PIZZA FORUM® LLC

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit I for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONAL-LY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION IN INDIANA. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN INDIANA THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATE THAT INDIANA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We do not use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. You should be sure to do your own investigation of the franchise.

Effective Date: March 8, 2025

"A Forum For Family & Friends"®

FRANCHISE DISCLOSURE DOCUMENT

PIZZA FORUM® LLC
an Indiana Single Member LLC
P.O. BOX 111
MUNCIE, IN 47308
(765) 284-5655

Franchises are offered for the establishment of a pizza and pasta food operation with a unique Proprietary Amusement Enclosure operating under the trade name: **PIZZA FORUM® or GREEK'S® PIZZERIA**

TABLE OF FEES

1.	Franchisee's Initial Franchise Fee	$18,500	
2.	Franchisee's Initial Investment	Existing Building	New Building
		$258,000	$574,000
		$437,500 (1)	$983,500 (1)

The total investment necessary to begin operation of a PIZZA FORUM® or GREEK'S® PIZZERIA franchise is up to $437,500.00 for an establishment to be developed in an existing building, and up to $983,500 for an establishment to be developed including construction of a new building. This includes $18,500.00 that must be paid to the franchisor or affiliate.

The cash investment above referenced does not represent Franchisee's total investment; Franchisee should refer to disclosure items V, VI, and VII for further information regarding the investment.

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

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

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

Issuance Date: March 8, 2025

TABLE OF CONTENTS

I. THE FRANCHISOR, ITS PREDECESSORS AND AFFILIATES

The Franchisor. The franchisor is Pizza Forum® LLC formed by Athanasios (Chris) Karamesines (also referred to herein as "Founder.") To simplify the language in this Offering Circular, "Forum", "Us", "We" or "Our" means Pizza Forum® LLC, Pizza Forum® or Greek's® Pizzeria. "You" means the person who buys the franchise. Forum's business address and official place of business is 1600 University Avenue, Muncie, Indiana 47303. All mail or notices should be addressed to Pizza Forum LLC, ATTN: A.C. Karamesines, P.O. Box 111, Muncie, IN 47308. Forum conducts business under the trade name "Pizza Forum"®. Forum is currently a single member LLC managed by Athanasios (Chris) Karamesines.

Forum, and its Founder, Athanasios (Chris) Karamesines, have no predecessors or affiliates. We intend to operate and offer franchises for the establishment of casual food operations serving a menu of uniform and quality pizza, pasta and related food products with a Proprietary designed amusement concept. Forum's initial Franchise Registration in Indiana was declared effective March 8th, 1994. Forum's Founder, Mr. Karamesines, is engaged in a similar business known as Greek's® Pizzeria. The Founder established his first business in 1969 under the name GREEK'S® PIZZERIA, and Incorporated Greek's® Pizzeria, Inc., in the State of Indiana, December 15th, 1977. Mr. Karamesines obtained an Order of Franchise Registration #78-0487FR on August 2nd, 1978, 79-0735RN on July 19th, 1979, and 80-1060RN on October 6th, 1980 from the Indiana Securities Division. Granted registration #1,114,714, U.S. Patent & Trademark Office, March 6th, 1979. Issued Order of Exemption #83-2015EX, September 20, 1983 from the Indiana Securities Division. From 1969, Mr. Karamesines has employed, trained, consulted, franchised, participated in or established the following businesses, their franchisees, their founders or proprietors: Pizza Forum®, Greek's® Pizzeria, Veno's, Nickoli's, Upper Crust, Toppit Pizza, Pizzeria Uno, and Papa John's. Mr. Karamesines was proprietor of the Muncie, Ind. Greek's® Pizzeria from 1978 until August 2004. He now oversees Pizza Forum®/ Greek's® Pizzeria operations and is sole member and manager of Pizza Forum LLC, ID # 201606141145735.

Our agent for service of process is: Secretary of State, State of Indiana, 201 State House, Indianapolis, Indiana 46204.

Description of Business. Pizza Forum® will be of a casual theme with a Proprietary adult and children amusement enclosure. The enclosure is constructed to significantly limit sound yet be fully visible to each area and the dining room. The enclosure will be practically maintenance free to you and because of "Pizza Forum's®" unique designs and ease of operation, employees will perceive an attractive working environment. Open kitchen designs will be available to you. Menu items will be taken from the original Greek's® Pizzeria concept established in 1969 featuring specialized pizzas, pastas, pizza shell wraps, or fresh French-style bread sandwiches, salads and an assortment of beverages. Our method of preparation results in a more flavorful pizza, with a cleaner, less greasy crust. Toppings include a wide variety of gourmet, specialty and plain pizzas employing our secret recipes, methods and systems in the preparation. All ingredients are fresh and of a high grade to ensure quality dishes.

