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, and delivery of pizza, pasta, burgers, salads, and other menu items, including alcoholic beverages. The total investment necessary to begin operation of a single Oggi's™ Full-Service Restaurant is between $970,000 and $1,986,000. This includes an initial franchise fee of $50,000 that must be paid to the franchisor.

Oggi's Pizza Express® Restaurants offer dine-in and carry-out service for pizza, salads, and other menu items, including alcoholic beverages. The total investment necessary to begin operation of a single Oggi's Pizza Express® Restaurant is between $479,100 and $1,070,200. This includes $30,000 that must be paid to the franchisor.

The total investment necessary for a Multi-Franchise Development Agreement to develop three Oggi's™ Full-Service Restaurants is between $1,043,000 and $2,016,000. This includes $75,000 that must be paid to the franchisor. The total investment necessary for a Multi-Franchise Development Agreement to develop three Oggi's Pizza Express® Restaurants is between $499,100 and $1,090,200. This includes $50,000 that must be paid to the franchisor.

The total investment necessary for an Area Development Agreement to develop three Oggi's™ Full-Service Restaurants is between $1,043,000 and $2,016,000. This includes $75,000 that must be paid to the franchisor. The total investment necessary for an Area Development Agreement to develop three Oggi's Pizza Express® Restaurants is between $499,100 and $1,090,200. This includes $50,000 that must be paid to the franchisor.

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.

Issuance Date: August 8, 2025

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. **Out-of-State Dispute Resolution**. 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. Personal Guarantee. 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. Brokers. 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.

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EXHIBITS

ITEM 1.
THE FRANCHISOR, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, "us," "we," "our," or "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. "Restaurant" or "Oggi's™ Restaurant" refers to either a standard Oggi's™ Full-Service Restaurant or a fast casual Oggi's Pizza Express® Restaurant.

The Franchisor and its Affiliates

We are a California company that was incorporated on August 29, 2000. Our principal place of business is 1245 Puerta Del Sol, San Clemente, California 92673. We currently do business under Oggi's™, Oggi's Sports Brewhouse Pizza®, Oggi's Pizza Express®, Oggi's Pizza & Brewing Co.® (collectively, the "Marks") and our corporate name and intend to continue to do so. We began offering franchises in 1995. We do not conduct any business activities other than franchising.

Our affiliate is Left Coast Brewing Company ("Left Coast"), a corporation that was incorporated on September 15, 2011 and has a principal business address of 1245 Puerta Del Sol, San Clemente, California 92673. Left Coast operates several restaurant and brewery businesses in California under the name Left Coast Brewing Company®. Left Coast also sells to you the beer you will carry and sell in your Restaurant. Left Coast has never offered franchises in any line of business.

We grant franchises for Oggi's™ Full-Service Restaurants 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. The Oggi's™ brand was founded by George Hadjis, Dora Hadjis, and John Hadjis, who continue to own the company today.

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 ("Full-Service 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 its business format (the "System") as we specify 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"), we also offer 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. Each Express Unit is self-contained, with its own production area, and will serve a menu we approve. You will use our proprietary recipes and preparation methods, as outlined in the

Express Unit Agreement and our Express Unit Operations Manual.

The Area Development Agreement. We may also offer you the chance to become an Area Developer through an "Area Development Agreement." This agreement gives you the exclusive right to sell and open Oggi's™ Restaurants within a specific geographic area (the "Development Territory"). For each new Restaurant you open under the Area Development Agreement, you will need to sign our then-current franchise agreement, which may differ from the one included in this Franchise Disclosure Document.

Multi-Franchise Development Agreement. We also offer a "Multi-Franchise Development Agreement," which allows you to open multiple Oggi's™ Restaurants at a reduced franchise fee. Unlike the Area Development Agreement, this option does not limit you to a specific territory.

Market and Competition

The market for casual dining restaurants that serve beer and wine is well established. Your Restaurant will compete with a wide range of other casual dining and quick-service establishments, including those with limited bar service. Many of these competitors may offer menu items that are the same as or similar to those served at Oggi's™ Restaurants.

These competitors may include independent restaurants, national and regional chains, and other franchise systems. Many of them may have significant financial, marketing, and operational resources, and may already be well established in your local market. Your ability to compete effectively will depend on several factors, including your restaurant's location, visibility, signage, parking availability, ease of customer access, employee training, customer service, operating costs, and local market conditions. Some of these factors may be within your control, while others may not. You may also face competition from other Oggi's™ Restaurants.

Changes in local and national economic conditions, population density, and consumer preferences can affect the restaurant industry and are often difficult to predict. You may also encounter other business risks, including competitor pricing strategies, changes in laws and regulations, shifts in supply and demand, demographic changes, traffic patterns, technological developments, and competition from businesses offering related products or services. We strongly recommend that you consult with qualified professional and personal advisors before deciding to become an Oggi's™ franchisee.

Industry-Specific Regulations

In addition to general business laws and regulations, your Restaurant will be subject to a variety of federal, state, and local requirements. These include regulations related to site selection, building construction, and accessibility, such as those mandated by the Americans with Disabilities Act. Some jurisdictions have enacted laws requiring higher minimum wages than those set by federal law. These laws may have a greater impact on franchised businesses. You must comply with all applicable laws and regulations, including those related to licensing, health and sanitation, food safety, menu labeling, smoking, fire safety, and general business operations.

You are responsible for obtaining all necessary permits and licenses, including those required to serve liquor, beer and wine. The availability, cost, and requirements for obtaining a liquor, beer and wine license vary by location. We recommend that you investigate your ability to obtain such a license before signing the Franchise Agreement. As a franchisee, you are solely responsible for ensuring compliance with all applicable local, county, state, and federal laws and regulations. These include, but are not limited to, laws governing food preparation, waste disposal, food handling, smoking restrictions, employment practices, anti-discrimination, sexual harassment, and advertising. Some jurisdictions may also require point-of-sale disclosures, such as nutritional and dietary information for menu items served at your Restaurant.

You must also comply with other general business laws, such as the Americans with Disabilities Act and the USA PATRIOT Act. We strongly encourage you to consult with legal counsel and relevant government agencies to understand the full scope of legal obligations that may affect the operation of your Restaurant. It is your ongoing responsibility to investigate and comply with all applicable laws and regulations, which may vary by location and are subject to change.

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 Sales Representative: Devin Conner

Mr. Conner is our third-party franchise sales representative. He is the President and Owner of W.C. Franchise Developers, LLC, a position he has held since 2016.

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

Unless stated otherwise, all initial fees you pay us are nonrefundable once you pay them.

A. Deposit Agreement

Regardless of what type of agreement you are signing with us, you must pay a $2,500 deposit at least 14 days after you receive this Franchise Disclosure Document. We will apply this deposit to your franchise purchase.

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

The Initial Franchise Fee for a single Oggi's™ Full-Service Restaurant is $50,000. The remaining $47,500 (after applying the deposit) is due upon signing the Franchise Agreement and the lease for your Authorized Location.

If you are not signing a Multi-Franchise Development Agreement or an Area Development Agreement, the Initial Franchise Fee for each additional Full-Service Restaurant is currently 50% of the then-current fee, due at the time of signing each new Franchise Agreement. You may be required to refurbish your existing location(s) before being approved for additional units.

C. Oggi's Pizza Express® Restaurant

The Initial Franchise Fee for a single Oggi's Pizza Express® Restaurant is $30,000. The remaining $27,500 (after applying the deposit) is due upon signing the Franchise Agreement and lease for your Authorized Location.

If you are not signing a Multi-Franchise Development Agreement or an Area Development Agreement, the Initial Franchise Fee for each additional Express Unit is currently $20,000, due at the time of signing each new Franchise Agreement. You may be required to refurbish your existing location(s) before being approved for additional units.

D. Multi-Franchise Development Agreement

If you sign a Multi-Franchise Development Agreement, you may develop up to three (3) Restaurants of the same type. The total Initial Franchise Fees and payment terms are as follows:

Full-Service Restaurants: Total fee is $75,000. The remaining $72,500 (after applying the deposit) is due upon signing the first Franchise Agreement and lease.

Express Restaurants: Total fee is $50,000. The remaining $47,500 (after applying the deposit) is due upon signing the first Franchise Agreement and lease.

E. Area Development Agreement

If you sign an Area Development Agreement, you must develop a minimum of three (3) Restaurants within a defined territory. The Initial Franchise Fees and payment structure are as follows:

Full-Service Restaurants: The fee for the first unit is $50,000. Each additional unit is $25,000.

Express Restaurants: The fee for the first unit is $30,000. Each additional unit is $20,000. Upon signing the Area Development Agreement, you must pay a non-refundable Development Fee equal to 100% of the first unit's fee and 50% of each additional unit's fee. The remaining 50% for each additional unit is due upon signing the corresponding Franchise Agreement and lease.

In either case, upon signing the Area Development Agreement you must pay a non-refundable Development Fee equal to 100% of the first unit's fee and 50% of each additional unit's fee. The remaining 50% for each additional unit is due upon signing the corresponding unit-level Franchise Agreement and lease. All Development Fees are applied toward the Initial Franchise Fees for the units developed under the Area Development Agreement. There is no maximum number of Restaurants you are permitted to purchase the right to develop under the Area Development Agreement.

F. Initial Inventory Purchase

You must purchase an initial supply of inventory (specifically beer and glassware) from our affiliate, Left Coast, before you open your Restaurant. We estimate that these items will cost between $1,700 and $3,800.

G. Optional On-Site Pre-Opening Support

If you request that we provide additional support and training for your employees at your Restaurant immediately prior to or during your opening, we may agree to do so at our discretion. If we provide this support, you must reimburse us for all associated costs and expenses, including the wages and salaries of our employees, as well as their travel, lodging, and meal expenses. We estimate that the total cost for this optional support will range from $10,000 to $20,000, but actual costs may vary depending on location, timing, and staffing needs, and whether your Restaurant is a Full Service Restaurant or an Oggi's Express® Restaurant.

ITEM 6.
OTHER FEES (1)

Type of Fee	Amount	Due Date	Remarks
Royalty (2) (3)	5% of gross receipts for an Oggi's™ Full-Service Restaurant 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)	Based on your gross receipts during the previous week (or other period we designate).
Promotional Fund (Advertising)	2% of gross receipts (2)	Payable weekly on a day that we periodically designate via an Automated Clearing House (ACH) transaction that we initiate (3)	Based on your gross receipts during the previous week (or other period we designate). We reserve the right to allocate among national, state, regional, and local advertising funds. (4)
Transfer Fee	50% of our then-current initial franchise fee that we are then charging new franchisees.	As incurred	Applicable only if you choose to transfer your Franchise Agreement. Our consent is required for any transfer.
Late Successor Agreement (Renewal) Notice	$5,000	Upon notifying us that you wish to obtain a successor (renewal) franchise agreement.	Payable if you do not notify us that you wish to renew at least 12 months prior to the expiration of the then-current term.
Audit Penalty Fees	Actual cost of audit fees (estimated between $10,000 and $25,000), the underreported fees, late charges on those fees, and interest on the fees you did not pay at 1.5% per month.	As incurred.	Payable only if the audit shows an understatement greater than 2% of reported amounts
Remedial Training	Estimated between $250 and $1,000	Payable upon receipt of invoice	If your Restaurant fails three evaluations within a 12-month period, you will be required to undergo mandatory training conducted by a professional trainer approved by us.
Advertising Cooperative Contribution	Amount designated by the cooperative.	As determined by the cooperative	If an advertising cooperative has been established for your market, you must participate. Each member will vote on the Cooperative's actions at the rate of one Restaurant, one vote. Neither we nor our affiliates have controlling voting rights in any cooperative.
Employee Training	Up to $500 per trainee per day	As incurred.	If you request that your managers or other key personnel attend training at our headquarters or at a designated Oggi's™ restaurant, we may charge a fee of up to $500 per trainee per day. This fee is in addition to any travel, lodging, or other expenses incurred by your personnel.

Type of Fee	Amount	Due Date	Remarks
Indemnification	Will vary under circumstances.	As incurred.	Payable to indemnify us, our affiliates and owners, officers, employees, agents, successors, and assigns against all claims related to your ownership and operation of your Restaurant.
NSF Fee	$30 per returned check/ACH	As incurred	We may require cashier's checks or advance payments if you miss payments to us.
Termination Fee	50% of current initial franchise fee	Upon termination	Payable upon termination of the Franchise Agreement for any reason other than transfer.
Costs, administrative expenses, collection costs, and attorneys' fees	Will vary under circumstances (Note 6).	Upon settlement or conclusion of a claim or action; in resolution of our efforts to collect past-due fees from you or when we take action against you in response to your default or our termination of the Franchise Agreement.	See Note 5.
Refurbishment and Modernization Reimbursement	Our actual costs of refurbishments	Upon Demand	If you fail to refurbish or modernize your Restaurant according to our requirements, we may complete them for you and charge you our costs of doing so.
Legal Fees for Lease Assignment Amendment	All attorneys' fees and costs beyond the first 3 billable hours	As incurred	You must reimburse us our legal fees beyond 3 hours if you or your landlord requires amendments to the Lease Assignment Agreement.
Legal Fees for Lease Breach Allegations	All attorneys' fees and costs incurred by us	As incurred	You must reimburse us for our legal costs related to alleged lease breaches.

Notes:

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

(2) "Gross receipts" means the total amount of all revenue you receive from operating the Restaurant, including cash, credit, debit, gift card, or other forms of payment for products sold or services rendered. Gross receipts exclude: (a) sales taxes collected from customers and paid to the appropriate taxing authority; and (b) customer refunds or returns, provided those amounts were previously included in gross receipts. You must maintain proper documentation for any deductions. You may not deduct third-party delivery service fees from gross receipts.

(3) All royalty and Promotional Fee payments must be made via Automated Clearing House (ACH) transfer. If a royalty or advertising fee is not received by the due date, you will be charged a late fee equal to 10% of the amount due for that week. If any ACH transaction or check is returned due to insufficient funds, you will be charged a $30 processing fee. 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.

(4) The Promotional Fund may be used to pay for a variety of advertising and promotional activities and related administrative costs, including but not limited to: website development and maintenance, search engine optimization (SEO), social media management, and administration of system-wide gift card and loyalty programs. You are required to honor loyalty program rewards (e.g., free products) at your own expense and are not reimbursed for the value of redeemed rewards. You may sell and redeem gift cards; when a gift card is redeemed at a location other than where it was sold, the redeeming franchisee is reimbursed by the third-party gift card administrator.

(5) The Promotional Fund also supports a company-operated location at Angel Stadium in Anaheim, California. All operating expenses of that location (including food costs, rent, and labor) are paid from the Promotional Fund, and all revenue generated by that location is deposited into the Promotional Fund. We charge the Promotional Fund a fee for administrative services, including management of the Angel Stadium location. We estimate that total administrative expenses will be approximately fifteen percent (15%) of total contributions to the Fund, but this is only an estimate and not a guarantee or limit.

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 Franchise Fee	$50,000	$50,000	Lump Sum	Upon signing Franchise Agreement and lease	Us
Your Training Expenses	$12,500	$32,000	As required by transportation, lodging, meals	As incurred during training	Transportation Providers, Hotels, Restaurants
Your Employee Training Expenses	$33,000	$44,000	Salary, Wages, Taxes, Benefits	As incurred during training	Employees
Real Estate / Leasehold Improvements (1)	$339,500	$920,000	As required by landlord and contractors	As incurred before/during construction	Contractors, Architects, Landlord
Furniture, Fixtures, Equipment, Point of Sale System	$365,000	$500,000	As required by vendors and installers	As incurred upon purchase/installation	Vendors, Suppliers, Installers
Delivery Vehicle (Optional)	$0	$30,000	As required by seller/lessor	As incurred upon purchase/lease	Seller/Lessor
Insurance Premiums (First Year) (2)	$10,000	$20,000	As required by insurance company	As required by insurance company	Insurance Company
Licenses, Permits & Lease Deposits (3)	$25,000	$100,000	As required by authorities and landlord	As incurred upon licensing	State/Local Authorities, Landlord, Third Parties

Grand Opening Advertising (First 3 Months)	$10,000	$30,000	As required by marketing vendors	As incurred in first 3 months	Marketing Firms, Designers, Printers
Smallwares/Plateware (4)	$20,000	$30,000	As required by suppliers	As incurred before opening	Us and Suppliers
Opening Inventory	$15,000	$40,000	As required by suppliers	As incurred before opening	Us, Suppliers and Vendors
Miscellaneous Opening Costs (5)	$40,000	$50,000	Various	As incurred before opening	Us, Suppliers and Vendors
Contingency (6)	$0	$65,000	Various	As incurred before opening	Various
Additional Funds (First 3 Months) (8)	$50,000	$75,000	Various	As incurred in first 3 months	Various
Total Estimated Initial Investment (6) (7)	$970,000	$1,986,000			
Total Estimated Initial Investment – Multi Franchise or Area Development (8)	$1,043,000	$2,016,000			

YOUR ESTIMATED INITIAL INVESTMENT

Oggi's Express® Restaurant

Type of Expenditure	Estimate Low	Estimate High	Method of Payment	When Due	To Whom Paid
Initial Fee	$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 (1)	$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	$210,000.00	$390,000.00	As required by Vendors, Suppliers & Installers	As Incurred Upon Purchase/Installation	Vendors, Suppliers & Installers
Insurance Premiums (First Year) (2)	$7,500.00	$12,000.00	As required by Insurance Company	As required by insurance company	Insurance Company
Licenses, Permits & Lease Deposits (3)	$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 &	As Incurred in First 3 Months	Marketing & Media Firms & Designers,

Type of Expenditure	Estimate Low	Estimate High	Method of Payment	When Due	To Whom Paid
			Designers, Printers, Other Suppliers		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 Opening Costs (5)	$3,000.00	$15,000.00	Various	As Incurred before Opening	Various
Contingency (6)	$0	$65,000	Various	As incurred before opening	Various
Additional Funds (First 3 Months) (8)	$8,000.00	$24,000.00	Various	As Incurred in First 3 Months	Various
Total Estimated Initial Investment (7) (8)	$479,100	$1,070,200			
Total Estimated Initial Investment – Multi Franchise or Area Development (9)	$499,100	$1,090,200			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Restaurant. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing from third parties depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and the lending policies of financial institutions from which you request a loan.

