage Control Act and the California Code of Regulations for the sale of alcoholic beverages.

9. We are not prohibited from using other channels of distribution inside your exclusive territory.

10. We may modify your territorial exclusivity if you default on any of your obligations under your Franchise Agreement.

11. 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.

EXHIBIT 12

ACKNOWLEDGMENT OF RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Oggi's Pizza & Brewing Company offers you a franchise, Oggi's Pizza & Brewing Company must provide this Disclosure Document to you 14-calendar days before you sign a binding agreement with, or make payment to, the Franchisor or an affiliate in connection with the proposed franchise sale.

If Oggi's Pizza & Brewing Company does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580.

Franchise seller offering the franchise: Estella Ferrera
Oggi's Pizza & Brewing Company
1245 Puerta Del Sol, San Clemente, CA 92673 • 949-218-3964

Issuance date: April 10, 2024

Franchisor's Agent for Service of Process in California: Preovolos Lewin, ALC, 451 A Street, Suite 1600, San Diego, CA 92101

I received a disclosure document dated ___________ that included the following exhibits:

- Full-Service Franchise Agreement
- Express Unit Franchise Agreement
- Deposit Agreement
- Lease Assignment Agreement
- Gift Card Promotional Agreement
- Area Development Agreement
- Multi-Franchise Development Agreement
- Independent Auditor's Report
- List of State Administrators
- Table of Contents of Operations Manuals
- State Disclosure Addendum – California

Prospective franchisee

Date: ____________

____
(signature)

____
(print)

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Prospective franchisee

Date: ____________

____
(signature)

____
(print)