In recent years pizza and pasta have become increasingly popular in the United States, due in part to their newly accepted health benefits. Pasta and Pizza generally have reduced caloric content, with pasta having a low-cholesterol and high carbohydrate content. Pizza, depending on the toppings, exhibits the same heart-healthy attributes. Furthermore, the growth in the pizza business has been explosive. Our strategy is to take advantage of the growing American appetite for pizza & pasta and combine such with various amusements in our unique Proprietary Amusement Enclosure.

Pizza Forums® will emphasize an appeal to families. The menu items will be priced to provide a high price value perception and the amusement enclosure will help to ensure a pleasurable experience for family and friends.

Based on the Founder’s prior business experience, it is believed that the typical Pizza Forum® will be a destination oriented store as opposed to one with significant reliance on transient business. Thus, while area demographics is to be an important consideration in selecting a site for a franchise, less emphasis will be placed on traffic patterns.

Pizza Forum® will be characterized by a system (the "System") which will emphasize a family-oriented environment stressing fresh quality food and amusements. The System will include distinctive interior designs including our Proprietary Amusement Enclosure, decor, color schemes and furnishings; uniform standards, specifications and procedures for operations, consistency and uniformity of products and services offered; procedures for quality control; training and assistance; and advertising and promotional programs. We intend to further develop the System and will provide you the information and techniques by means of Confidential Operation Materials ("Manuals") of which you adopt all or any part of solely at your discretion.

Pizza Forums® may be established in a variety of locations including strip shopping centers and free-standing buildings. Regional shopping malls may be viable locations providing there are adequate means to accommodate our concept. Pizza Forums® can be established in both large and small urban areas as well as rural locations. Generally, a Pizza Forum[7] will be approximately 7,000-8,000 square feet and seat approximately 150 - 200 patrons. The business caters primarily to the eat-in customer, carry-out will be offered. Pizza Forum[7] does not usually entail full liquor service but generally serves beer and wine. However, liquor service is not required for a Pizza Forum® establishment.

The food service business is highly competitive with respect to price, service, location and food quality, and is often affected by changes in consumer taste, economic conditions and travel patterns. There is also active competition for quality management personnel, as well as attractive sites. Competitors will consist mainly from businesses targeting the same age groups and offering food. The nationally owned companies or franchises, for the most part, operate more establishments and have greater financial resources and a longer operating history than the Pizza Forum® concept. However, we believe that our special methods of making pizza, our secret recipes, the uniqueness of our System and the Forum's Proprietary Amusement Enclosure will make our establishments strong competitive forces.

You have sole authority and control over day-to-day franchise operations in general, and your franchise employees in particular, including, but not limited to, training, wages, benefits, vacations, safety, work schedules, and specific tasks.

In most states, you and/or your employees will be required to obtain a Health Permit, Board of Health Certification Permit, and similar licenses pertinent to operating your business.

II. BUSINESS EXPERIENCE

The following is a list of personnel, who have management responsibility in connection with the operation of the Company's business. As additional personnel become affiliated, they will be listed appropriately.

Founder, Athanasios Chris Karamesines

Mr. Karamesines established his first business in 1969 under the name GREEK'S® PIZZERIA. He incorporated Greek's® Pizzeria, Inc., in the State of Indiana, December 15th, 1977. Mr. Karamesines obtained Order of Franchise Registration #78-0487FR on August 2nd, 1978, 79-0735RN on July 19th, 1979, and 80-1060RN on October 6th, 1980 from the Indiana Securities Division. Mr. Karamesines was granted registration #1,114,714, U.S. Patent & Trademark Office, March 6th, 1979. Mr. Karamesines was issued Order of Exemption #83-2015EX, September 20, 1983, Indiana Securities Division. Granted design patent Des. 370,535, Jun. 4, 1996 (now Proprietary), registration No. 2,001,491, Sept. 17, 1996, registration No. 2,012,254, Oct. 29, 1996, and registration No. 2,016,222, Nov. 12, 1996, Oct. 14, 1997 B No. 2,105,681, March 6, 1999 B No. 1,114,714, Nov. 13, 2001 B No. 2,506, 672 by the United States Patent & Trademark Office. From 1969, Mr. Karamesines has employed, trained, consulted, franchised, participated in or established the following businesses, their franchisees, their founders or proprietors: Pizza Forum®, Greek's® Pizzeria, Veno's, Nickoli's, Upper Crust, Toppit Pizza, Pizzeria Uno, and Papa John's. Mr. Karamesines was proprietor of the Muncie, Ind. Greek's® Pizzeria from 1978 until August 2004. He now oversees Pizza Forum®/ Greek's® Pizzeria operations and is manager of Pizza Forum LLC, ID # 201606141145735.