These amounts are our best estimate of the range of costs of leasehold improvements, based on our affiliate's 34 years of experience in constructing and operating Restaurants, as well as our franchisees' experience in constructing and opening Restaurants, in California. The factors underlying our estimates may vary depending on a number of variables, and the actual investment you make in developing and opening your Restaurant may be greater or less than the estimates given depending upon the location of your franchise, and current relevant market conditions. Your initial franchise fee may be refundable under the circumstances stated in Item 5. Otherwise, payments you make to us and our affiliates are not refundable. We do not know whether any of the money you pay to third parties will be refundable.

(1) These estimates reflect the expected expenses for building out your Restaurant, which is assumed to occupy between 4,000 and 6,000 square feet for a Full Service Restaurant and between 1,500 and 2,500 square feet for an Oggi's Pizza Express® Restaurant. Actual costs may vary significantly depending on local conditions, including the availability and pricing of labor and materials (based on non-union labor), the condition, configuration, location, and size of the site, the site's previous use, demand for the site among prospective lessees, applicable county, city, or state building codes, permit and inspection fees, and the cost to access existing plumbing. These estimates also account for typical fees charged by licensed professionals such as project managers, general contractors, and tradespeople for the installation of electrical, plumbing, and HVAC systems, but do not include architect fees.

Landlords may offer monetary allowances for materials or labor or provide rent credits during construction; such allowances or credits are reflected in the estimated range. However, these estimates do not include capitalized rent or other long-term occupancy costs over the life of the lease or your investment, nor do they include any tenant improvement allowances or free rent that may be negotiated. Your actual costs may be higher or lower depending on the location and the condition in which you receive the premises. Financing for leasehold improvements may be available through your bank, but any associated fees or interest will increase your total cost beyond the estimates provided. We recommend that you obtain multiple contractor bids, verify references, and consider cost-saving strategies such as selective purchasing, leasing, and negotiation. Installation costs are included in this estimate.

(2) Does not include insurance for delivery vehicles.

(3) Includes licenses, permits and lease deposit. Includes full liquor license for Oggi's™ Full- Service Restaurant and a beer, wine, and liquor license for Oggi's Pizza Express® Restaurant.

(4) You will need to purchase our spec'd pint glasses and other glassware, 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.

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

(6) We have attempted to provide estimates that are as accurate as possible based on current economic conditions, but we acknowledge that due to market uncertainty and the availability of materials, it is possible that your initial investment could be higher than the numbers given for other categories in these tables. "Contingency" is an amount that reflects possible higher costs than we anticipate.

(7) The estimate for additional funds reflects the anticipated costs associated with pre-opening and early post-opening operations of your Restaurant. These costs include sales taxes, recruitment, on-site training, payroll processing, janitorial services, and working capital for variable operating expenses such as electricity, telephone, Internet service and setup, paper products, office and cleaning supplies, cellular phones, and other miscellaneous items. Utility deposits may be required for first-time customers, and service providers may conduct credit checks before initiating service. This estimate also includes projected employee salaries but does not include any compensation for you as the franchisee. These funds are intended to support your Restaurant during its initial phase of operations. This estimate is based on our experience and that of our affiliates in developing and operating Oggi's Restaurants in California and reflects the typical costs associated with launching and operating a location under similar conditions.

(8) The Estimated Initial Investment in Item 7 includes our projections for your startup expenses, initial inventory, and additional working capital. These projections encompass payroll taxes, Royalty Fees, Promotional Fund Contributions, professional and accounting fees, advertising, CAM charges, insurance (including health and workers' compensation), rent, repairs and maintenance, bank fees (including interest), miscellaneous supplies and equipment, staff recruitment and training, state taxes and license fees, depreciation and amortization, deposits, prepaid expenses (if applicable), and other unforeseen costs.

(9) Your actual costs may vary depending on how closely you follow our systems and procedures, your management skills and experience, the timing of your opening, local economic conditions, market demand, prevailing wage rates, competition, and your Restaurant's initial sales performance. You should conduct an independent investigation of the costs specific to the geographic area in which you plan to open your Restaurant. Additional funds may be required beyond the first three months if your Restaurant does not generate sufficient revenue to achieve positive cash flow. We strongly recommend that you review these estimates with a qualified business advisor before making any investment decision.

(10) *Estimated Initial Investment for a Multi-Franchise or Area Development Agreement – Full-Service Restaurants*. If you sign a Multi-Franchise Development Agreement or an Area Development Agreement for Oggi's™ Full-Service Restaurants, your estimated initial investment will include an increased Initial Fee. The Initial Fee is $75,000. If your Area Development Agreement provides for more than three (3) Full-Service Restaurants, the Initial Fee increases by $12,500 for each additional restaurant beyond the third.

Except for the increased Initial Fee, the estimated initial investment for your first Full-Service Restaurant will otherwise be the same as described in the Item 7 chart. Your total estimated initial investment may range from $1,043,000 to $2,016,000. All fees paid to us are non-refundable. These estimates do not include your estimated costs for any Full-Service Restaurants beyond the first one. You should also be aware that the initial investment for your second and subsequent Full-Service Restaurants may be higher than these estimates due to inflation and other economic factors.

(11) *Estimated Initial Investment for a Multi-Franchise or Area Development Agreement – Express Restaurants* If you sign a Multi-Franchise Development Agreement or an Area Development Agreement for Oggi's Pizza Express® Restaurants, your estimated initial investment will include an increased Initial Fee. The Initial Fee is $50,000.

Except for the increased Initial Fee, the estimated initial investment for your first Oggi's Pizza Express® Restaurant will otherwise be the same as described in the Item 7 chart. Your total estimated initial investment may range from $499,100 to $1,090,200. All fees paid to us are non-refundable. These estimates do not include your estimated costs for any Oggi's Pizza Express® Restaurants beyond the first one. You should also be aware that the initial investment for your second and subsequent Restaurants may be higher than these estimates due to inflation and other economic factors.

ITEM 8.
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure consistency in quality, branding, and customer experience across the Oggi's™ system, you must purchase or lease certain goods, services, and equipment from us, our affiliates, or suppliers we designate or approve. These requirements are intended to protect the integrity of the Oggi's™ brand and do not imply that we control or assume responsibility for your day-to-day operations.

<u>Approved and Designated Suppliers</u>

We will provide you with a list of approved suppliers and distributors ("Authorized Suppliers List") and a list of approved products, equipment, and services ("Approved Supplies List") necessary to operate your Restaurant. These lists may include specific brands, manufacturers, or specifications. We may revise these lists periodically.

If you wish to use a supplier not on our approved list, you must submit a written request. We will evaluate the supplier based on criteria such as product quality, consistency with our specifications, supplier reputation, financial condition, delivery capabilities, compliance with health and safety laws, and pricing. You may be required to submit product samples or allow us to inspect the supplier's facilities. You must reimburse us for our reasonable costs incurred in evaluating the supplier or product. We typically respond within 60 days. We may revoke approval at any time if a supplier or product no longer meets our standards.

Required Purchases from Us or Our Affiliates

You must purchase the following items directly from us, our affiliates, or suppliers we designate as the sole approved source:

- Proprietary pizza dough and sauce mixes
- Private label beer, seasonal beers, and private label spirits and cocktails (currently produced by Left Coast Brewing Company, an entity in which several of our officers have an ownership interest)
- Certain promotional and advertising materials, including branded merchandise and point-of-sale displays

We may become the sole approved supplier of additional items in the future.

Required Purchases from Approved Third-Party Suppliers

You must purchase the following items from suppliers we approve, but not necessarily from us or our affiliates:

- All food and beverage items, including proprietary cheeses, tomato sauces, Philly meats, flours, and soft drinks
- Uniforms and branded apparel
- Smallwares and plateware (logo and non-logo)
- Cooking equipment, ovens, and pizza delivery vehicles
- POS systems and software (upgrades may be required periodically)
- Sound systems and premises surveillance systems (with 24/7 remote access by us)
- Merchant services for credit card processing
- Insurance policies meeting our specifications
- Real estate or leased premises that meet our site selection criteria

Approved suppliers may require you to sign contracts that include personal guarantees.

Loyalty and Gift Card Programs

You are required to participate in the system-wide gift card and loyalty programs. You must sell and redeem gift cards in accordance with our policies. Gift cards may be redeemed at any participating Oggi's™ location, and if a gift card is redeemed at your Restaurant but was sold by another franchisee or company-owned store, you will be reimbursed by the third-party gift card administrator.

You are also required to participate in the loyalty program, which may include offering free or discounted products to customers who earn rewards. You must honor these rewards at your own expense. We do not reimburse you for the value of any free or discounted products provided under the loyalty program.

Insurance

You must obtain and maintain, at your own expense, the insurance policies we require to protect both you and us. These policies must be issued by insurance carriers rated "A-VII" or better in the current A.M. Best Insurance Guide or otherwise approved by us. We and our affiliates are not approved suppliers of the required insurance policies. All insurance policies must name us and our affiliates as additional insureds; include a waiver of subrogation in our favor; be primary and non-contributory with respect to general liability, auto liability, and excess liability, and include appropriate endorsements as required by us.

At a minimum, your insurance policies must include the following coverages:

- Workers' Compensation Insurance as required by applicable state law.

- Business Interruption Insurance, which must cover actual loss sustained due to interruption of business operations.

- Comprehensive General Liability Insurance including products liability and broad form contractual liability. Minimum coverage: $1,000,000 per person and $3,000,000 per incident for bodily injury; property damage coverage of at least $1,500,000.

- Umbrella Policy. Not more than $1,000,000 of the required liability coverage or $500,000 of the required property damage coverage may be satisfied through an umbrella policy.

You must provide us with certificates of insurance evidencing compliance with these requirements before opening and upon renewal of any policy. If you fail to obtain or maintain the required insurance, we may (but are not obligated to) obtain the insurance on your behalf and charge you for the cost, plus interest.

We may modify our insurance requirements, including increasing minimum policy limits, by providing written notice through the Confidential Operating Manual or other official communication.

<u>Proportion of Required Purchases and Leases to All Purchases and Leases</u>

We estimate that the purchase or lease of goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Restaurant, from us or our designated or approved suppliers and distributors, or those meeting our standards and specifications, will be between 65% and 85% of your total cost to establish a Restaurant and between 40% and 80% of your total cost of operating a Restaurant (not including amortization, depreciation, or replacement of worn or obsolete improvements, equipment, furniture, or fixtures).

<u>Purchasing Cooperatives, Purchasing Arrangements, Rebates, Payments, and Derived Revenue</u>

We do not have purchasing and distribution co-operatives as of the issuance date of this Franchise Disclosure Document; however, we may negotiate alternative purchase arrangements with suppliers and distributors of approved products for the benefit of our franchisees and we reserve the right to receive rebates on volume discounts from our purchase of products that we may re-sell to you. We expect that we will negotiate prices in the future for various products for the benefit of the System, but not on behalf of or for the specific benefit of individual franchisees.

During our 2024 calendar year, we received $53,199 and $67,194 in revenue from our negotiated contracts and the sale by us of proprietary products to franchisees. This amount represents 2.9% of our total revenue of $4,155,573 as shown on the financial statements included at Exhibit 8. In 2024, our affiliate Left Coast had revenues of $692,523.96 from beer sales to our franchisees.

We do not provide details to franchisees or information regarding our arrangements with approved suppliers. There are no caps or limitations on the maximum amount of payments we may receive from our suppliers as the result of franchisee purchases.

Our officers, Theodora Hadjis and John Hadjis, own an equity interest in us (the franchisor) and our affiliates, and we and our affiliates are approved suppliers. We do not provide material benefits, such as renewing or granting additional franchises to franchisees, based on their use of designated or approved suppliers.

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ITEM 9.
FRANCHISEE'S OBLIGATIONS

	Obligation	Section in Franchise Agreement (Full Service and Express)	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	Article IV(B)	Article IV(B)	Items 5, 7, 11, 12
b.	Pre-opening purchase/lease requirements	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	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	N/A	N/A	Items 5, 11
e.	Opening	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	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	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	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	N/A	N/A	Items 8, 16
j.	Warranty and customer service requirements	4.05, 4.18	N/A	N/A	N/A
k.	Territorial development and sales quota	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	N/A	N/A	Items 8, 16
m.	Maintenance, appearance and remodeling requirements	3.05, 4.06, 4.09	N/A	N/A	Items 8, 11, 16, and 17
n.	Insurance	7.01, 7.02, 7.03	Article V	Article V	Items 7 and 8
o.	Advertising	2.03, 3.14, 4.14, 4.33	N/A	N/A	Items 6, 7, 8, and 11
p.	Indemnification	7.02	Article V	Article V	Item 6
q.	Owner's participation, management and staffing	4.02, 4.17, 7.02	N/A	N/A	Items 11 and 15
r.	Records and reports	4.24	N/A	Article IV	Item 11
s.	Inspections and Audits	3.10, 4.24	N/A	N/A	Items 6 and 11

	Obligation	Section in Franchise Agreement (Full Service and Express)	Section in Area Development Agreement	Section in Multi-Franchise Development Agreement	Item in Disclosure Document
t.	Transfer	10.01, 10.02, 10.03, 10.04	Article IX	Articles VII; IX	Item 17
u.	Renewal	1.03	N/A	N/A	Item 17
v.	Post-Termination Obligations	9.04, 9.05, 9.06, 9.07, 9.08	Article VIII	Article VII	Item 17
w.	Non-Compete Covenants	4.27, 10.01	Article X	Article X	Items 15 and 17; Exhibit I
x.	Dispute Resolution	11.7	N/A	N/A	Item 17
y.	Other –Termination	9.01, 9.03	N/A	N/A	Item 17

ITEM 10.
FINANCING

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

ITEM 11.
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, & 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. We must approve your lease before you sign it. Our approval is not a guarantee of the lease's legal sufficiency or your rights under it. We require the landlord to sign our Lease Assignment Agreement (Exhibit 3) as a condition of approval. (Franchise Agreement, Article 3.03)

3. We will provide you with basic criteria for store layout and design, including furnishings, fixtures, signs, and décor. We must approve your final layout and design in writing. (Franchise Agreement, Article 3.04)

4. Upon lease approval, we will assist you in arranging for construction and installation of tenant improvements, trade fixtures, displays, and interior décor. Our oversight includes recommending contractors, consulting on layout, observing construction, and assisting in acceptance of the finished work. (Franchise Agreement, Article 3.04)

5. 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. 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. (Franchise Agreement, Section 3.06.)

6. We will conduct a two-week comprehensive training program in the management and operation of your Restaurant. You and your designated manager(s) must attend and complete this training to our satisfaction before opening. (Franchise Agreement, Section 3.08.)

7. During your first week of operation, we will furnish one of our representatives at no cost to you to assist with your opening and help standardize procedures and techniques. (Franchise Agreement, Section 3.15.)

Site Selection

We do not select the location of your Restaurant. We generally do not own the premises or lease it to you. Finding a suitable location that conforms to local ordinances, building codes, and our guidelines is your responsibility. However, we will provide you with guidance regarding our standards for selecting a site, and you are required to obtain our approval for any site you choose.
You select the site of your Restaurant. We will either accept or reject the site in our sole discretion. Acceptance by us of a location is conditioned upon our determination, in our judgment, that the site that you have submitted for your Restaurant is a suitable site based upon criteria we establish from time to time. You must obtain our approval of a site no later than 120 days after you sign the Franchise Agreement.

We must determine that your proposed location meets or exceeds our standards, but our acceptance does not ensure that your Restaurant will be profitable at the approved location. We will either accept or reject the site in our sole discretion. We evaluate each proposed site and accept or do not accept each one on a case-by-case basis. The factors that we consider in approving your site(s) include (but are not limited to) general location and neighborhood; demographics and population density; educational background of neighboring daytime and nighttime populations; estimates regarding future population growth; daytime population versus nighttime population; visibility; traffic patterns, access, and parking; size; physical characteristics of any existing buildings; median, mean, and per capita household income; lease terms; local competition; and proximity to businesses as well as density of business population.

We will approve or disapprove your proposed site within 30 days after you furnish all required information to us. If we have not responded within 30 days, it will be deemed approved. If you and we disagree about the proposed location, you must locate another acceptable site for your Restaurant and repeat the process. If you fail to select a site within 120 days of signing the Franchise Agreement, we have the right to terminate the Franchise Agreement. We will not refund any portion of the initial franchise fee you paid us. (Franchise Agreement, Article 3).

Time to Open.

We estimate that there will be an interval of time of 9 to 12 months between the execution of the Franchise Agreement and the opening of your Restaurant. The factors that may affect this length of time include obtaining a satisfactory site; the type of site (e.g., an existing vanilla shell structure or a build-to-suit pad); remodeling and decorating the site; obtaining our approval of revisions to architectural and other design plans that vary from our standard plans; time for obtaining building permits; zoning and local ordinances; weather conditions; materials shortages; hiring as needed; obtaining financing arrangements; and delayed installation of equipment, fixtures and signs. You must open your Restaurant within 9 months of signing a lease. If you do not open your Restaurant within that time, we will have the right to terminate the Franchise Agreement. We will not refund any portion of the initial franchise fee you paid us. (Franchise Agreement, Article 3)

B. Post-Opening Assistance. During the operation of your Franchise Business we will:

1. To the extent we believe it is necessary, we will give you ongoing advisory assistance concerning the operation of your Restaurant, including periodic consultations and evaluations. 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 will inspect your restaurant at reasonable times to ensure compliance with our standards and specifications. (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. If we do not give you 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 advertising. We describe the Promotional Fund later in this Item. (Franchise Agreement, Sections 3.14 and 4.14).