III. LITIGATION

No litigation is required to be disclosed in this Offering Circular.

IV. BANKRUPTCY

No person identified in Items 1 or 2 of this Offering Circular has been involved as a debtor in proceedings under the U.S. Bankruptcy Code required to be disclosed in this item.

V. INITIAL FEES

You must pay a non-recurring (during initial 10-year term) and **NON-REFUNDABLE** initial franchise fee of Eighteen Thousand Five Hundred Dollars and 00/100 ($18,500.00) payable in full on or before the execution of the Franchise Agreement. At this time the franchise fee is identical and uniform for all franchisees who obtain a franchise. As disclosed in Item VI below, you will deposit with us a grand opening fee upon execution of the Franchise Agreement.

VI. OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty[1]	5% of gross sales	Payable weekly on the 1st or 2nd day of each week	Gross sales includes all revenue from the franchise location. Gross sales does not include sales tax or use tax.
Advertising[2]	1% of gross sales	Payable monthly on the 10th day of the next month	Franchisees must also[3] spend 3% of gross sales in their local market for advertising. In the event a regional cooperative is formed 22% of the 3% is to be contributed to the cooperative
Grand Opening	$2,500 - $10,000	Upon execution of Franchise Agreement	Deposited with Us to pay to third parties for grand opening advertising.
Interest on late payments	18%/annum	30 days after billing	Interest is charged on late payments of Royalties, advertising or other fees due Us.
Audit[1]	Cost of audit plus 18% interest on underpayment	30 days after billing	Payable only if audit shows an under-statement of at least 2% of gross sales for any month.
Transfer[1]	Greater of 15% of then-current franchise fee or $3,000	Prior to transfer	Payable when you sell your franchise. No charge if the transfer is to a corporation which you control.

Offering Fees[1]	Our actual cost of review of offering materials	30 days after billing	Payable to reimburse Pizza Forum[7] for its costs in offering materials of debt or equity in your business.
Renewal Fee[1]	81.5% of then-current initial franchise fee	If Forum renews - payable in 30 equally monthly installments commencing on renewal	
Plans and Specifications	$1,500	upon billing	Fee for a schematic layout on a 1/4" or 1/8" scale for use by your architect in preparation of construction plans.
Example of (could be more or less) possible legal/attorney fees and costs	If a claim or suit is brought by or against Forum[7] or You for recovery of any damages or payments due	Franchise Agreement Exhibit C, Articles V (D), XIV (F), XVII (C), and Covenants Agreement Exhibit F, Section 4(B), & 4(F)	Payable when due

[1] All fees are payable to Pizza Forum® and are non-refundable.
[2] Advertising fees are paid to a National Advertising Fund, if and when established, which is not an asset of Ours.
[3] The total expenditures for advertising fees may be raised by us to 5% of gross sales. Cooperative voting is on the basis of one vote per site in the market served by the cooperative. To the extent we have establishments in a market served by a cooperative we will have voting in accordance therewith.

VII. ESTIMATED INITIAL INVESTMENT

The following tables represent the estimated total initial investments required for the establishment of a franchised business with new fixtures at premises leased or purchased by You. These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your cost will depend on factors such as: how much you follow our comments, methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our concept; the prevailing wage rate; competition; and the sales level reached during the initial phase of your operation. We relied on the prior experience of Founder in a similar business to compile these figures. **NO ESTIMATES CAN BE MADE AS TO COSTS OF PURCHASING AN EXISTING BUSINESS, USED FIXTURES, OR THE ESTABLISHMENT OF A GREEK'S® PIZZERIA BUSINESS IF THE DESIGN VARIES FROM THE PIZZA FORUM® CONCEPT.**