7. We will have our Operations team visit your Restaurant 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).

Post-Opening Optional Assistance. During the operation of your Restaurant, we may:

6. Conduct annual or other periodic conferences and/or meetings for all franchisees, managers, and other personnel. We have the right to require you and your General Manager to attend these conferences. We will charge you a fee for each person who attends the conference or meeting on your behalf (currently, between $500 and $1,000). (Franchise Agreement, Article 10)

7. Approve or disapprove proposed suppliers or products not already on our approved list. (Franchise Agreement, Article 4.23)

8. Suggest pricing strategies or promotional campaigns, but you are not required to follow them. (Franchise Agreement, Article 4.14)

9. Provide additional training to you. We may require you to attend additional training if your Restaurant fails to meet our standards. (Franchise Agreement, Article 4.13)

10. Coordinate the presence of the System on the Internet, including but not limited to e-commerce, website use, social media and networking sites, and cyberspace applications. This includes all national, regional, state, and local websites regarding Restaurants and our franchisees. We will have sole discretion and control over the design and contents of any website. For so long as you are not in default of the Franchise Agreement, we will list your Restaurant location on our Internet website. We reserve the right to de-list or remove your Restaurant from the website if you are not in compliance with the terms of the Franchise Agreement. We also have the right to control all use of social media and social networking sites by you that mentions or uses the Marks. (Franchise Agreement, Article 7)

11. Periodically make changes to the products and services that we authorize and require you to sell at your Restaurant. (Franchise Agreement, Article 9)

12. Create and administer a gift card or other customer loyalty program. (Franchise Agreement, Article 9; Gift Card and Promotional Agreement, Exhibit 5).

11. Negotiate purchase agreements with approved suppliers to obtain discounted prices for franchisees and other Restaurants in the System. (Franchise Agreement, Article 10)

12. Establish minimum and maximum resale prices for the products and services you sell. You are required to follow all such pricing rules or guidelines, subject to Applicable Law. (Franchise Agreement, Article 9).

Computer Systems and POS Requirements

You must purchase and use a point-of-sale (POS) system that meets our specifications. The POS system must be compliant with PCI (Payment Card Industry Data Security Standard) and EMV EMV (Europay, MasterCard, and Visa) and capable of processing sales, tracking inventory, managing labor, and generating operational reports. It must also support integration with online ordering and third-party delivery platforms.

We currently approve two POS systems: Toast and CBS NorthStar. These systems include hardware and software components necessary for front-of-house, kitchen, and back-office operations. The specific configuration may vary depending on your restaurant's size and layout.

The POS system must be capable of:

- Recording all sales and non-cash transactions
- Tracking employee hours and labor costs
- Managing food and beverage inventory
- Generating operational and financial reports
- Integrating with third-party delivery services
- Supporting online ordering and customer loyalty programs

You must also subscribe to our proprietary business intelligence platform, which integrates with the POS system. The number of items identified above is dependent upon your Restaurant size and the POS required to operate the Restaurant.

We will have independent, unrestricted remote access to your POS system. This access includes: sales and transaction data; labor and scheduling data; inventory and purchasing data; and customer and loyalty program data. There are no contractual limitations on our right to access this information. This access allows us to monitor compliance, provide support, and analyze system-wide performance.

The POS software is proprietary to the approved vendors. Hardware may be sourced from other suppliers, but compatibility is not guaranteed. We do not provide maintenance, repairs, upgrades, or updates for the POS system. These services are provided by the approved vendors (e.g., Toast, CBS NorthStar) or their authorized contractors. You are responsible for entering into any necessary support agreements. Maintenance and support contracts are optional, and your annual cost for support and updates is estimated to be under $10,000.

Additional required integrations may include systems for online ordering (e.g., NovaDine), draft beer monitoring (e.g., BeerBoard or BevCheck), business intelligence and reporting (e.g., Aegis Foundry), and network security. We will provide you with a list of approved vendors and required subscriptions during onboarding.

You are required to maintain, upgrade, or update the POS system as needed to ensure compatibility with our operational requirements and integrations. While we do not impose a fixed schedule for upgrades, we may require updates to maintain system functionality, security, or compliance with third-party integrations. There are no contractual limitations on the frequency of required updates, but we will provide reasonable notice and guidance.

Advertising

Your Advertising

You may conduct local advertising and promotional campaigns at your own expense. While we recommend that franchisees spend between two percent (2%) and four percent (4%) of their monthly net sales on local advertising, it is not mandatory.

However, you may not use, display, publish, broadcast, or otherwise disseminate any advertising or promotional materials unless those materials have been submitted to us in advance and approved in writing. To obtain approval, you must submit a copy of the proposed advertising to us for review. If we do not provide written notice of disapproval within fifteen (15) business days after receiving the proposed materials, the materials will be deemed approved.

We may also provide advertising, promotional, or informational materials from time to time. When we do, franchisees are required to use those materials in accordance with our instructions. (Franchise Agreement, Section 4.15).

Promotional Fund

We administer a Promotional Fund for marketing the System, the Marks, and Restaurants (the "Promotional Fund"). We require you to pay us on a weekly basis (or other period we designate) a continuing payment to the Promotional Fund equal to two percent (2%) of your gross receipts. The fees you pay the Promotional Fund are not refundable. We do not guarantee that expenditures from the Promotional Fund will benefit any franchisee directly or on a pro rata basis.

Your payment to the Promotional Fund will be in addition to all other advertising requirements set out in this Item 11. Each franchisee will be required to contribute to the Promotional Fund, but certain franchisees may contribute on a different basis depending on when they signed their Franchise Agreement. Restaurants owned by us will contribute to the Promotional Fund on the same basis as franchisees.

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.

The Promotional Fund will be administered by us, our affiliate, or designees, at our discretion. We may use a professional advertising agency or media buyer to assist us. We will maintain the Promotional Fund in an account separate from our other bank accounts.

We have complete discretion on how the Promotional Fund will be utilized, except that we must use the money in the Promotional Fund for marketing and advertising the Marks and System. We may use any media for creating, maintaining, and disseminating Promotional Fund advertisements, including direct mail, print ads, the Internet, radio, billboards, and television. We may reimburse ourselves, our authorized representatives or our affiliates from the Promotional Fund for administrative costs, independent audits, customer surveys and customer relations efforts, publicity efforts, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other direct or indirect expenses associated with the programs funded by the Promotional Fund. We do not guarantee that advertising expenditures from the Promotional Fund will benefit you or any other franchisee directly or on a pro rata basis. We will not use the Promotional

Fund contributions for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement, or portion of a website, offering the sale of franchises or indicating "Franchises Available" or similar phrasing.

We use money from the Promotional Fund for social media management (currently managed in-house), website development and SEO, and for administering system-wide gift card and loyalty programs. Franchisees are required to honor loyalty program rewards (such as free products) at their own expense and are not reimbursed for the value of redeemed rewards. Franchisees may sell and redeem gift cards; when a gift card is redeemed at a location other than where it was sold, the redeeming franchisee is reimbursed by the third-party gift card administrator.

The Promotional Fund also supports a company-operated location at Angel Stadium in Anaheim, California. All operating expenses of that location—including food costs, rent, and labor—are paid from the Promotional Fund, and all revenue generated by that location is deposited into the Promotional Fund. We charge the Promotional Fund a fee for administrative services, including our management of the Angel Stadium location. We estimate that total administrative expenses will be approximately fifteen percent (15%) of total contributions to the Fund. This is an estimate only and not a guarantee or cap on future administrative costs.

On occasion, we may loan funds to the Promotional Fund 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. The timing of expenditures for the Promotional Fund is solely within our discretion.

The Promotional Fund is included in our annual audited financial statements, which are prepared by an independent accounting firm. These financial statements (which are attached to this Franchise Disclosure Document as Exhibit 8) are available to franchisees upon request.

In 2024, the Promotional Fund received approximately $1,390,300. These funds were used for a variety of advertising, marketing, and operational activities intended to promote the Oggi's™ brand and support the franchise system. The breakdown of expenditures was as follows:

Media and Digital Marketing: 29.8%
Marketing Sponsorships: 16%
General Marketing: 21.8%
Operating Expenses: 31.7%
Budget Surplus: 0.7%

Operating expenses include costs associated with managing the Angel Stadium location and other administrative functions. We reserve the right to use Promotional Fund contributions for any advertising, marketing, or promotional activities that support the System, and we do not guarantee that expenditures will benefit any franchisee directly or on a pro rata basis. (Franchise Agreement, Sections 3.14 and 4.14).

<u>Advertising Cooperative</u>

We may establish one or more Advertising Cooperatives in designated market areas ("DMAs") on a local, regional, or national basis. These Cooperatives are intended to promote and support the Oggi's™ brand and the interests of franchisees operating within the DMA. If a Cooperative is established in your DMA, you are required to become and remain a member for the duration of your franchise agreement. All Oggi's™ franchisees within the designated DMA are automatically members of the Cooperative, and the DMA boundaries are determined by us.

Each franchisee is required to contribute to the Cooperative in the amounts and at the times determined by the Cooperative members. These contributions are used to fund local or regional advertising and promotional activities. If we operate company-owned outlets within a DMA, we will contribute to the Cooperative on the same basis as franchisees.

Cooperatives are administered by its franchisee members. While we may attend meetings and provide input, Cooperatives are not operated by us. Cooperatives are expected to operate under written governing documents, which will be made available to franchisees for review if adopted. Cooperatives are also expected to prepare periodic financial statements, which must be made available to all contributing members upon request. (Franchise Agreement, Section 4.33).

Franchise Councils

We do not presently have any advertising council comprised of franchisees. We retain the right to form, change, dissolve, or merge any council in our sole discretion.

C. Training. Our training program for the management and operation of the Franchised Business lasts approximately 1 to 3 months, is scheduled as needed. The training schedule is determined based on operational needs and franchisee onboarding timelines. There is no charge for the initial training program. However, you are responsible for all travel, food, lodging, and other expenses incurred by you or your employees during training.

You and your designated manager(s) must attend and successfully complete the training program to our satisfaction prior to opening your Restaurant. If a designated manager is replaced, the new manager must begin training within four weeks of hire. Assistant managers and key personnel may also be required to attend training at the franchisee's expense. Our training program covers the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training (1)	Hours of On-The-Job Training (2)	Location (3)
Company Orientation	4	40 – 60 hours	Mission Viejo, California
General Management	2	40 – 60 hours	Mission Viejo, California
Employee Relations	1	4	Mission Viejo, California
Purchasing Food Supplies	0	4	Mission Viejo, California or your Restaurant
Inventory Control	0	6	Mission Viejo, California or your Restaurant
Accounting Systems	0	3	Mission Viejo, California or your Restaurant
Loss Prevention	0	2	Mission Viejo, California or your Restaurant
Store Maintenance	0	6	Mission Viejo, California or your Restaurant
POS System	0	6	Mission Viejo, California or your Restaurant
Beer Management	0	4	Mission Viejo, California or your Restaurant

Subject	Hours of Classroom Training (1)	Hours of On-The-Job Training (2)	Location (3)
Customer Relations	4	6	Mission Viejo, California or your Restaurant
Marketing	2	2	Mission Viejo, California or your Restaurant
Merchandising	0	2	Mission Viejo, California or your Restaurant
Employee Training	0	2	Mission Viejo, California or your Restaurant
Food Preparation	0	4	Mission Viejo, California or your Restaurant
Food Handling	0	4	Mission Viejo, California or your Restaurant
Role Playing	0	2	Mission Viejo, California or your Restaurant
TOTALS	13	137 - 177	

All classroom training is conducted at our corporate headquarters at 1245 Puerta Del Sol, San Clemente, California or at our Oggi's™ location in Mission Viejo, California, your new location, or another franchisee's Restaurant that is closer to you if one is available. Instructional materials include the Confidential Operating Manual, operational guides, and hands-on training modules.

Our Trainers

The following individuals conduct training for our franchisees:

Estella Ferrera –President and CEO

Estella Ferrera grew up in the Oggi's™ business and now serves as our President and CEO,. She brings decades of hands-on experience in restaurant operations, brand development, and strategic planning. Estella has been a driving force behind modernizing the Oggi's concept and expanding its footprint while maintaining its core values.

Dora (Theodora) Hadjis – Chief Financial Officer and Secretary

Dora Hadjis is our Chief Financial Officer and Secretary and has been instrumental in the development and financial management of our System since its inception in 1991. As co-founder and CFO, she played a critical role in launching Oggi's™ as a restaurant concept alongside her husband, George Hadjis, and his brother. Dora has overseen the financial operations of the brand through its evolution from a single-unit pizzeria to a multi-unit franchise system with an integrated craft brewing operation. Her leadership has been pivotal in navigating economic challenges and ensuring the long-term sustainability of the brand.

In addition to the individuals disclosed above, we may use other employees like our Operations Manager and Marketing Manager for conducting the initial training program.

In addition to the initial training program we provide, you may request that we send personnel to your location to assist with employee training and operational support immediately prior to and during your opening. This support is optional and subject to our availability and approval. If we agree to provide this support, you must reimburse us for all related costs, including the wages and salaries of our employees, and their travel, lodging, and meal expenses. We estimate that the total cost for this optional on-site support will range from $10,000 to $20,000, but actual costs may vary.

We may offer supplemental or refresher training programs for your managers or key personnel, either upon request or as needed. These sessions typically last from a half-day to a full day and are conducted either at our headquarters or at another designated Restaurant. While we generally do not charge a fee for attendance, we reserve the right to charge up to $500 per trainee per day. You are responsible for all associated costs, including transportation, lodging, and meals.

ITEM 12.
TERRITORY

Franchise Agreement

The Franchise Agreement specifies that we will not operate, nor license another party to operate, another Restaurant under the Marks within the area identified in Section 1.05 of your Franchise Agreement (the "Territory"). This proximity protection will remain for the initial franchise term. 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 will typically be a 2-mile radius from your Authorized Location. The Territory's size might be smaller or larger depending upon your Authorized Location, traffic patterns, and the demographics of the area around the Authorized Location.

You will operate your Restaurant from the Authorized Location and must receive our permission before relocating. Relocation is permitted only if your original site becomes unusable due to casualty, eminent domain, or a significant change in the character of the location. Any relocation must be approved by us and will be at your sole expense.

You do not have the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of your Territory. You may use, reference, or promote your Restaurant on social media platforms, but only with our prior approval and in compliance with our policies. You are not permitted to maintain an individual website for your Restaurant, although we will list your Restaurant on our corporate website. You are not restricted from accepting or fulfilling orders from customers located outside your Territory, including orders placed through third-party delivery platforms.

On renewal, acquiring a successor franchise, or transferring your franchise, your Territory may be modified. Depending on the then-current demographics of the Territory, and on our then-current standards for territories, if the Territory is larger than our then-current standard territory, we may require you or the transferee to accept a successor franchise territory or a transfer territory smaller than the Territory.

Your Territory will not be altered during the initial term of the Agreement if there is a population increase or decrease. Under the Franchise Agreement, we may terminate your franchise if you fail to achieve at least $1,800,000 in gross receipts for two consecutive calendar years. This threshold is not a projection or guarantee of your Restaurant's financial performance and should not be interpreted as a representation of expected results. There are no other circumstances under which we will modify your territorial rights. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Below we list the exceptions that make the Territory non-exclusive as defined by disclosure guidelines.

We do not customarily grant to franchise owners options, rights of first refusal or similar rights to acquire additional franchises except through the Area Development Agreement and Multi-Franchise Development Agreement.

Area Development Agreement

Under the Area Development Agreement, we grant you the right to open and operate a minimum of three Restaurants at locations in a specified Development Territory, subject to our approval. The Development Territory may be 1 or more cities, counties, states, or some other defined area, which will be based on the number of Restaurants you agree to open in your Development Schedule, as well as the population density and demographics of the area where you plan to develop your Restaurants. We determine the Development Territory using the same criteria that is used in deciding a territory for one Restaurant. However, the Development Territory must be able to support the number of Restaurants you intend to establish in that area.

During the term of the Area Development Agreement, we will not operate or grant a license or franchise to any other person to operate a Restaurant at any location within your Development Territory except as stated below.

Until the termination or expiration of the Area Development Agreement, you will retain your territorial protections afforded under the Area Development Agreement within the specified Development Territory if you comply with your Development Obligation and other obligations under the Area Development Agreement.

If you fail to meet any of your obligations under the Area Development Agreement, including the Restaurant opening obligations, or commit a material breach of any agreement between you and us, we may terminate your right to further open and operate new Restaurants in the Development Territory. The termination for this reason of the right to develop your Development Territory will not terminate any rights granted under the Franchise Agreements then in effect between you and us, absent a breach of the Franchise Agreement itself. After the expiration of the term of your Area Development Agreement, we may own, operate, franchise or license others to operate additional Restaurants anywhere, without restriction, including in your Development Territory.

Under the Area Development Agreement, the protections afforded to you in accordance with the Area Development Agreement within your Development Territory is dependent upon your compliance with your Development Obligation, your other obligations under the Area Development Agreement as described above, and with your obligations under each individual franchise agreement.

Limitations on Territorial Rights

Except as described above, we and our affiliates retain all rights within your Territory and Development Territory to engage in any activities we deem appropriate, including but not limited to:

(1) The right to establish, operate, or license others to establish and operate Oggi's™ Restaurants (whether Full-Service or Oggi's Pizza Express®) at "Special Sites," regardless of whether such sites are located within your Territory or Development Territory. "Special Sites" are locations that, due to their unique and separate character, are excluded from territorial protections and include: (a) military bases; (b) public transportation facilities (e.g., airports, train stations, bus terminals); (c) sports facilities (e.g., stadiums, arenas, racetracks); (d) student unions or similar facilities on college or university campuses; (e) amusement and theme parks; (f) community and special events; (g) office buildings; (h) convention centers; (i) business, athletic, or social clubs; (j) vacation clubs and timeshare properties; (k) hotels; (l) retirement and/or senior living facilities; and (m) any other special-use facility. Special Sites also include any booth, mobile dispensing unit (such as a customized RV), or other mobile installation from which select Oggi's™ products and services may be offered and sold to customers, whether on a permanent, temporary, or seasonal basis.

(2) The right to offer, sell, or distribute, and to grant others the right to offer, sell, or distribute, within or outside your Territory or Development Territory, through any channel or method (including retail, wholesale, e-commerce, or direct-to-consumer), any of the following identified by the Oggi's™ Marks or any other trademarks, service marks, or trade names we or our affiliates own or control: (a) frozen products; (b) pre-packaged products, including but not limited to beverages or food items in bottles, cans,

kegs, or other packages or containers; or (c) any other products or services associated with the Oggi's™ System. This includes the right to sell directly to consumers or through third-party retailers, and to license third parties to manufacture, distribute, and sell such products, regardless of whether such products are similar to those offered at Oggi's™ Restaurants.