YOUR ESTIMATED INITIAL INVESTMENT FOR AN ESTABLISHMENT TO BE DEVELOPED IN AN EXISTING BUILDING (excluding real estate costs)				
Category	**Estimated Costs**	**Method of Payment**	**When Due**	**To Whom Made**
1) Initial Franchise Fee[(1)]	$18,500	Lump sum	Upon execution of Franchise Agreement	Pizza Forum®
2) Travel & living[(2)] expenses while training	$3,000-5,000	As incurred	During training	Airline, hotels & restaurants
3) Furnishings, equipment & signs installed[(3)]	$75,000 - $125,000	As arranged	As arranged or incurred	Contractors & vendors
4) Grand Opening advertising	$2,500 - $10,000	Lump sum	Upon execution of Franchise Agreement	Vendors (via Pizza Forum®)
5) Pre-Opening expenses	$10,000 - $20,000	As arranged	As arranged	Vendors, contractors, employees & landlord
6) Leasehold improvements[(4)]	$124,000 - $224,000	As arranged	As arranged	Contractors
7) Opening inventory[(5)]	$10,000 - $15,000	As arranged	As incurred	Suppliers, Pizza Forum®
8) Additional Funds - Initial 3 Month Period [(6)]	$15,000 - $20,000	As arranged	As needed	As required
Total (excluding item 9)	**$258,000 - $437,500**			
9) Liquor License	Variable depending on location	As arranged	As arranged	Seller or Liquor Board

YOUR ESTIMATED INITIAL INVESTMENT FOR AN ESTABLISHMENT TO BE DEVELOPED INCLUDING CONSTRUCTION OF A NEW BUILDING (excluding real estate costs)				
Category	**Estimated Costs**	**Method of Payment**	**When Due**	**To Whom Made**
1) Initial Franchise Fee(1)	$18,500	Lump sum	Upon execution of Franchise Agreement	Pizza Forum®
2) Travel & living(2) expenses while training	$3,000-5,000	As incurred	During training	Airline, hotels & restaurants
3) Furnishings, equipment & signs installed(3)	$75,000 - $125,000	As arranged	As arranged or incurred	Contractors & vendors
4) Opening advertising (Franchiser option)	$2,500 - $10,000	Lump sum	Upon execution of Franchise Agreement	Vendors (via Pizza Forum®)
5) Pre-Opening expenses	$20,000 - $40,000	As arranged	As arranged	Vendors, contractors, employees & landlord
6) Leasehold improvements(4)	$180,000 - $290,000	As arranged	As arranged	Contractors
7) Opening inventory(5)	$15,000 - $20,000	As arranged	As incurred	Suppliers, Pizza Forum®
8) Additional Funds - Initial 3 Month Period(6)	$20,000 - $25,000	As arranged	As needed	As required
9) Building construction costs(7)	$180,000 - $300,000	As arranged	As arranged	Contractors
10) Site work(8)	$60,000 - $150,000	As arranged	As arranged	Contractors & vendors
Total (excluding item 11)	**$574,000 - $983,500**			
9) Liquor License	Variable depending on location	As arranged	As arranged	Seller or Liquor Board

Notes

Pizza Forums® typically occupy approximately 7,000-8,000 square feet. In some instances, the establishments may be larger depending on the size of available sites, storage and/or franchisee preferences. Calculations regarding estimates for leasehold improvements, building construction and site work are based upon establishments of approximately 5,500 square feet.

(1) This fee is for one franchise pursuant to the Franchise Agreement and includes the following: The initial franchisee fee for an establishment opened under the Franchise Agreement is $18,500 and is due upon signing of Franchise Agreement. The exterior signage is specified by us and is subject to a security interest in our favor. The cost, delivery and installation expenses are your responsibility and are included in Item 3.

(2) The travel and living expenses for trainees will depend upon factors such as travel distance, quality of accommodations, wages and per diem allotment. The estimate set forth in this table includes expenses for one (1) trainee.

(3) You must lease or purchase, as arranged by you, the following: kitchen equipment including oven(s) and smallwares; display stands; interior decor (tables, chairs, accessories, paneling, lighting, ceiling and window and floor treatments and artifacts), decorations, landscaping, phones, point of sale register and computer equipment, security system, safe, music system and signs. We charge a fee of $1,500 for 1/4" or 1/8" inch scale schematic layout for use by your architect in preparation of the construction plan from which the establishment will be built which includes the layout of furnishings and fixtures. You are not obligated to have Us prepare the schematic layout. However, if the layout is prepared by another party, the layout must be approved by Us prior to the preparation of the construction plan.

(4) The cost of leasehold improvements will vary depending on the facility selected by you. This estimate is based on square foot charges of $27-$40 per square foot for interior improvements.

(5) You will be required to purchase certain recipe items, such as our secret ingredients for pizza dough and sauce. Such secret recipes are a key component of the System. Also included in this number is the opening food inventory, uniforms, linens, smallwares, first aid supplies, office supplies, initial cleaning supplies, gift certificates, menus and other printed items and opening cash drawer.

(6) The amount of working capital needed will depend on the time necessary to achieve cash flow to cover operating expenses. This amount is the minimum recommended for a three (3) month contingency.

(7) The cost of construction of a new building will vary depending on various factors including size of facility, vendors and customary charges in your area of development. This estimate is based on building square foot charges of $45-$60 per square foot.

(8) The cost of site work will vary depending on factors similar to those affecting food facility construction. This estimate is based on charges of $15-$30 per square foot (size of establishment).

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

VIII. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The pizza and pasta sauces, dough for pizza crusts, spices, cheeses and certain other food products produced for us are distinctive as a result of being specifically produced pursuant to secret formula and processes. Such food products and services are intended to be uniquely identified with Forum businesses as inherent to the uniformity of the taste and quality of the food served. The reputation and goodwill of Forum establishments will, in part be based upon and, in our view, can be maintained only by the use of such food products sold and services either provided by Forum or management consultant outsourcing (by veteran Forum Franchisee or any affiliate created by veteran Forum Franchisees). You will only be allowed to prepare and offer for sale pizza, pasta and other food products using sauces, doughs, spices, mixes, cheeses and other items produced by suppliers recommended by us (or any affiliate created by us for the sale of such products).

You must purchase all food items, ingredients, supplies, materials and other products used or offered for sale at the business solely from suppliers (including manufacturers, distributors and other sources) who demonstrate, to the continuing reasonable satisfaction of us, the ability to meet our then-current standards and specifications for such items; who possess adequate quality controls and capacity to supply Franchisee's (your) needs promptly and reliably; and who have been approved in writing by us prior to any purchases by you from any such supplier, and have not thereafter been disapproved. If you desire to purchase any products from an unapproved supplier, you shall submit to us a written request for such approval, or shall request the supplier itself to do so. You shall not purchase from any supplier until and unless such supplier has been approved in writing by us. We shall have the right to require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to us or to an independent laboratory designated by us for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by you or the supplier. We estimate the approval process will take thirty (30) days. We may also require that the supplier comply with such other requirements as we may deem appropriate, including payment of reasonable continuing inspection fees and administrative costs. We reserve the right, at our option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of our then-current criteria. Nothing in the foregoing shall be construed to require us to approve any particular supplier.

In most other respects, we do not require you to purchase or lease from us or any designed goods, services, supplies, fixtures, equipment, inventory or real estate relating to the establishment or operation of your business.

IX. FRANCHISEE'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AND OTHER AGREEMENTS. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS IN THIS OFFERING CIRCULAR.

	Obligation	**Section of Agreement**	**Item in Offering Circular**
(a)	Site selection and acquisition/lease	Section III A & B of Franchise Agreement	XI A & C
(b)	Pre-opening purchases/leases	Section VI, L(4) & M of the Franchise Agreement	XI A
(c)	Site development and other pre-opening requirements	Section VI B & C of the Franchise Agreement	XI A & C
(d)	Initial and ongoing training	Section VI C & D of the Franchise Agreement	XI D
(e)	Opening	Section VI of the Franchise Agreement	None
(f)	Fees	Section V of the Franchise Agreement	V & VI
(g)	Compliance with standards and policies/Confidential Operation Materials ("Manual")	Section VIII of the Franchise Agreement	XI B

(h)	Trademarks & Proprietary Information	Sections VII and IX of the Franchise Agreement	XIII
(i)	Restrictions on products/ services offered	Section VI L & M of the Franchise Agreement	VIII
(j)	Warranty & customer service requirements	None	None
(k)	Territorial development & sales quotas	Section I of the Franchise Agreement	XII
(l)	Ongoing product/service purchases	None	None
(m)	Maintenance, appearance & remodeling requirements	Section II B(2) & Section VI I, J & K of the Franchise Agreement	XVII(c)
(n)	Insurance	Section XII of the Franchise Agreement	None
(o)	Advertising	Section XI of the Franchise Agreement	XI B 6
(p)	Indemnification	Section XVII C of the Franchise Agreement	None
(q)	Owner's participation/ management/staffing	Section VI C & H of the Franchise Agreement	XV
(r)	Records/reports	Section X of the Franchise Agreement	None
(s)	Inspections	Section VI C(4), L(3), M & P of the Franchise Agreement	None
(t)	Transfer	Section XIII of the Franchise Agreement	XVII
(u)	Renewal	Section II B of the Franchise Agreement	XVII
		Section XV of the Franchise	