(3) The right to offer, sell, or distribute products and services associated with the Oggi's™ System through digital or electronic means, including but not limited to websites, mobile applications, third-party delivery platforms, and other forms of electronic commerce, regardless of whether such sales originate within your Territory or Development Territory.

(4) The right to operate, and to grant others the right to operate, Oggi's™ Restaurants at any location outside your Territory, under any terms and conditions we deem appropriate, regardless of proximity to your Territory.

(5) The right to merge with, acquire, or be acquired by other brands or businesses, and to integrate or rebrand operations in connection with such transactions, without compensation to you, even if such activities affect your Territory or the competitive landscape.

We are not required to pay you if we exercise any of the rights specified above within your Territory.

Right of First Refusal

You will not have the right of first refusal to acquire additional franchises within your Territory. We do not customarily grant to franchise owners options, rights of first refusal or similar rights to acquire additional franchises outside of their respective territories.

Other Franchise Systems

As stated above, we and our affiliates have the right to operate other restaurant concepts, but as of the date of this Franchise Disclosure Document, neither we nor our affiliates have operated or franchised other businesses selling or leasing similar products or services under different trademarks.

You do not receive the right to acquire additional franchises either within or outside of your Territory unless you have otherwise signed a Multi-Franchise Development 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.

Other Businesses

As stated above, we are affiliated with Left Coast Brewing Company ("Left Coast"), which operates under a different trademark. Left Coast produces and sells craft beer and operates taprooms that serve food items such as burgers, flatbreads, and salads—menu categories that may be similar to those offered at Oggi's™ Restaurants. Left Coast does not operate restaurants under the Oggi's™ Marks. Left Coast shares our principal business address (1245 Puerta Del Sol, San Clemente, CA 92673), and we do not maintain separate offices.

Left Coast solicits and accepts wholesale, retail, and direct-to-consumer orders, including within territories granted to Oggi's™ franchisees. Left Coast's current and planned distribution and operational expansion may overlap with franchisee markets. In the event of potential conflicts between franchisees and Left Coast, we do not intervene in day-to-day matters but may coordinate with Left Coast in limited circumstances, such as when a franchisee's financial status may affect its vendor relationships. We do not restrict Left Coast's operations or distribution activities, and we do not guarantee that such activities will not affect your Territory or Development Territory.

ITEM 13.
TRADEMARKS

Under the Franchise Agreement, we grant you the nonexclusive right to use our Marks in connection with the operation of your Restaurant. You may also use our other current or future trademarks to operate the Restaurant. We have registered, or applied to register, the following marks on the Principal Register of the U.S. Patent and Trademark Office ("USPTO"):

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
City by the Sea	5531773	July 31, 2018	Principal

We have filed all required affidavits relating to the registered Marks shown above.

We claim common law trademark protection for our beers, which are not registered with the USPTO 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."

We do not know of any infringing uses that could materially affect your use of our trademarks. No currently effective agreements significantly limit our rights to use or license the use of the Marks. There are presently no effective determinations by the United States Patent and Trademark Office, the Trademark Trial And Appeal Board, the Trademark Administrator of any state or any court, nor any pending interference, opposition or cancellation proceeding or material litigation involving the Marks.

You will have the right to use all of our Marks in the operation of your Restaurant. However, you must use the Marks only for the operation of your Restaurant and in the manner authorized by us. You cannot use the names or Marks as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our Marks in connection with the sale of unauthorized goods or services, or in a manner not authorized in writing by us.

You must notify us immediately in writing of any apparent infringement or challenge to your use of our trademarks. We have the sole discretion to take such action as we deem appropriate. We are not obligated by the Franchise Agreement or other agreement to participate in your defense or to indemnify you if you are a party to any administrative or judicial proceeding involving our Marks. We will have sole control over any litigation or proceeding.

You may not, without our written consent, in our sole discretion, commence or prosecute, or seek leave to intervene in any litigation or other proceeding, including any arbitration proceeding, in which you purport to enforce any right or recover any element of damage arising from the use or infringement of any of the Marks or unfair competition resulting from that use.

If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any Marks, and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions for such modification, discontinuance, or substitution within a reasonable time after you receive notice from us. You, in connection with the use of a new or modified mark, may be required, at your own expense, to remove existing signs from your Restaurant, and to purchase and install new signs. We do not have to reimburse you for the costs you incur for making these changes.

ITEM 14.
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

No patents are material to the franchise.

We claim copyright protection of the Confidential Operating Manual and related materials and other brand identity/marketing/advertisement/promotional materials, although such materials may not have been registered with the United States Copyright Office. These materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement. We reserve the right to register any of our copyrighted materials at any time we deem appropriate.

There currently are no effective determinations of the Copyright Office (Library of Congress), or any court regarding any of the copyrighted materials. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials. There are no infringing uses actually known to us, which could materially affect your use of the copyrighted materials in any state. We are not required by any agreement to protect or defend any patent, trademark, or copyright.

Improvements

If you or your employees make or acquire any improvements, including any enhancements, adaptations, derivative works, modifications or new processes ("Improvements") in the operation of your Restaurant, you will grant-back exclusive rights in these Improvements to us in consideration of the grant of the franchise and without the payment of additional consideration. Improvements will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent that any item does not qualify as a "work-made-for-hire" for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights to the item.

We may include any Improvements we made or acquired in the System, including any and all intellectual property rights of ours and affiliate or services and products of the Restaurant, Confidential Operating Manual and the System for use by all franchisees, us or any affiliate. If we seek patent protection or copyright registration for any Improvements, we will do so at our own expense. You will sign or have the creator sign all documents necessary to enable us to apply for intellectual property rights protection and to secure all rights to these Improvements. You will have each of your employees sign an agreement requiring employee cooperation with these requirements. You must obtain our express written consent before making any modification or derivative work.

Confidential Information

We possess certain confidential information including the methods, techniques, formats, specifications, procedures, information, systems and knowledge of and experience in the operation and franchising of the System (the "Confidential Information"). We will disclose certain of the Confidential Information to you during the training programs, seminars and conventions, in the Confidential Operating Manual and in guidance furnished to you during the term of the Franchise Agreement.

The Franchise Agreement provides that you will not acquire any interest in the Confidential Information other than the right to utilize it in the development and operation of a Restaurant during the term of the Franchise Agreement, and that the use or duplication of the Confidential Information in any other business would constitute unfair competition. You also agree that the Confidential Information is proprietary to us and is disclosed to you solely on the condition that you (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of the Franchise Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; and (4) will adopt and implement all reasonable procedures required by us to prevent unauthorized use or disclosure of the Confidential Information, including without limitation, restrictions on disclosure of Confidential Information to employees of your Restaurant.

The Confidential Operating Manual will at all times remain our property exclusively. We may revise the Confidential Operating Manual, and you must comply with each new or changed standard, although these new and changed standards will not materially affect your rights and responsibilities under the Franchise Agreement.

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 personal participation in the day-to-day operations of your Oggi's™ Restaurant. We believe your active involvement greatly enhances the success of your business. You must have strong local knowledge of the geographic territory where your restaurant is located. You must also have at least five (5) years of business management experience within the last ten (10) years and complete our training program to our satisfaction.

You may appoint an on-site manager to run the restaurant. However, your manager must also complete our training program to our satisfaction and be Serve Safe certified. If you or your trained manager is not available on-site, you must designate a successor manager within 60 days. The successor manager must promptly complete our training program (at an additional charge we will determine at that time) or otherwise meet our requirements for management experience.

We do not require your on-site manager to have an ownership interest in your business entity. However, your designated manager must sign an agreement to maintain the confidentiality of our proprietary information (as described in Item 14) and to comply with any competitive restrictions (as described in Item 17).

Each individual who owns an interest in the franchisee entity must sign the Franchise Agreement and a personal guaranty, agreeing to fulfill or guarantee all obligations under the Franchise Agreement. Each owner must also undergo a background and credit check. Unless your spouse is also an owner, your spouse is not required to sign a personal guaranty.

ITEM 16.
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We impose restrictions and conditions on the goods and services that you may offer and sell at your Restaurant. These restrictions are designed to maintain the uniformity, quality, and reputation of the Marks.

You must offer and sell only those proprietary food products and beverages that we have approved. This includes all proprietary ingredients, such as spices, dough balls, sauces, and cheeses, and the use of only proprietary recipes. You must also use only franchisor-approved carry-out and delivery boxes, bags, and containers. You must use the menu format we specify, including the designated design, color, and layout. You are required to make any changes to the menu format or design that we may designate from time to time.

You must offer and sell only those proprietary food products and beverages that we have approved. This includes all proprietary ingredients—such as spices, dough balls, sauces, and cheeses—and the use of only proprietary recipes. You are also required to offer and sell all food and beverage items that we designate as mandatory for all franchisees, including specified pizzas, other dishes, seasonal menus, and designated beverage items such as our private label beer and seasonal beer. You must offer for delivery all of our menu items, either through self-delivery or third-party delivery. Additionally, you must use only franchisor-approved carry-out and delivery boxes, bags, and containers. 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 its maintenance.

We reserve the right to change the types of goods and services you are authorized or required to offer. We may add or remove menu items, ingredients, or product lines based on market trends, customer preferences, or other business considerations. These changes will be communicated through updates to the Confidential Operating Manual or other written notices. There are no express limitations on our right to make such changes, and you are required to comply with all such modifications.

If permitted by applicable law, we may require that you participate in a gift card or other customer loyalty program in accordance with our policies and procedures. In order to participate, you may be required to purchase additional equipment and pay any fees relating to the use of that equipment. We have the right to determine how the amount of the gift cards or loyalty cards will be divided or otherwise accounted for, and we reserve the right to retain the amount of any unredeemed gift cards.

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 – Full Service and Express Agreements

Provision	Section in Franchise (Full Service and Express) Agreement	Summary
a. Length of the franchise term	1.02	Agreement starts on the date it is signed and ends 20 years after.
b. Renewal or extension of the term	1.03	You have the right to renew for 2 additional terms of 10 years each if you meet the requirements listed in Section 1.03 of the Franchise Agreement
c. Requirements for franchisee to renew or extend	1.03	You have the right to renew your franchise agreement for two additional 10-year terms, provided you meet certain conditions. To renew, you must give us written notice at least 12 months before the current term ends, sign our then-current franchise agreement (which may include different terms and higher fees), and complete any required remodeling or upgrades to bring your location up to our current standards. You must also renew your lease, complete any required training, sign a general release of claims, and be in good standing with no defaults. If you fail to provide timely notice, a $5,000 late renewal fee applies, and failure to complete required remodels within one year of renewal will result in automatic expiration of the agreement. If you seek to acquire a successor franchise at the expiration of the

Provision	Section in Franchise (Full Service and Express) Agreement	Summary
		initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d. Termination by franchisee	Not applicable	Not applicable.
e. Termination by franchisor without cause	Not applicable.	Not applicable.
f. Termination by franchisor with cause	9.01	You are in default under the franchise agreement if you fail to comply with your obligations, but certain defaults are curable. These include failing to comply with laws, pay amounts owed, maintain required standards, or meet operational requirements. You have 10 calendar days from receiving written notice to cure most defaults, unless otherwise specified. If you cure the issue within that time, we will not terminate the agreement.
g. "Cause" defined - curable defaults	9.01 and 9.02	Curable defaults include: Failing to comply with operational standards, including those in the Confidential Operating Manual. Failing to maintain required licenses or permits. Failing to pay amounts owed to us or vendors. Failing to comply with health, safety, or sanitation laws. Failing to maintain required insurance. Failing to meet reporting or training obligations. Failing to maintain approved equipment, signage, or inventory. Failing to comply with advertising or promotional requirements. Failing to maintain good vendor payment history. Failing to comply with pricing or menu reporting requirements. Some defaults, such as failure to pay overdue fees or vendor accounts, may have shorter cure periods.
h. "Cause" defined – non-curable defaults	9.02	We may terminate the agreement immediately without giving you an opportunity to fix the issue: Bankruptcy or Insolvency: If you are adjudicated bankrupt, become insolvent, or make a general assignment for the benefit of creditors. Appointment of a Receiver: If a receiver is appointed for your property. Reorganization Proceedings: If reorganization or similar proceedings are initiated by or against you. Loss of Lease: If your right to possess the premises is terminated or you fail to cure a lease default. Abandonment: If you abandon the franchise by ceasing operations for 30 consecutive days (unless due to force majeure). Material Misrepresentation: If you made a material misrepresentation or omission in acquiring the franchise. Criminal Conviction: If you are convicted of a felony or other criminal misconduct relevant to the business. Health and Safety Threats: If your operation poses a threat to public health, safety, or welfare. Intentional Underreporting: If you intentionally understate or underreport gross sales, royalty fees, or promotional fees. Vendor Account Misconduct: If you fail to keep vendor accounts current, especially if disciplinary action is taken by a vendor.

Provision	Section in Franchise (Full Service and Express) Agreement	Summary
		Minimum Gross Sales: You fail to achieve at least $1,800,000 in gross receipts for two (2) consecutive calendar years. Seizure or Foreclosure: If your business is seized or foreclosed by a government official or creditor. Execution Levy: If a levy is made on the franchise or its assets and not discharged within five business days.
i. Franchisee's obligations on termination/non-renewal	9.04	Upon termination or expiration of the franchise agreement, all of your rights under the agreement immediately end. However, you are still responsible for several obligations. You must pay all outstanding amounts owed to us, including damages, legal fees, and costs related to any defaults. You must also immediately stop using our trademarks and branding in any form, remove all references to them from public listings and materials, and return all branded items and the Confidential Operating Manual. Additionally, you must assign to us, upon request, your rights in phone numbers, leases, equipment, supplier agreements, and liquor licenses, and provide us with business records necessary to continue operations at the location. If your franchise is terminated for any reason other than a transfer or assignment, you must pay us a termination fee equal to 50% of the then-current Initial Franchise Fee.
j. Assignment of contract by franchisor	10.05	We have the unrestricted right to transfer the Franchise Agreement to anyone we choose.
k. "Transfer" by franchisee – defined	10	Includes transfer of any interest in this Agreement, the franchise itself, or any entity that owns an interest in the franchise.
l. Franchisor approval of transfer by franchisee	10.01, 10.03, 10.04	You cannot transfer the Franchise Agreement without our consent.
m. Conditions for franchisor approval of transfer	10.01, 10.03, 10.04	To transfer your franchise, you must meet all of our requirements, including: 1. Qualified Transferee: The proposed buyer and its principals must meet our then-current qualifications for new franchisees (e.g., education, experience, net worth, character) and hold all required licenses. 2. Training: The buyer (or a principal) and their designated manager must complete our initial training program to our satisfaction. 3. Franchise Agreement: The buyer must sign our then-current franchise agreement (with modifications to reflect the remaining term and transfer context), which may include different terms and higher fees. 4. Premises Compliance: All required maintenance, repairs, or renovations to bring the location up to our standards must be completed. 5. Transfer Fee: You must pay the full transfer fee as specified in the agreement. 6. Outstanding Obligations: All amounts owed to us, our affiliates, suppliers, or your landlord (where we have contingent liability) must be paid in full. 7. Compliance: You must be in full compliance with all your franchise and development agreements. 8. General Release: You and each principal owner must sign a general release of claims against us and our affiliates, in our required form.

Provision	Section in Franchise (Full Service and Express) Agreement	Summary
		9. Additional Conditions: You must meet any other reasonable conditions we impose, provided they are no more burdensome than those for new franchisees. 10. Right of First Refusal: We must have declined or waived our right of first refusal. 11. Pay Transfer Fee: Pay us a transfer fee equal to 50% of our then-current initial franchise fee.
n. Franchisor's right of first refusal to acquire franchisee's business	10.03	If you receive a bona fide offer to buy your franchise that you're willing to accept, you must give us written notice of the offer and the buyer's identity. We have 30 days to elect to purchase the franchise on the same terms. If we choose to proceed, we have 120 days to complete due diligence and close the deal. If we don't act within these timeframes, you may sell to the original buyer—but only on the exact same terms. Any change to the offer requires you to restart the notice process.
o. Franchisor's option to purchase franchisee's business	9.05	If your franchise is terminated or not renewed, we have a 30-day option to purchase your business assets—including inventory, equipment, leasehold improvements, licenses (including liquor), and the lease—at depreciated value. We may exclude items that don't meet our current standards. We can deduct any amounts you owe us or others related to the business from the purchase price. If we exercise this option, we'll notify you in writing within 30 days of termination and have 120 days after appraisal to close. If we and you can't agree on a fair market value, an SBA-approved appraiser will determine it. If needed, a third appraiser will be selected. The final appraisal will set the price, subject to deductions. You must also assign leases and provide necessary documents upon request.
p. Death or disability of franchisee	10.02	If you (as an individual) or your majority owner (if an entity) dies, the heir or estate may continue operating the franchise for up to six months. During that time, they must either: Meet all qualifications required of a new franchisee (no transfer or initial franchise fee will be charged), or Transfer the franchise to someone who meets those qualifications.
q. Non-competition covenants during the term of the franchise	4.27	During the franchise term, you may not directly or indirectly own, operate, or be involved with any competing business, except for other authorized Oggi's™ franchises.
r. Non-competition covenants after the franchise is terminated or expires	4.27	For two years after termination, you may not operate or be involved with any sports-themed, brewery, pizza, or pasta restaurant within five miles of any Oggi's™ location. These restrictions apply separately in each county and state where we do business. If any part is found unenforceable in one area, it remains valid elsewhere.
s. Modification of the agreement	11.11	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	Only the terms of the Franchise Agreement are binding (subject to state law). Nothing in the Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document. Any representations or promises outside the Franchise Disclosure Document and Franchise Agreement may not be enforceable.

Provision	Section in Franchise (Full Service and Express) Agreement	Summary
u. Dispute resolution by arbitration or mediation	N/A	N/A
v. Choice of forum	Section 11.03	Subject to state law, any arbitration or litigation must be pursued in courts located in San Diego, California.
w. Choice of law	Section 11.02	Federal trademark law, and other federal laws govern where applicable. The laws of your state will apply to the covenant not to compete and regarding confidentiality. Otherwise, California law applies, except where individual state laws supersede, as reflected in any state-specific attachment to the Franchise Agreement, subject to state law.

Area Development (ADA) and Multi-Franchise Development (MFD) Agreements

Provision	Section in Area / Multi-Franchise Development Agreement	Summary
a. Length of the franchise term	Article I of ADA and MFD	ADA and MFD continue until the earlier of: (1) the scheduled opening date of the last restaurant under the Development Schedule, or (2) the actual opening of the last restaurant listed in the Development Schedule, or (3) the fixed expiration date stated in the ADA or MFD—unless terminated earlier.
b. Renewal or extension of the term	N/A	N/A
c. Requirements for franchisee to renew or extend	N/A	N/A
d. Termination by franchisee	Article VI of ADA and MFD	You may terminate the ADA or MFD at any time by giving us written notice. However, any unused portion of the Development Fee and Initial Franchise Fee will be forfeited.
e. Termination by franchisor without cause	Not applicable.	Not applicable.
f. Termination by franchisor with cause	Article VII(B) of ADA and MFD	You are in default under the agreement if you fail to comply with your obligations, but certain defaults are curable.
g. "Cause" defined - curable defaults	Article VII(B) of ADA and MFD	If you fail to correct any of these within 30 days after receiving written notice, we may terminate your agreement for cause: Failing to comply with any provision of the Development Agreement. Failing to meet the Development Schedule. Failing to begin substantial construction of a restaurant by the required date. Failing to secure financing for a restaurant by the required date. Violating the transfer or ownership provisions in Article 10. Termination of any Franchise Agreement or other agreement with us or our affiliates. Assigning, transferring, or sublicensing the agreement without our prior written consent. Changing ownership of your entity without our prior approval.
h. "Cause" defined – non-curable defaults	Article VII(B) of ADA and MFD	If any of these occur, we may terminate your agreement immediately upon written notice, without providing an opportunity to cure: You become insolvent or file for bankruptcy.

Provision	Section in Area / Multi-Franchise Development Agreement	Summary
		A court appoints a receiver for your property. You make a general assignment for the benefit of creditors. A final judgment against you remains unsatisfied for 30 days (unless bonded). Execution is levied against your business or property. A foreclosure action is filed against your premises or equipment and not dismissed within 30 days. We deliver a notice of termination of any Franchise Agreement with you. You assign, transfer, or sublicense this agreement without our prior written consent. You change ownership without our prior written approval.
i. Franchisee's obligations on termination/non-renewal	Article VII of ADA and MFD	Upon termination or expiration of your ADA, all development rights immediately end and revert to us. All rights to develop additional restaurants are revoked, and you are not entitled to any refund of fees. You may not develop or operate any business unless a separate Franchise Agreement was previously executed and remains in effect. You must immediately stop operating under the agreement and may not present yourself as a current or former developer. You are required to cancel or assign to us any business names or registrations using our trademarks and provide proof of compliance within 30 days. You must also assign to us all business-related phone numbers and notify listing agencies of the termination. Within 30 days, you must pay all amounts owed, including the balance of Initial Franchise Fees for undeveloped restaurants. These are considered liquidated damages for lost revenue and development rights. If a court finds this unenforceable, we may pursue other remedies. Unpaid amounts accrue interest at 18% per year or the maximum legal rate. You are responsible for all damages, costs, and attorneys' fees we incur due to your default or in enforcing post-termination obligations. Any obligations that are intended to survive termination will remain in effect until fulfilled. Upon termination or expiration of your MFD, all development rights immediately end and revert to us. You may no longer develop or operate any restaurant unless a separate Franchise Agreement is in place. No fees will be refunded. You must immediately stop operating under the agreement and may not represent yourself as a current or former developer. You must cancel or assign to us any business names using our trademarks and provide proof of compliance within 30 days. You must also assign to us all related phone numbers and notify listing agencies of the termination. Any obligations that are intended to survive termination will remain in effect until fulfilled.
j. Assignment of contract by franchisor	Article IX(A) of ADA and MFD	No restriction on right to transfer.
k. "Transfer" by franchisee – defined	Article IX(B) of ADA and MFD	A "transfer" includes any direct or indirect sale, assignment, gift, pledge, merger, or other change in ownership or control, whether voluntary or involuntary.
l. Franchisor approval of transfer by franchisee	Article IX(B) of ADA and MFD	You cannot transfer the ADA without our consent.

Provision	Section in Area / Multi-Franchise Development Agreement	Summary
m. Conditions for franchisor approval of transfer	Article IX(B) of ADA and MFD	If we approve a transfer, it must include all of your rights under this and any related Franchise Agreements. The same conditions that apply to franchise agreement transfers will apply here.
n. Franchisor's right of first refusal to acquire franchisee's business	N/A	N/A
o. Franchisor's option to purchase franchisee's business	N/A	N/A
p. Death or disability of franchisee	N/A	N/A
q. Non-competition covenants during the term of the franchise	Article X of ADA and MFD	During the term, you may not directly or indirectly own, operate, or have a financial interest in any business that competes with the Oggi's™ system, unless we give prior written consent. We may allow continued operation of a pre-existing business at our sole discretion.
r. Non-competition covenants after the franchise is terminated or expires	Article X of ADA and MFD	For two years after this agreement ends or is terminated, you may not directly or indirectly own, operate, or have a financial interest in any competitive business located within the Development Territory, unless otherwise approved by us. A "competitive business" includes any on-premises dining, carry-out, or delivery business offering pizza, pasta, burgers, Italian-style or American bistro food, or alcoholic beverages like microbrewed beer.
s. Modification of the agreement	Article XII(H) of ADA and MFD	Agreement can be modified only by agreement of the parties.
t. Integration/merger clause	Article XII(H) of ADA and MFD	Only the terms of the Franchise Agreement are binding (subject to state law). Nothing in the Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document. Any representations or promises outside the Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	N/A	N/A
v. Choice of forum	Article XII(D) of ADA and MFD	Subject to state law, any arbitration or litigation must be pursued in courts located in San Diego, California.
w. Choice of law	Article XII(C) of ADA and MFD	Federal trademark law, and other federal laws govern where applicable. The laws of your state will apply to the covenant not to compete and regarding confidentiality. Otherwise, California law applies, except where individual state laws supersede, as reflected in any state-specific attachment to the Franchise Agreement, subject to state law.

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 the information in this Item 19 from internal, unaudited financial statements provided by our franchisees for the last two fiscal years (calendar years 2023 and 2024). These financial statements were not prepared in accordance with Generally Accepted Accounting Principles (GAAP). As used in this Item 19, "gross receipts" refers to all revenue and receipts derived from the operation of the Restaurant, including sales made on or off the premises, net of sales tax, and after deducting amounts for coupons and promotions.

This Item 19 includes three sections: (1) average annual gross receipts for 14 Oggi's™ Full-Service Restaurants operated during 2023 and 13 Full-Service Restaurants operated during 2024; (2) the range of annual gross receipts for all 14 Oggi's™ Full-Service Restaurants that reported financial statements in 2023; (3) the range of annual gross receipts for the franchisee-owned Oggi's™ Full-Service Restaurants that reported financial statements in 2024; and (4) actual dollar amounts and percentages of sales spent on Ingredients (Food and Beverage), Occupancy (Rent, CAM, Utilities), and Direct Labor for the 14 Restaurants reporting in 2023 and the 13 Restaurants reporting in 2024.

Although Item 20 reflects 16 Oggi's™ Full-Service Restaurants in operation during each of 2023 and 2024, the financial performance data in this Item 19 is based only on those Restaurants that were franchisee-owned for the full calendar year and for which we received complete or substantially complete profit and loss statements. For 2023, we received full-year financial statements from 14 franchisee-owned Restaurants. Two additional Restaurants submitted approximately six months of data, and one submitted only one month of data; these three were excluded from the 2023 analysis due to incomplete reporting. For 2024, we received complete or substantially complete financial statements from 15 Restaurants, but we excluded the performance of the Mission Viejo and Fontana locations because they were not franchisee-owned for the full year. As a result, the 2024 analysis includes 13 franchisee-owned Restaurants.

We do not include any financial performance representation regarding the Oggi's Pizza Express® Restaurant, which is operated by us.

All 15 Oggi's™ Full-Service Restaurants were franchisee-owned during 2023. In 2024, we assumed operational control of two locations—Mission Viejo (effective February 3, 2024) and Fontana (effective April 1, 2024). The data presented below is based on reports from 14 Restaurants in 2023 and 13 Restaurants in 2024. Profit and loss data was provided by franchisees, while gross receipts and direct labor data were drawn directly from each Restaurant's POS system. All information is unaudited.

The Oggi's™ brand was established in San Diego County, California more than 25 years ago, and has developed strong brand recognition throughout Southern California. Many of the Restaurants included in this Item 19 are located in markets where the brand has long-standing equity and goodwill, particularly in San Diego, Orange, Los Angeles, and San Bernardino Counties.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

<u>Section 1: Average Annual Gross Receipts for Oggi's™ Full-Service Restaurants in Operation During 2023 and 2024</u>

<u>Calendar Year 2023</u>

The average annual gross receipts for the period January 1 to December 31, 2023 for the 14 reporting Oggi's™ Full-Service Restaurants in the system that were open for operations in 2023 were $2,260,741.00. The median gross receipts were $2,420,145.00. The highest gross receipts achieved during that period were $4,453,516.00. The lowest gross receipts achieved during that period were $1,662,624.00.

<u>Calendar Year 2024</u>

The average annual gross receipts for the period January 1 to December 31, 2024 for the 13 reporting Oggi's™ Full-Service Restaurants in the system that were open for operations in 2024 were $2,386,105.15. The median gross receipts were $2,450,909. The highest gross receipts achieved during that period were $3,340,907.83. The lowest gross receipts achieved during that period were $1,545,985.00.

<u>Section 2: Gross Receipts of Oggi's™ Full-Service Restaurants During 2023 and 2024</u>

<u>Calendar Year 2023</u>

Range of Gross Receipts	Number of Stores in Range	Average Receipts of Stores in Range	Median Receipts 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

<u>Calendar Year 2024</u>

Range of Gross Receipts	Number of Stores in Range	Average Receipts of Stores in Range	Median Receipts of Stores in Range
$2,555,786.57 – $3,340,907.83	5	$2,979,214.15	$3,073,464.37
$1,905,540.19 – $2,533,256.84	5	$2,214,236.33	$2,265,247.46
$1,545,985.00 – $1,869,488.69	5	$1,706,855.52	$1,752,258.31

Section 3 Costs of Ingredients (Food & Alcohol), Occupancy and Labor as a Percentage of Gross Receipts by Average and Range for Oggi's™ Full-Service Restaurants 2023 and 2024

The Chart below relates to the annual costs of Ingredients sold as a percentage of gross receipts, annual occupancy costs as a percentage of gross receipts, and direct labor costs as a percentage of gross receipts. "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 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%

Calendar Year 2024

	Average for 13 Restaurants	**Median for 13 Restaurants**	**Low End of Range**	**High End of Range**
Ingredients (Food & Alcohol)	32%	29%	21%	65%
Occupancy (Rent, CAM, Utilities)	14.35%	13.72%	7.46%	24.89%
Direct Labor (Excludes Management)	32.6%	32%	17%	44%

Other than the representations given above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Estella Ferrera Oggi's Pizza & Brewing Company, 1245 Puerta Del Sol, San Clemente, CA 92673, 949-218-3964.

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ITEM 20.
OUTLETS AND FRANCHISEE INFORMATION

This Item 20 is separated into two sets of tables. The first set of tables relates to our Oggi's™ Full-Service Restaurants. The second set of tables relates to our Oggi's Pizza Express® Restaurants.

Section 1: Oggi's™ Full-Service Outlets

TABLE 1 – FULL-SERVICE OUTLETS
SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2022-2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	15	15	0
	2023	15	15	0
	2024	15	15	0
Company-Owned	2022	0	0	0
	2023	0	0	0
	2024	0	2	2
Total Outlets	2022	15	15	0
	2023	15	15	0
	2024	15	15	0

TABLE 2 – FULL-SERVICE OUTLETS
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2022-2024

State	Year	Number of Transfers
Total	2022	0
	2023	0
	2024	0

TABLE 3 – FULL-SERVICE OUTLETS
STATUS OF FRANCHISED OUTLETS FOR YEARS 2022-2024

State	Year	Franchised Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Franchised Outlets at the End of the Year
AZ	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
CA	2022	15	0	0	0	0	0	15

State	Year	Franchised Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Franchised Outlets at the End of the Year
	2023	15	0	0	0	0	0	15
	2024	15	0	0	0	2	0	13
Total	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	0	15
	2024	15	0	0	0	2	0	13

TABLE 4 – FULL-SERVICE OUTLETS
STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2022-2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at the End of the Year
CA	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	2	0	0	2
Total	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	2	0	0	2

TABLE 5 – FULL-SERVICE OUTLETS
PROJECTED FULL-SERVICE OUTLET OPENINGS FOR 2025 AS OF DECEMBER 31, 2024

State	Franchise Agreements Signed But Not Opened	Projected New Franchised Outlets in the next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
California	0	0	1
Totals			

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Section 2: Oggi's Pizza Express® Outlets

TABLE 1 – OGGI'S PIZZA EXPRESS® OUTLETS

SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2022-2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Company-Owned	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	1	1	0
	2023	1	1	0
	2024	1	1	0

TABLE 2 – EXPRESS UNIT OUTLETS

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS FOR YEARS 2022-2024

State	**Year**	**Number of Transfers**
Total	2022	0
	2023	0
	2024	0

TABLE 3 – EXPRESS UNIT OUTLETS

STATUS OF FRANCHISED OUTLETS FOR YEARS 2022-2024

State	Year	Franchised Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operation s- Other Reasons	Franchised Outlets at the End of the Year
Total	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0

TABLE 4 – EXPRESS UNIT OUTLETS
STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2022-2024

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired by Franchisor	Sold to Franchisees	Outlets at the End of the Year
CA	2022	1	0	0	0	1
	2023	1	0	0	0	1
	2024	1	0	0	0	1

TABLE 5 – EXPRESS UNIT OUTLETS
PROJECTED PIZZA EXPRESS OUTLET OPENINGS FOR 2025 AS OF DECEMBER 31, 2024

State	Franchise Agreements Signed But Not Opened	Projected New Franchised Outlets in the next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
California	0	0	0
Totals			

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 Miguel Carrillo
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
Grove, CA 92840

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

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

Oggi's™ Restaurant*
Fontana – (909) 320-8594
Kulwinder Singh
Jessica Bhatia
Satdeep Bhatia
Daljeet Bhatia
16918 S. Highland Avenue Fontana, CA 92336
*This Restaurant was operated by us for part of 2024. In February 2025, we sold to these franchisees.

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

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 Barrett2245 Fenton Pkwy
San Diego, CA 92108

Oggi's™ Restaurant
Mission Viejo – (949)215-8570
Oggi's Restaurants Inc
24042 Alicia 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 Barrett9828 Mission Gorge Rd., Ste A
Santee, CA 92071

Oggi's™ Restaurant
Upland – *(909) 949-8868*
Felix Perez and Anna Wang
1173 E 19th 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:

Mission Viejo
Kanwal and Helen Mundy
Mission Viejo, California
801-232-4177

Fontana
Juan Lopez
Fontana, California
909-917-3802

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

ITEM 21.
FINANCIAL STATEMENTS

An independent auditor's report with financial statements for the years ended December 31, 2024, 2023 and 2022 is attached as Exhibit "8." We are also attaching non-audited financial statements dated July 31, 2025.

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.

FULL-SERVICE RESTAURANT
FRANCHISE AGREEMENT

EXHIBIT 1

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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 1.05, 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 has fully, faithfully, and timely performed all obligations under this Agreement, Franchisee shall have the right to renew this Agreement for up to two (2) successive renewal terms of ten (10) years each, subject to the following conditions:

1.03.01 Franchisee must provide Franchisor with written notice of its intent to renew no later than twelve (12) months prior to the expiration of the then-current term.

1.03.02 Franchisee must execute Franchisor's then-current form of the franchise agreement (modified to reflect that it is a renewal and with remaining renewal rights as existed under the prior franchise agreement) no later than nine (9) months prior to the expiration of the then-current term. Failure to execute the renewal agreement by this deadline shall result in automatic forfeiture of the renewal right. Franchisor may, in its sole and absolute discretion, choose to permit a late renewal. If Franchisor elects to do so, Franchisee shall be required to pay a late renewal fee of $5,000 and execute the renewal agreement within a timeframe specified by Franchisor, but nothing in this Agreement shall be construed to obligate Franchisor to permit a late renewal under any circumstances.

1.03.04 Franchisee and each of its owners holding a direct or indirect interest of five percent (5%) or more, and any affiliated entities that have entered into agreements with Franchisor or its affiliates, shall execute and deliver to Franchisor a general release, in a form prescribed by Franchisor, of any and all claims, liabilities, and obligations, known or unknown, against Franchisor, its affiliates, and their respective officers, directors, shareholders, employees, agents, and representatives.

1.03.05 Franchisee must have complied with the remodeling requirements of Section 1.08 and shall perform any further items of modernization, redecorating and/or replacement of the building, premises, trade dress, equipment as may be necessary for the 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.

1.03.06 If leasing the premises for the Restaurant, Franchisee must have renewed the lease and provided written proof of its ability to remain in the premises throughout the renewal term.

1.03.07 Franchisee must comply with Franchisor's then-current training requirements.

1.03.08 Franchisee must not be in default under this Agreement or any other agreement with Franchisor, must have satisfied all monetary and material obligations on a timely basis, and must otherwise be in good standing.

1.04. Holdover Franchise. If, for any reason, Franchisee continues to operate the Restaurant beyond the Term of this Agreement or any subsequent renewal period, such operation will be deemed to be on a month-to-month basis under the terms of this Agreement (except that Franchisee will no longer have the right to obtain a Successor Agreement pursuant to Section 1.03) and will be subject to termination by Franchisor upon thirty (30) days' written notice or as otherwise required by Applicable Law. If the holdover period exceeds ninety (90) days, this Agreement will be subject to immediate termination unless Applicable Law requires a longer period. To avoid entering into a holdover period, Franchisee must execute the then-current form of the renewal franchise agreement (modified to reflect that it is a renewal and without further renewal rights) no later than nine (9) months prior to the expiration of the then-current term. Failure to execute the renewal agreement by this deadline will result in automatic forfeiture of Franchisee's right to renew. Franchisor may, in its sole and absolute discretion, choose to permit a late renewal. If Franchisor elects to do so, Franchisee will be required to pay a late renewal fee of $5,000 and execute the renewal agreement within a timeframe specified by Franchisor. Nothing in this Agreement obligates Franchisor to permit a late renewal under any circumstances. Upon termination after any holdover period, Franchisee and those in active concert with Franchisee, including Owners, family members, officers, directors, partners, and managing agents, will remain subject to all applicable post-termination obligations contained in this Agreement.

1.05. 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 1.06, below, Franchisee shall be accorded a new exclusive area as determined by Franchisor in its sole discretion.

1.06. Territory: To support the successful development of the Oggi's™ Full-Service Restaurant and to protect Franchisee's investment, Franchisor grants Franchisee the exclusive right to operate an Oggi's™ Full-Service Restaurant within the following area: ____________________________ of the Authorized Location (the "Territory"). During the term of this Agreement, Franchisor will not authorize any other person or entity, including Franchisor or other franchisees, to establish an Oggi's™ Restaurant (whether a Full-Service Restaurant or an Oggi's Pizza Express® Restaurant) within the Territory. The following exceptions apply:

(a) *Special Sites*. The Territory does not include the right to operate at or exclude Franchisor from developing, licensing, or franchising Oggi's™ Restaurants at the following "Special Sites": (i) military bases; (ii) public transportation facilities (e.g., airports, train stations, bus terminals); (iii) sports facilities (e.g., stadiums, arenas, racetracks); (iv) student unions or similar facilities on college or university campuses; (v) amusement and theme parks; (vi) community and special events; (vii) office buildings; (viii) convention centers; (ix) business, athletic, or social clubs; (x) vacation clubs and timeshare properties; (xi) hotels; (xii) retirement and/or senior living facilities; and (xiii) any other special-use facility. Special Sites also include any booth, mobile dispensing unit (such as a customized RV), or other mobile installation from which select Oggi's™ products and services may be offered and sold to customers, whether on a permanent, temporary, or seasonal basis.

(b) *Reserved Distribution Rights*. Franchisor and its affiliates reserve the unrestricted right to offer, sell, or distribute, within or outside the Territory, through any channel or method (including retail, wholesale, e-commerce, or direct-to-consumer), any of the following identified by the Oggi's™ Marks or any other trademarks, service marks, or trade names owned or controlled by Franchisor or its affiliates: (i) frozen products; (ii) pre-packaged products, including but not limited to beverages or food items in bottles, cans, kegs, or other packages or containers; or (iii) any other products or services associated with the Oggi's™ System. This includes the right to sell directly to consumers or through third-party retailers, regardless of whether such products are similar to those offered at Oggi's™ Restaurants. Franchisor also reserves the right to license third parties to manufacture, distribute, and sell such products under the Oggi's™ Marks or other marks owned or controlled by Franchisor or its affiliate.

(c) *E-Commerce and Digital Channels*. Franchisor and its affiliates may offer, sell, or distribute products and services associated with the Oggi's™ System through digital or electronic means, including but not limited to websites, mobile applications, third-party delivery platforms, and other forms of electronic commerce, regardless of whether such sales originate within the Territory.

(d) *Brand Integration and Corporate Transactions*. Franchisor reserves the right to merge, consolidate, acquire, or be acquired by other brands or businesses, and to integrate or rebrand operations in connection with such transactions. Franchisee shall have no rights to restrict or receive compensation from such activities, even if they affect the Territory or the competitive landscape.

1.07. 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.

1.08 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 must select a site reasonably acceptable to both Franchisee and Franchisor within one hundred twenty (120) days after executing this Agreement. Franchisor will evaluate the proposed site using informal procedures and approve or disapprove it based on feasibility, which approval shall not be unreasonably withheld. Franchisee must submit all required site information, and Franchisor will respond within thirty (30) days of receipt. If Franchisor does not respond within that time, the site will be deemed approved. If Franchisor disapproves the site, Franchisee must propose a new location and repeat the approval process. Failure to obtain Franchisor's approval of a site within the 120-day period may result in termination of this Agreement, in which case no portion of the initial franchise fee will be refunded. Nothing in this Section guarantees the success of any approved site.

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.

3.03.3 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.

3.03.4 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.

3.04. 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.

3.05. 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.

3.06. 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.

3.07. 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.

3.08. Additional Requested Training. Franchisee may request that its managers or other key personnel attend supplemental, refresher, or advanced training sessions at Franchisor's headquarters or at a designated Oggi's™ Restaurant. Participation in such training is subject to Franchisor's availability and approval.

Franchisor may charge a fee of up to five hundred dollars ($500) per trainee per day for such training. This fee is in addition to any travel, lodging, meals, or other expenses incurred by Franchisee or its personnel in connection with attending the training. All such fees and expenses shall be the sole responsibility of Franchisee. Franchisor may, in its sole discretion, waive or reduce the training fee under certain circumstances, but any such waiver or reduction shall not be deemed a waiver of Franchisor's right to charge the full fee for future training sessions.

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. <u>Advertising and Public Relations</u>: Franchisor will support Franchisee in promoting the Oggi's™ Full-Service Restaurant through advertising, public relations, and brand-building initiatives. From time to time, Franchisor will purchase and place advertising to promote the Oggi's™ brand and the products and services offered by franchisees. The primary purpose of regional advertising is to enhance brand recognition and drive demand across the Oggi's™ System. All decisions regarding the allocation of advertising efforts—whether national, regional, or local—as well as the selection of media channels and advertising content, will be made solely by Franchisor or its designated agencies.

3.14.1 Franchisees are required to contribute to a Promotional Fund, which Franchisor will use exclusively for advertising, marketing, and promotional purposes. All contributions received will be used during the calendar year in which they are collected or the immediately following year. Franchisor may use the Promotional Fund for, but not limited to, the following purposes:

(a) Purchasing regional or national advertising in television, radio, digital, and print media for the benefit of the franchise system;

(b) Creating and distributing advertising materials, including digital content, signage, brochures, banners, and other point-of-sale promotional items;

(c) Engaging advertising, digital marketing, and public relations professionals;

(d) Managing and maintaining the Oggi's™ website, search engine optimization (SEO), and social media platforms;

(e) Administering system-wide gift card and loyalty programs. Franchisees must honor loyalty program rewards (e.g., free products) at their own expense and are not reimbursed for the value of redeemed rewards. Franchisees may sell and redeem gift cards; when a gift card is redeemed at a location other than where it was sold, the redeeming franchisee will be reimbursed by the third-party gift card administrator;

(f) Operating a company-owned location at Angel Stadium in Anaheim, California. All operating expenses of that location—including food, rent, and labor—are paid from the Promotional Fund, and all revenue generated by that location is deposited into the Promotional Fund; and

(g) Covering the reasonable costs of administering the Promotional Fund, including compensation for Franchisor's employees who perform services on behalf of the Fund. We estimate that administrative expenses, including those related to the operation of the Angel Stadium location, will be approximately fifteen percent (15%) of total contributions to the Fund. This estimate is not a guarantee or cap on future administrative expenses, which may vary based on system needs and operational demands.

3.14.2 Franchisor may, at its discretion, advance funds to the Promotional Fund to pursue time-sensitive advertising or promotional opportunities. Any such advances will be reimbursable to Franchisor when and if sufficient funds become available.

3.14.3 Franchisee may conduct its own local advertising and promotional activities at its sole expense, provided such activities comply with Section 4.14 of this Agreement. Franchisee shall not deduct or offset any such expenses from royalties or other amounts owed to Franchisor.

3.14.4 Franchisor reserves the right to use the Promotional Fund to: (a) cover legal expenses related to the Fund's activities; (b) pay attorneys' fees and costs associated with claims involving the Fund; (c) resolve disputes through settlement, mediation, arbitration, or litigation; (d) enforce obligations owed to the Fund; and (e) defend against legal actions involving the 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.\

4.02.2 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.

4.02.3 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.

4.02.4 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.

4.02.5 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.

4.03. 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.

4.04. 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.

4.05. 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.

4.06. 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.

4.07. 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.

4.08. 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 in, or have any interest in the operation of any competing business, except for other authorized Oggi's™ franchises. These restrictions are intended to protect the legitimate business interests of Franchisor, including the integrity of the franchise system, the value of its trademarks and goodwill, and the confidential methods and trade secrets disclosed to Franchisee.

4.27.1. For a period of two (2) years following the termination of this Agreement, 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. These restrictions are reasonably limited in scope and geography to protect Franchisor's legitimate interests and to prevent unfair competition.

4.27.2 Each of the covenants contained in this Section 4.27 is a separate and independent obligation, and shall be construed as such in each county, state, or other jurisdiction in which Franchisor operates. If any covenant is determined to be unenforceable in any jurisdiction, that determination shall not affect the enforceability of the covenant in any other jurisdiction. The parties intend that each covenant be enforced to the maximum extent permitted by applicable law.

4.27.3 Franchisee acknowledges and agrees that the covenants in this Section 4.27 are reasonably necessary to protect the legitimate business interests of Franchisor, including its proprietary information, trade secrets, goodwill, and the integrity of the franchise system. Franchisee further agrees that these covenants are reasonable in scope, duration, and geographic reach, and are not intended to unreasonably restrain lawful competition or trade. Franchisee further acknowledges that a breach of these covenants would cause Franchisor irreparable harm for which monetary damages may be inadequate. Accordingly, in addition to any other remedies available, Franchisor shall be entitled to seek temporary and permanent injunctive relief in a court of competent jurisdiction without the necessity of proving actual damages.

4.27.4 Franchisee acknowledges that these covenants are designed to prevent unfair competition and the misuse of confidential information obtained through the franchise relationship, and that they are narrowly tailored to achieve those objectives. Franchisee represents that enforcement of these covenants will not prevent Franchisee from earning a livelihood or engaging in a lawful business that does not conflict with the legitimate interests of Franchisor.

4.27.5 The parties agree that these covenants shall be interpreted and enforced to the maximum extent permitted by applicable law, including under any applicable "rule of reason" or similar standard used to evaluate the enforceability of restrictive covenants.

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. Advertising Cooperative:

4.33.1 Formation: Advertising cooperatives ("Cooperatives") 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 Cooperative during the term of its franchise agreement.

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

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 Gift Card Agreement is attached as Exhibit 5. 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:

____

____

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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.

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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 achieve at least $1,800,000 in gross receipts for two (2) consecutive calendar years. Franchisee acknowledges that this requirement does not predict or project the Oggi's™ Full- Service Restaurant's revenue and is not a representation or guarantee of any financial results to Franchisee from the exercise of the rights granted in this Agreement.

(w) Franchisee intentionally understates or underreports gross receipts, 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 (30th) 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™ 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.

10.05. Transfers by Franchisor. Franchisee acknowledges that Franchisor maintains a staff to manage and operate the System, and that staff members may change as Franchisor's owners, directors, officers, and employees come and go. Franchisee represents that it has not entered into this Agreement in reliance on any specific shareholder, director, officer, or employee continuing in their role with Franchisor. Franchisor may change its ownership or legal form and/or assign this Agreement and any related agreements to a third party without restriction. Upon assignment of this Agreement to a third party that expressly assumes Franchisor's obligations under this Agreement, Franchisor shall have no further performance or other obligations under this Agreement.

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 shall be governed by and interpreted in accordance with the laws of the State of California, without regard to its conflict of laws principles, except that the provisions of Section 4.27 (Franchisee's covenants regarding the confidentiality of Franchisor's Confidential Information and noncompetition obligations with respect to Franchisor and other Restaurants) shall be governed by and interpreted in accordance with the laws of the state in which Franchisee's Restaurant is located. This choice of law is intended to ensure that the covenants in Section 4.27 are interpreted and enforced in a manner consistent with the public policy and legal standards of the jurisdiction most closely connected to the competitive interests at issue. By agreeing to the application of California law, the parties do not intend to subject this Agreement or their relationship to any franchise, dealership, business opportunity, or similar law, rule, or regulation of the State of California that would not otherwise apply in the absence of this choice-of-law provision. If any provision of this Agreement is determined to be invalid or unenforceable under applicable law, the remainder of this Agreement shall remain in full force and effect, and the invalid or unenforceable provision shall be deemed amended to the minimum extent necessary to comply with such law while preserving, to the fullest extent possible, the original intent of the parties.

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.

[Signature Page Follows]

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

EXPRESS UNIT FRANCHISE AGREEMENT

EXHIBIT 2

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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.

1.08. Franchisee's Territory: Before this Agreement is executed, Franchisor will describe the Territory in Exhibit A. The size of the Territory and its boundaries and exclusions shall be determined in Franchisor's sole discretion. Provided that Franchisee is in full compliance with this Agreement, Franchisor 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. The following exceptions apply::

(a) *Special Sites*. The Territory does not include the right to operate at or exclude Franchisor from developing, licensing, or franchising Oggi's™ Restaurants at the following "Special Sites": (i) military bases; (ii) public transportation facilities (e.g., airports, train stations, bus terminals); (iii) sports facilities (e.g., stadiums, arenas, racetracks); (iv) student unions or similar facilities on college or university campuses; (v) amusement and theme parks; (vi) community and special events; (vii) office buildings; (viii) convention centers; (ix) business, athletic, or social clubs; (x) vacation clubs and timeshare properties; (xi) hotels; (xii) retirement and/or senior living facilities; and (xiii) any other special-use facility. Special Sites also include any booth, mobile dispensing unit (such as a customized RV), or other mobile installation from which select Oggi's™ products and services may be offered and sold to customers, whether on a permanent, temporary, or seasonal basis.

(b) *Reserved Distribution Rights*. Franchisor and its affiliates reserve the unrestricted right to offer, sell, or distribute, within or outside the Territory, through any channel or method (including retail, wholesale, e-commerce, or direct-to-consumer), any of the following identified by the Oggi's™ Marks or any other trademarks, service marks, or trade names owned or controlled by Franchisor or its affiliates: (i) frozen products; (ii) pre-packaged products, including but not limited to beverages or food items in bottles, cans, kegs, or other packages or containers; or (iii) any other products or services associated with the Oggi's™ System. This includes the right to sell directly to consumers or through third-party retailers, regardless of whether such products are similar to those offered at Oggi's™ Restaurants. Franchisor also reserves the right to license third parties to manufacture, distribute, and sell such products under the Oggi's™ Marks or other marks owned or controlled by Franchisor or its affiliate.

(c) *E-Commerce and Digital Channels*. Franchisor and its affiliates may offer, sell, or distribute products and services associated with the Oggi's™ System through digital or electronic means, including but not limited to websites, mobile applications, third-party delivery platforms, and other forms of electronic commerce, regardless of whether such sales originate within the Territory.

(d) *Brand Integration and Corporate Transactions*. Franchisor reserves the right to merge, consolidate, acquire, or be acquired by other brands or businesses, and to integrate or rebrand operations in connection with such transactions. Franchisee shall have no rights to restrict or receive compensation from such activities, even if they affect the Territory or the competitive landscape.

1.05. 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.

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 refurbish, modernize, redecorate, and upgrade the Oggi's Pizza Express® Restaurant premises, including but not limited to capital improvements and updates to audio/visual equipment, in order to maintain consistency with the current image and standards of Oggi's Pizza Express® Restaurants. Such refurbishments shall be completed under the following circumstances:

(a) Whenever Franchisor determines that refurbishment is necessary to maintain or improve the appearance, efficient operation, or sales potential of the Restaurant, and provides written notice to Franchisee.

(b) If Franchisee develops a second Oggi's Pizza Express® Restaurant, Franchisor may require that the original Restaurant be refurbished at that time.

(c) If neither of the above events occurs first, Franchisee must complete a full refurbishment at least once every seven (7) years from the date of opening or from the date of the last completed refurbishment, whichever is later.

All refurbishments must be completed to Franchisor's satisfaction within a reasonable time, not to exceed one (1) year from the date of notification or the applicable deadline. Franchisee acknowledges that these refurbishments are reasonable and necessary to ensure continued customer patronage and to prevent deterioration or obsolescence of the Restaurant. If Franchisee fails to complete the required refurbishments, Franchisor may, in addition to any other remedies under this Agreement, undertake the refurbishments at Franchisee's expense.

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 (25^{th}) 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 in, or have any interest in the operation of any competing business, except for other authorized Oggi's™ franchises. These restrictions are intended to protect the legitimate business interests of Franchisor, including the integrity of the franchise system, the value of its trademarks and goodwill, and the confidential methods and trade secrets disclosed to Franchisee.

4.27.1. For a period of two (2) years following the termination of this Agreement, 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. These restrictions are reasonably limited in scope and geography to protect Franchisor's legitimate interests and to prevent unfair competition.

4.27.2 Each of the covenants contained in this Section 4.27 is a separate and independent obligation, and shall be construed as such in each county, state, or other jurisdiction in which Franchisor operates. If any covenant is determined to be unenforceable in any jurisdiction, that determination shall not affect the enforceability of the covenant in any other jurisdiction. The parties intend that each covenant be enforced to the maximum extent permitted by applicable law.

4.27.3 Franchisee acknowledges and agrees that the covenants in this Section 4.27 are reasonably necessary to protect the legitimate business interests of Franchisor, including its proprietary information, trade secrets, goodwill, and the integrity of the franchise system. Franchisee further agrees that these covenants are reasonable in scope, duration, and geographic reach, and are not intended to unreasonably restrain lawful competition or trade. Franchisee further acknowledges that a breach of these covenants would cause Franchisor irreparable harm for which monetary damages may be inadequate. Accordingly, in addition to any other remedies available, Franchisor shall be entitled to seek temporary and permanent injunctive relief in a court of competent jurisdiction without the necessity of proving actual damages.

4.27.4 Franchisee acknowledges that these covenants are designed to prevent unfair competition and the misuse of confidential information obtained through the franchise relationship, and that they are narrowly tailored to achieve those objectives. Franchisee represents that enforcement of these covenants will not prevent Franchisee from earning a livelihood or engaging in a lawful business that does not conflict with the legitimate interests of Franchisor.

4.27.5 The parties agree that these covenants shall be interpreted and enforced to the maximum extent permitted by applicable law, including under any applicable "rule of reason" or similar standard used to evaluate the enforceability of restrictive covenants.

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. Advertising Cooperatives:

4.36.1 Formation: Advertising cooperatives ("Cooperatives") 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 Cooperative during the term of its franchise agreement.

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

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 Gift Card Agreement is attached as Exhibit 5. 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 achieve at least $1,800,000 in gross receipts for two (2) consecutive calendar years. Franchisee acknowledges that this requirement does not predict or project the Oggi's™ Full- Service Restaurant's revenue and is not a representation or guarantee of any financial results to Franchisee from the exercise of the rights granted in this Agreement.

(w) Franchisee intentionally understates or underreports gross receipts, 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. <u>Option to Purchase</u>: 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.

10.05. Transfers by Franchisor. Franchisee acknowledges that Franchisor maintains a staff to manage and operate the System, and that staff members may change as Franchisor's owners, directors, officers, and employees come and go. Franchisee represents that it has not entered into this Agreement in reliance on any specific shareholder, director, officer, or employee continuing in their role with Franchisor. Franchisor may change its ownership or legal form and/or assign this Agreement and any related agreements to a third party without restriction. Upon assignment of this Agreement to a third party that expressly assumes Franchisor's obligations under this Agreement, Franchisor shall have no further performance or other obligations under this Agreement.

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.

11.10. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California, without regard to its conflict of laws principles, except that the provisions of Section 4.27 (Franchisee's covenants regarding the confidentiality of Franchisor's Confidential Information and noncompetition obligations with respect to Franchisor and other Restaurants) shall be governed by and interpreted in accordance with the laws of the state in which Franchisee's Restaurant is located. This choice of law is intended to ensure that the covenants in Section 4.27 are interpreted and enforced in a manner consistent with the public policy and legal standards of the jurisdiction most closely connected to the competitive interests at issue. By agreeing to the application of California law, the parties do not intend to subject this Agreement or their relationship to any franchise, dealership, business opportunity, or similar law, rule, or regulation of the State of California that would not otherwise apply in the absence of this choice-of-law provision. If any provision of this Agreement is determined to be invalid or unenforceable under applicable law, the remainder of this Agreement shall remain in full force and effect, and the invalid or unenforceable provision shall be deemed amended to the minimum extent necessary to comply with such law while preserving, to the fullest extent possible, the original intent of the parties.

11.02. 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.

11.03. 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.

11.04. 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.

11.05. 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.

11.06. 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.

11.07. 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.

11.08. 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

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.)

____ ____

____ ____

EXHIBIT 3

LEASE ASSIGNMENT AGREEMENT

AGREEMENT made this ____ day of __________, 20___, 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.

[Signature Page Follows]

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. Franchisee 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

EXHIBIT 5

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 5

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EXHIBIT 6

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 or VII, and subject to the terms detailed in Article II.C, the term of this Agreement and all rights granted to Developer shall expire upon the earlier of: (i) the date the last Restaurant is scheduled to open under the Development Schedule or the actual opening of the last Restaurant listed in the Development Schedule, whichever occurs first; or (ii) _________________________ (the "Term").

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 any other person or entity the right to develop or operate, an Oggi's™ Restaurant (whether a Full-Service Restaurant or an Oggi's Pizza Express® Restaurant) within the Development Territory, except as provided in Section F or otherwise in this Agreement, prior to the earliest of: (i) the expiration or termination of this Agreement; (ii) the date on which Developer is required to execute the Franchise Agreement for Developer's final Restaurant under the Development Schedule; or (iii) the date on which the Authorized Location for Developer's final Restaurant under this Agreement is determined.

1. If the Development Territory includes more than one city, county, or designated market area, the protection for each such area shall expire upon the earliest of: (a) any of the foregoing events, or (b) the date on which the Authorized Location for Developer's final Restaurant to be developed in that specific area is determined. Upon the earliest occurrence of any of the foregoing events: (a) the Development Territory (or applicable portion thereof) shall expire; and (b) Franchisor may develop or operate, or franchise others to develop or operate, Oggi's™ Restaurants within the Development Territory, subject to any territorial protections granted under any Franchise Agreement then in effect between Franchisor and Developer.

2. The protections described in this Section do not apply to: (a) Special Sites, as defined in Section F.1 below; or (b) Franchisor's Reserved Distribution Rights, as defined in Section F.2 below.

D. The rights granted under this Agreement are limited to the right to develop and operate Restaurants (as defined in Appendix A) within the Development Territory. Developer does not have: (i) any right to sell Oggi's™ products or 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, except at Developer's Restaurants located within the Development Territory; (ii) any right to sell Oggi's™ products or 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-owned, or affiliate-owned restaurants at any time or at any location outside of the Development Territory.

E. Developer acknowledges and agrees that Franchisor and its affiliates have the right to operate, and to franchise others to operate, restaurants or other businesses under trademarks other than the Oggi's™ Marks, both within and outside the Development Territory, without compensation to Developer, provided such businesses do not compete with the Restaurants developed under this Agreement. Outside the Development Territory, Franchisor may grant franchises or operate company- or affiliate-owned restaurants and may offer, sell, or distribute any products or services associated with the System under the Oggi's™ Marks or any other marks, without compensation to Developer. Franchisor also reserves the right to merge with, acquire, or be acquired by other brands or businesses, and to integrate or rebrand operations in connection with such transactions, without compensation to Developer.

F. Developer acknowledges and agrees that certain locations are, by their nature, unique and separate in character from sites generally developed as franchised Restaurants. Accordingly, the Development Territory does not include, and Developer has no rights with respect to, the following:

1. "Special Sites," at which Franchisor may develop, license, or franchise Oggi's™ Restaurants at any time: (a) military bases; (b) public transportation facilities (e.g., airports, train stations, bus terminals); (c) sports facilities (e.g., stadiums, arenas, racetracks); (d) student unions or similar facilities on college or university campuses; (e) amusement and theme parks; (f) community and special events; (g) office buildings; (h) convention centers; (i) business, athletic, or social clubs; (j) vacation clubs and timeshare properties; (k) hotels; (l) retirement and/or senior living facilities; and (m) any other special-use facility. Special Sites also include any booth, mobile dispensing unit (such as a customized RV), or other mobile installation from which select Oggi's™ products and services may be offered and sold to customers, whether on a permanent, temporary, or seasonal basis.

2. "Reserved Distribution Rights," which Franchisor and its affiliates reserve to themselves, and include the unrestricted right to offer, sell, or distribute, within or outside the Development Territory, through any channel or method (including retail, wholesale, e-commerce, or direct-to-consumer), any of the following identified by the Oggi's™ Marks or any other trademarks, service marks, or trade names owned or controlled by Franchisor or its affiliates: (i) frozen products; (ii) pre-packaged products, including but not limited to beverages or food items in bottles, cans, kegs, or other packages or containers; or (iii) any other products or services associated with the Oggi's™ System. This includes the right to sell directly to consumers or through third-party retailers, regardless of whether such products are similar to those offered at Oggi's™ Restaurants.

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's affiliates. Developer also must have satisfied on a timely basis all monetary and material obligations under the Franchise Agreements for all existing Restaurants. Franchisor may also require Franchisee to refurbish all of Franchisee's existing Restaurant locations.

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; EFFECT OF TERMINATION OR EXPIRATION

This Agreement may be terminated at any time by Developer upon written notice to Franchisor or by Franchisor under Article VII, subject to the forfeiture provisions of Article VIII. Upon such termination or upon expiration in accordance with the terms set forth in Article I, all rights granted to Developer shall cease, and any 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 shall be governed by and interpreted in accordance with the laws of the State of California, without regard to its conflict of laws principles, except that the provisions of Article X (Developer's covenants regarding the confidentiality of Franchisor's Confidential Information and noncompetition obligations with respect to Franchisor and other Restaurants) shall be governed by and interpreted in accordance with the laws of the state in which the Development Territory is located. This choice of law is intended to ensure that the covenants in Article X are interpreted and enforced in a manner consistent with the public policy and legal standards of the jurisdiction most closely connected to the competitive interests at issue. By agreeing to the application of California law, the parties do not intend to subject this Agreement or their relationship to any franchise, dealership, business opportunity, or similar law, rule, or regulation of the State of California that would not otherwise apply in the absence of this choice-of-law provision. If any provision of this Agreement is determined to be invalid or unenforceable under applicable law, the remainder of this Agreement shall remain in full force and effect, and the invalid or unenforceable provision shall be deemed amended to the minimum extent necessary to comply with such law while preserving, to the fullest extent possible, the original intent of the parties.

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. 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.

G. 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.

H. Entire Agreement: This Agreement, together with its appendices and exhibits, and the exhibits included in the Franchise Disclosure Document, constitutes the entire agreement between Franchisor and Developer with respect to the subject matter hereof, and supersedes all prior and contemporaneous negotiations, representations, understandings, and agreements, whether oral or written. Nothing in this Agreement shall be construed to disclaim, contradict, or supersede any statement made in the Franchise Disclosure Document. This Agreement may be amended only by a written instrument signed by both Franchisor and Developer.

I. 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.

J. 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.

K. 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.

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

M. 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.

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] By: ____________________________ Its: ____________________________	______________________________ [Signature] By: ____________________________ 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: ______________________________

MULTI-FRANCHISE DEVELOPMENT AGREEMENT

EXHIBIT 7

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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 or VII, and subject to the terms detailed in Article II.C, the term of this Agreement and all rights granted to Developer shall expire upon the earlier of: (i) the date the last Restaurant is scheduled to open under the Development Schedule or the actual opening of the last Restaurant listed in the Development Schedule, whichever occurs first; or (ii) _________________________ (the "Term").

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

EXHIBIT 7

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. Franchisor may also require Franchisee to refurbish all of Franchisee's existing Restaurant locations.

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; EFFECT OF TERMINATION OR EXPIRATION

This Agreement may be terminated at any time by Developer upon written notice to Franchisor or by Franchisor under Article VII, subject to the forfeiture provisions of Article VIII. Upon such termination or upon expiration in accordance with the terms set forth in Article I, all rights granted to Developer shall cease, and any 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 shall be governed by and interpreted in accordance with the laws of the State of California, without regard to its conflict of laws principles, except that the provisions of Article X (Developer's covenants regarding the confidentiality of Franchisor's Confidential Information and noncompetition obligations with respect to Franchisor and other Restaurants) shall be governed by and interpreted in accordance with the laws of the state in which Developer is located. This choice of law is intended to ensure that the covenants in Article X are interpreted and enforced in a manner consistent with the public policy and legal standards of the jurisdiction most closely connected to the competitive interests at issue. By agreeing to the application of California law, the parties do not intend to subject this Agreement or their relationship to any franchise, dealership, business opportunity, or similar law, rule, or regulation of the State of California that would not otherwise apply in the absence of this choice-of-law provision. If any provision of this Agreement is determined to be invalid or unenforceable under applicable law, the remainder of this Agreement shall remain in full force and effect, and the invalid or unenforceable provision shall be deemed amended to the minimum extent necessary to comply with such law while preserving, to the fullest extent possible, the original intent of the parties.

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. 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.

G. 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.

H. Entire Agreement: This Agreement, together with its appendices and exhibits, and the exhibits included in the Franchise Disclosure Document, constitutes the entire agreement between Franchisor and Developer with respect to the subject matter hereof, and supersedes all prior and contemporaneous negotiations, representations, understandings, and agreements, whether oral or written. Nothing in this Agreement shall be construed to disclaim, contradict, or supersede any statement made in the Franchise Disclosure Document. This Agreement may be amended only by a written instrument signed by both Franchisor and Developer.

I. 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.

J. 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.

K. 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.

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

M. 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.

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: _____________________________

-

EXHIBIT 7

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

EXHIBIT 7

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: ____________________________

____

OGGI'S PIZZA & BREWING COMPANY

UNAUDITED FINANCIAL STATEMENTS

Oggi's Pizza & Brewing Co. Franchise Corporation
Profit & Loss
January through July 2025

	Jan - Jul 25
Ordinary Income/Expense	
Income	
Income/ Contracts	
Negotiated Rate Contracts	
A&F Rebates	4,316.00
Barilla Rebate	409.00
Coke Rebate	2,652.03
Hormel Rebate	325.38
Performance Food Group Rebate	16,656.69
Pocino Foods Rebate	0.00
Sysco Rebate	11,419.01
The Paper Company	3,128.10
Total Negotiated Rate Contracts	38,906.21
Proprietary Product Sales	
Dough and Spice Mix	21,222.67
Grain Craft Rebate	1,524.00
Saputo Cheese Rebate	2,012.06
The Paper Company	4,083.82
Total Proprietary Product Sales	28,842.55
Total Income/ Contracts	67,748.76
Income/ Royalties	
Royalties- Apple Valley	115,375.47
Royalties- Barstow	75,813.67
Royalties- Carmel Mount Ranch	58,590.66
Royalties- Del Mar	48,063.56
Royalties- Encinitas	40,473.52
Royalties- Fontana	32,967.95
Royalties- Garden Grove	81,247.44
Royalties- Glendale	54,305.32
Royalties- Liberty Station	41,789.74
Royalties- MissValley	59,182.90
Royalties- MissViejo	55,816.55
Royalties- Santa Clarita	33,652.40
Royalties- Santee	81,322.71
Royalties- Upland	46,076.63
Royalties- Vista	72,971.21
Total Income/ Royalties	897,649.73
Income/Fee/Commissions	
Advertising	10,500.00
Franchise Fees	0.00
Promotional Adv. Fees	151,030.97
Total Income/Fee/Commissions	161,530.97
Income/Rental	
EQ Rental Income	3,333.32

Oggi's Pizza & Brewing Co. Franchise Corporation
Profit & Loss
January through July 2025

	Jan - Jul 25
Total Income/Rental	3,333.32
Royalty Income Adjustment	0.01
Total Income	1,130,262.79
Gross Profit	1,130,262.79
Expense	
Auto Expenses	
Auto- Gasoline	10,073.06
Auto Allowance	1,750.00
Auto Lease	12,817.41
Auto Maintenance	796.23
Auto Registration	409.00
Auto Rental	0.00
Tolls and Parking	3,906.42
Total Auto Expenses	29,752.12
Computer	
IT Services	9,580.00
Software	152.97
Website	0.00
Computer - Other	639.86
Total Computer	10,372.83
Franchise Expense	
Bad Debts	4,704.45
Beer Competition and Festivals	2,429.18
Donations	542.55
Dues and Subscriptions	1,803.20
Market Research	6,956.94
Oggi's Beer Service Fee to LC	105,000.00
Quality Control	3,038.21
Research & Development	172.44
Supplies	0.00
Franchise Expense - Other	1,000.00
Total Franchise Expense	125,646.97
Franchise Sales Leads	1,780.00
Gifts	125.00
Insurance	
Insurance- Automobile	4,603.05
Insurance- Health	32,997.60
Insurance- Liability	26,247.53
Insurance- Workman's Comp	4,187.70
Total Insurance	68,035.88
Interest Exp. and Service Chrgs	
Bank Charges	2,274.41
Finance Charges CC	4,319.36
Interest Expense	0.00

Oggi's Pizza & Brewing Co. Franchise Corporation
Profit & Loss
January through July 2025

	Jan - Jul 25
Service/Late Charges	118.00
Total Interest Exp. and Service Chrgs	6,711.77
Job Posting	139.91
Logo Expenses	
Gift Card Expenses	240.00
Logo Growlers	2,428.25
Logo Growlers Caps	242.00
Logo Growlers Wraps	50.00
Logo Mixing Glass	1,348.90
Logo Pint Glass	-1,400.00
Logo Shot Glasses	0.00
Logo Expenses - Other	0.00
Total Logo Expenses	2,909.15
Meals and Entertainment 100%	536.72
Menu Test Supplies	68.27
Office Expenses	
Association Dues	4,071.44
Building Maintenance	2,978.84
Licenses and Fees	209.00
Office Supplies	6,474.84
Property Taxes	14,389.92
Rent Expense	102,256.96
Security	2,686.30
Telephone	11,220.38
Trash Removal	2,543.54
Utilities	27,794.44
Water Cooler	358.94
Total Office Expenses	174,984.60
Operating Expense	
Postage and Shipping Expense	2,906.91
Printing Expense	35.97
Supplies	661.84
Total Operating Expense	3,604.72
Payroll Expenses	
Payroll Service Fee	6,268.06
Payroll Taxes-Employers Portion	44,161.50
Total Payroll Expenses	50,429.56
Professional Services	
Accounting	29,510.00
Consultant	4,500.00
Financial Management Fee	0.00
Legal	9,822.90
Notary	15.00
Outside Services	0.00

Oggi's Pizza & Brewing Co. Franchise Corporation
Profit & Loss
January through July 2025

	Jan - Jul 25
Total Professional Services	43,847.90
Salaries	
Management	502,236.59
Officer Salary	85,750.00
Total Salaries	587,986.59
Travel Expense	
Meals and Entertainment	2,159.82
Transportation and Lodging	10,731.11
Total Travel Expense	12,890.93
Total Expense	1,119,822.92
Net Ordinary Income	10,439.87
Other Income/Expense	
Other Income	
2021 ERC Refund from IRS	122,444.69
Credit Card Points Redeemed	484.85
Interest Income	13,985.71
Other Income (Adj.)	0.32
Rental Income	51,128.48
Total Other Income	188,044.05
Other Expense	
Outside Services	24,489.00
Taxes and Depreciation	
California Franchise Tax	800.00
Depreciation	1,434.02
Total Taxes and Depreciation	2,234.02
Total Other Expense	26,723.02
Net Other Income	161,321.03
Net Income	171,760.90

Oggi's Pizza & Brewing Co. Franchise Corporation
Balance Sheet
As of July 31, 2025

	Jul 31, 25
ASSETS	
Current Assets	
Checking/Savings	
California Bank & Trust - 2782	-19,185.11
Community Bank - 3140	70.28
Community Bank - Gift Card 256	27,285.98
Community Bank - Optg - 3213	49,899.46
Petty Cash	1.31
Sunwest Bank 8978	-1,064.45
Sunwest Bank High Yield - 1324	214,348.63
Total Checking/Savings	271,356.10
Accounts Receivable	
Accounts Receivable	103,635.80
Deferred Payment - Apple Valley	10,366.22
Total Accounts Receivable	114,002.02
Other Current Assets	
Allowanced for Doubful Accts	-35,366.00
Due From Advertising	265,640.91
Due from SDSU	117,083.36
Other Receivables	-235,927.42
Prepaid Expenses	
Prepaid Rent	13,806.00
Prepaid Taxes	0.41
Workers Compensation	2,188.95
Prepaid Expenses - Other	-13,141.00
Total Prepaid Expenses	2,854.36
Prepaid Insurance	4,067.42
Prepaid Legal	13,141.00
Undeposited Funds	111,155.49
Total Other Current Assets	242,649.12
Total Current Assets	628,007.24
Fixed Assets	
Accumulated Depreciation	-472,242.57
Building	
Building- Qualcomm	31,118.48
Total Building	31,118.48
Equipment	
Angels Stadium	9,695.62
Glendale Arena	38,193.38

Oggi's Pizza & Brewing Co. Franchise Corporation
Balance Sheet
As of July 31, 2025

	Jul 31, 25
Headquarters	15,578.24
Petco Park	9,115.00
Sheeter	6,765.44
Total Equipment	79,347.68
Furniture & Fixtures	
Anaheim Ducks	6,161.14
Memorabilia	15,208.39
Office Furniture	1,076.87
Qualcomm Arena	100,769.81
Furniture & Fixtures - Other	58,168.00
Total Furniture & Fixtures	181,384.21
Leasehold Improvements	
Franchise	291.96
Glendale Arena	1,020.00
Qualcomm Arena	
Signage	5,534.32
Qualcomm Arena - Other	2,250.00
Total Qualcomm Arena	7,784.32
Total Leasehold Improvements	9,096.28
Office Equipment	
Computer Equipment	35,440.17
Nutrition Software	4,999.00
Software	979.83
Total Office Equipment	41,419.00
Signs	
Signs- Glendale Arena	10,219.81
Signs - Other	37,460.00
Total Signs	47,679.81
Vehicles	
2021 Jeep Wrangler	0.36
Auto (Mercedes SUV)	46,321.66
Auto (Mercedes)	32,889.85
Total Vehicles	79,211.87
Total Fixed Assets	-2,985.24
Other Assets	
Accumulated Amort Architect Pla	-27,000.00

Oggi's Pizza & Brewing Co. Franchise Corporation
Balance Sheet
As of July 31, 2025

	Jul 31, 25
Accumulated Amortization	-424,999.77
Copyright - Architect Plans	30,000.00
Due from Left Coast - Irvine	727.44
Due From Left Coast Brewery	666,779.21
Due from Left Coast Ontario	773,844.11
Due from Oggi's Fontana	81,631.72
Due from Oggi's Mission Viejo	53,363.90
Goodwill	7,150.11
Investment Franchise Contracts	425,000.00
Loan Receivable - Left Coast Br	1,097,069.17
Refundable Deposits	16,800.00
Right of Use Asset - Operating	496,284.00
Total Other Assets	3,196,649.89
TOTAL ASSETS	3,821,671.89
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	
Accounts Payable.	-41,434.17
Accounts Payable - Other	73,787.96
Total Accounts Payable	32,353.79
Total Accounts Payable	32,353.79
Credit Cards	
American Express Credit Card	16,077.78
Chase Southwest Credit Card	24,598.22
Total Credit Cards	40,676.00
Other Current Liabilities	
401(K) Employee Contribution	2,162.85
Accrued Expenses	9,992.00
Contract Liability - Current	24,375.00
Deferred Income - Royalty	10,366.22
Gift Cards Payable	185,318.00
Note Payable - Vista/PLM/Preovo	-0.29
Notes Payable - Auto Loans	
Notes Payable - 2021 Jeep Wrang	606.16
Notes Payable - Auto Loans - Other	-606.00
Total Notes Payable - Auto Loans	0.16
Total Other Current Liabilities	232,213.94

Oggi's Pizza & Brewing Co. Franchise Corporation
Balance Sheet
As of July 31, 2025

	Jul 31, 25
Total Current Liabilities	305,243.73
Long Term Liabilities	
Contract Liability	230,533.00
Lease Liability	-116,679.00
Lease Liability - Operating	611,393.00
Note Payable - Preovolos	0.49
Total Long Term Liabilities	725,247.49
Total Liabilities	1,030,491.22
Equity	
Additional Paid In Capital	133,061.00
Capital Investment- George	0.02
Capital Stock	1,000.00
Dividends	235,147.00
Opening Bal Equity	1,893,044.98
Owners Draw	-274,828.00
Retained Earnings	1,001,782.77
Shareholder Distributions	-369,788.00
Net Income	171,760.90
Total Equity	2,791,180.67
TOTAL LIABILITIES & EQUITY	**3,821,671.89**

OGGI'S PIZZA & BREWING COMPANY

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 2024, 2023 AND 2022

OGGI'S PIZZA & BREWING COMPANY

CONTENTS

INDEPENDENT AUDITORS' REPORT

May 28, 2025

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, 2024 and 2023, and the related statements of income and retained earnings, and cash flows for the years ended December 31, 2024, 2023 and 2022 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, 2024 and 2023, and its operations and its cash flows for the years ended December 31, 2024, 2023, and 2022 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

OGGI'S PIZZA & BREWING COMPANY
BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS:		
Cash	$ 246,449	$ 1,331,141
Accounts receivable	126,811	96,931
Accounts receivable - other	38,637	30,388
Inventory	19,426	10,961
Prepaid expenses	19,766	4,641
Total current assets	451,089	1,474,062
PROPERTY AND EQUIPMENT, at cost:		
Machinery and equipment	641,593	637,706
Furniture and fixtures	181,384	181,384
Trucks and autos	79,212	79,212
Office equipment	35,440	35,440
Leasehold improvement	9,096	9,096
	946,725	942,838
Less: accumulated depreciation	(896,426)	(923,817)
Net property and equipment	50,299	19,021
OPERATING RIGHT OF USE ASSET	496,284	307,448
OTHER ASSETS:		
Due from related parties	1,297,438	597,918
Note receivable - related party	1,097,069	1,097,069
Intangible assets, net of amortization	11,681	14,681
Deposit	16,800	16,800
Total other assets	2,422,988	1,726,468
Total assets	$ 3,420,660	$ 3,526,999

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

OGGI'S PIZZA & BREWING COMPANY
BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

LIABILITIES AND STOCKHOLDERS' EQUITY

	2024	2023
CURRENT LIABILITIES:		
Accounts payable	$ 65,497	$ 99,546
Accrued expenses	246,294	190,328
Contract liability - current	24,375	24,375
Lease liability current - operating	158,388	198,286
Notes payable - current	8,045	-
Total current liabilities	502,599	512,535
LONG TERM LIABILITIES:		
Contract liability	230,533	254,909
Lease liability	336,326	104,658
Notes payable	23,909	-
Total long term liabilities	590,768	359,567
Total liabilities	1,093,367	872,102
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	2,193,232	2,520,836
Total stockholders' equity	2,327,293	2,654,897
Total liabilities and stockholders' equity	$ 3,420,660	$ 3,526,999

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

OGGI'S PIZZA & BREWING COMPANY
STATEMENTS OF INCOME AND RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

	2024	2023	2022
REVENUES:			
Royalty income	$ 1,542,241	$ 1,505,891	$ 1,493,045
Advertising fund revenue	755,360	754,037	727,211
Franchise fees	24,375	25,833	25,625
Proprietary products sales	67,194	64,405	78,703
Negotiated rate contracts	53,199	68,666	62,308
Restaurant sales	1,065,664	1,200,343	1,038,628
Concession sales	647,540	896,049	821,501
Total revenues	4,155,573	4,515,224	4,247,021
COST OF REVENUES	1,265,220	1,396,765	1,237,360
Gross profit	2,890,353	3,118,459	3,009,661
EXPENSES:			
General and administrative expense	2,558,057	2,374,131	1,973,566
Advertising fund expenses	425,716	554,082	549,327
Total expenses	2,983,773	2,928,213	2,522,893
Income (loss) from operations	(93,420)	190,246	486,768
OTHER INCOME (EXPENSE):			
Interest expense	(4,643)	(17,574)	(14,204)
Interest income	46,286	64,015	27,427
Rent income	81,993	79,993	69,404
Other income	1,633	298	1,619
Total other income (expense)	125,269	126,732	84,246
Income before provision for income taxes	31,849	316,978	571,014
PROVISION FOR INCOME TAXES	2,310	8,870	7,346
Net income	29,539	308,108	563,668
RETAINED EARNINGS, beginning	2,520,836	2,382,231	1,962,007
DISTRIBUTIONS	(357,143)	(169,503)	(143,444)
RETAINED EARNINGS, ending	$ 2,193,232	$ 2,520,836	$ 2,382,231

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

OGGI'S PIZZA & BREWING COMPANY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 29,539	$ 308,108	$ 563,668
Adjustments to reconcile net income to cash provided by (used in) operating activities:			
Depreciation and amortization	12,786	27,997	28,797
Allowance for doubtful accounts	53,866	-	-
Lease amortization	242,630	259,002	-
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(83,746)	17,991	(21,321)
(Increase) decrease in accounts receivable - other	(8,249)	(8,634)	5,640
(Increase) decrease in inventory	(8,465)	(3,938)	1,332
(Increase) decrease in prepaid expenses	(15,125)	13,141	10,859
Increase (decrease) in accounts payable and accrued expenses	21,917	25,898	(375,406)
Increase (decrease) in other liabilities	(24,376)	(833)	(25,625)
Increase (decrease) in lease liabilities	(239,696)	(252,431)	-
Net cash provided by (used in) operating activities	(18,919)	386,301	187,944
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net advances to related party	(699,520)	(80,184)	(9,226)
Purchase of fixed assets	(41,064)	(2,734)	(2,091)
Net cash used in investing activities	(740,584)	(82,918)	(11,317)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of note payable	35,154	-	-
Principal payments on notes payable	(3,200)	(10,496)	(131,150)
Shareholder loans	-	-	(91)
Shareholder distributions	(357,143)	(169,503)	(143,444)
Net cash used in financing activities	(325,189)	(179,999)	(274,685)

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

OGGI'S PIZZA & BREWING COMPANY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

	2024	2023	2022
CONTINUED			
NET INCREASE (DECREASE) IN CASH	(1,084,692)	123,384	(98,058)
CASH, beginning of year	1,331,141	1,207,757	1,305,815
CASH, end of year	$ 246,449	$ 1,331,141	$ 1,207,757

SUPPLMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	2024	2023	2022
Cash paid during the year for:			
Interest	$ 4,643	$ 17,575	$ 14,204
Income taxes	$ 2,310	$ 8,870	$ 6,181

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.

On December 7, 2023, the Company entered into a lease agreement which resulted in a right-of -use asset of $48,366 and a lease liability of $48,366.

On April 1, 2024, the Company entered into a lease agreement which resulted in a right-of -use asset of $431,466 and a lease liability of $431,466.

OGGI'S PIZZA & BREWING COMPANY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

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, existing economic conditions and reasonable and supportable economic forecasts, each applied to segregated risk pools on the business segment that generated the receivable. 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. At December 31, 2024 and 2023, the allowance for doubtful accounts was $53,866 and $-0-, respectively.

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.

	2024	2023
Food	$ 15,750	$ 9,251
Supplies	3,676	1,710
	$ 19,426	$ 10,961

OGGI'S PIZZA & BREWING COMPANY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022

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, 2024, 2023 and 2022 amounted to $9,786, $24,997 and $25,797, 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, 2024, 2023 and 2022 was $3,000, each year. Amortization for the next four years is expected to be approximately $3,000 per year.

	2024	2023
Intangible assets	$ 482,595	$ 482,595
Accumulated amortization	(470,914)	(467,914)
	$ 11,681	$ 14,681

Contract Liabilities- Contract liabilities consist of deferred franchise fees. As of December 31, 2024 and 2023, the Company had a contract liabilities of $254,908 and $279,284 associated with deferred franchise fees received through December 31, 2024 and 2023.

	2024	2023
Contract liability	$ 254,908	$ 279,284
Current contract liability	(24,375)	(24,375)
Long term contract liability	$ 230,533	$ 254,909

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.

NOTE 1 – BUSINESS DESCRIPTION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recognition of Revenue – The Company adopted ASC Topic 606, "Revenue from Contracts with Customers" ("Topic 606"). 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 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, 2024, 2023 and 2022, the Company received administrative fees of approximately $226,000, $256,000 and $233,000, 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, 2024, 2023 and 2022, 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 2020.

Leases - 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. An Operating lease is amortized over the lease term and is included in operating costs or general and administrative expenses. Variable lease payments are expensed as incurred.

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 May 28, 2025, 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, 2024 and 2023 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, 2024, 2023 and 2022 was $27,427, respectively. The Company owned store, SDSU Oggi's Express, purchased inventory from Left Coast in the amount of $25,050, $28,446 and $22,793, for the years ended December 31, 2024, 2023 and 2022. In April 2022, 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, $180,000, $61,000 for the years ended December 31, 2024, 2023 and 2022. In addition, the Company advances funds to Left Coast and the amounts due at December 31, 2024 and 2023 were $1,219,407 and $598,611, 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 $81,000, $80,000 and $70,000 for the years ended December 31, 2024, 2023 and 2022, respectively.

As of December 31, 2024, the Company had receivables from Oggi's Restaurant Inc. of $73,580 for royalties and advertising fees. In addition, the Company advances operational funds to Oggi's Restaurant Inc. throughout the year and was due $78,031 as of December 31, 2024.

The Company, Oggi's Restaurant Inc., and Left Coast have common ownership and therefore have a significant influence over Oggi's Restaurant Inc. and Left Coast. The existence of this common control could result in operating results or financial position of the Company significantly different from those that would have been obtained if the entities were autonomous.

NOTE 3 – LEASES

Lease Agreements – The Company leases its facilities under long-term non-cancelable operating lease agreements. On November 16, 2022, 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. On April 1, 2024, SDSU Oggi's Express amended its lease to extend it to March 31, 2029. The lease calls for $13,125 payments in eight of the twelve months made throughout the year plus 10% of sales greater than $1,200,000.

In addition, the Company also leases two autos under long-term operating leases. Payments are $606 and $1,086 per month and the leases expire on January 1, 2025 and December 1, 2027.

NOTE 3 – LEASES – (Continued)

Total lease costs as of December 31, 2024 are made up of the following and are included on the statement of income as a general and administrative expense:

Lease cost:	Amount
Operating lease cost	$ 265,461
Variable lease cost	16,831
Sublease income	(81,993)
Total lease cost	$ 200,299

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities as of December 31, 2024:

Year Ending December 31,	Amount
2025	$ 187,663
2026	118,028
2027	116,943
2028	105,000
2029	26,250
Total lease payments to be paid	553,884
Less: effects of discounting	(59,170)
	494,714
Less: current portion	(158,388)
Lease liabilities	$ 336,326

The following table displays the weighted-average term and discount rates for operating leases outstanding as of December 31, 2024 and 2023, respectively.

Weighted-average term (months)	47.41
Weighted-average discount rate	5.35%

NOTE 4 – NOTE PAYABLE

The Company and Left Coast Brewery, a related party, have a note payable to Zions Bancorporation, N.A. in the amount to $31,954. Monthly interest and principal payments are $866 and the note matures on July 26, 2028. Interest is 7.87% and the loan is secured by the equipment purchased. The following table summarizes the aggregate maturities of the note:

Year Ended December 31,	Amount
2025	$ 8,045
2026	8,701
2027	9,412
2028	5,796
	31,954
Less: current portion	8,045
Note payable	$ 23,909

NOTE 5 – LINE OF CREDIT

The Company and Left Coast Brewing Company, a related party, have entered into a $110,000 line of credit in which both entities are jointly and severally obligated to pay Zions Bancorporation, N.A. The line matures on April 11, 2025. Interest is calculated using a variable index rate which at no time will be less than 3.25%. At December 31, 2024, there was no amount due.

NOTE 6 – 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. They Company will make a safe harbor matching contribution of $23,137 for the year ended December 31, 2024. The Company may also make a discretionary profit-sharing contribution and elected not to for the years ended December 31, 2024, 2023 and 2022, respectively.

NOTE 7 – 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, 2024, 2023 and 2022 the total benefit to the shareholders was $22,000, $27,462 and $55,800.

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

XXXX XX, 2025

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.

EXHIBIT 8

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.

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			
Loss on disposal of fixed assets	27,997	28,797	31,310
Gain on extinguishment of debt	-	-	1,500
Lease acitivity	-	-	(643,516)
Changes in operating assets and liabilities:	6,571	-	-
(Increase) decrease in accounts receivable			
(Increase) decrease in accounts receivable - other	17,991	(21,321)	(46,477)
(Increase) decrease in inventory	(8,634)	5,640	54,814
(Increase) decrease in prepaid expenses	(3,938)	1,332	1,291
Increase (decrease) in accounts payable and accrued expenses	13,141	10,859	(24,941)
Increase (decrease) in other liabilities	25,898	(375,406)	(23,907)
	(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

OGGI'S PIZZA & BREWING COMPANY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023, 2022 AND 2021

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.

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 XXXX XX, 2025, 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.

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 five 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 and 300 S. Spring Street, Suite 15513, Los Angeles, CA 90013-1259
- San Diego: 1455 Frazee Road, Suite 315, San Diego, CA 92108

EXHIBIT 9

Oggi's Sports Brewhouse Pizza

Operations Manual

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EXHIBIT 10

EXHIBIT 10

OPE Operations Manual

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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. A contract that restrains a former franchisee from engaging in any lawful trade or business is to that extend void under California Business and Professions Code Section 16600.

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 atwww.dfpi.ca.gov.

<u>Agent for Service of Process</u>

Preovolos Lewin, ALC
451 A Street, Suite 1600
San Diego, CA 92101

EXHIBIT 13

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

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.

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: August 8, 2025

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
- Agent for Service of Process

Prospective franchisee

Date: ____________

____
(signature)

____
(print)

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- 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
- Agent for Service of Process

Prospective franchisee

Date: ____________

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(signature)

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(print)