(v)	Post-termination obligations	Agreement	XVII
(w)	Non-competition covenants	Section XVI C of the Franchise Agreement	XVII
(x)	Dispute resolution	Section XIII of the Franchise Agreement	XVII

X. FINANCING

We do not offer direct or indirect financing. We do not guarantee your lease or any note or other obligation you may incur.

XI. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

A. Pre-Opening Obligations. Except as listed below, we need not provide any assistance to you.

(1) Provide you with site selection guidelines and information. [Franchise Agreement, Section III (A) and (B)].

(2) Provide you with on-site evaluations as we may deem advisable in response to requests by you for site approval; however, we will not provide on-site evaluation for any proposed site before we receive completed forms from our Trade Area Evaluation Guide, a market feasibility study for the site, and all information and material we may reasonably request or require, together with a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site. [Franchise Agreement Section III (A) and (B)].

Additionally, after a site is approved, but prior to the opening of the business, the Franchise Agreement requires us to furnish you with the following:

(3) An initial training program for one (1) individual designated by you and will make available such other training programs as we deem appropriate. [Franchise Agreement, Section IV (A)]. The duration and subject matter of the initial training program are more fully described in Section D of Item XI. For further information as to the identities and experience of those individuals involved in our training program, refer to Item II.

(4) We will make available to you, if requested, at a charge of $1,500, a schematic layout on a 1/4" or 1/8" scale for use by your architect in the preparation of construction plans.

[Franchise Agreement, Section IV (B)].

(5) We will provide such on-site pre-opening and opening supervision and assistance, as we deem advisable subject (as to timing) to the availability of personnel. [Franchise Agreement, Section IV (C)].

(6) We can/will arrange for the purchase of the exterior signage at your expense which costs shall include delivery and installation. We derive no profit from such service.

(7) We will provide you with a copy of the Confidential Operating Materials and will permit the sale of Proprietary food items and other products necessary for commencement of operations. We will also provide standards, specifications and supplier identities necessary for the operation of the Franchise.

B. Continuing Obligations. During the operation of the Establishment:

(1) We will provide you, from time to time, advice and written materials concerning techniques of managing and operating the Franchise, including new developments and improvements in food service equipment, products, packaging and preparation. [Franchise Agreement, Section IV (F)].

(2) We will loan you copies (one of each) of Confidential Operation Materials ("Manual"), which may consist of more than one volume and which we may modify from time to time. Any modifications will not alter your status or rights under the Franchise Agreement.

(3) We will seek to maintain the high standards of quality, appearance and service of the System, and to that end will conduct, as we deem advisable, inspections of your Franchise and evaluations of the products sold and services rendered therein. [Franchise Agreement, Section IV (G)].

(4) We will sell to you at our cost, plus a reasonable application of overhead and shipping and handling charges, point of purchase material and other similar promotional or advertising items. [Franchise Agreement, Section IV (H)].

(5) We will permit the sale of Proprietary sauces, doughs, mixes and other products to you during the term of the Franchise Agreement and any renewal thereof provided you are not in default of the Franchise Agreement.

(6) Advertising. As discussed above in Item VI.B. under the heading "Advertising Fees," we may establish a National Fund for national or regional advertising for the System. The National Fund will be maintained and administered by us as follows:

(a) We will oversee all advertising and promotional programs with sole discretion to approve or disapprove the creative concepts, materials and media used in such programs; and in the placement and allocation thereof. The National Fund will be used to maximize general public recognition and acceptance of the Proprietary marks for the benefit of the System, but we have no obligation in administering the National Fund to make expenditures for you which are equivalent or proportionate to your contribution, or to insure that any particular franchisee benefits directly or *pro rate* from expenditures by the National Fund.

(b) As discussed above in Item VI under the heading "Advertising Fees", you must make a monthly advertising contribution to the National Fund, when established, in the amount of one (1%) percent of the gross sales from your establishment. Forum will make contributions to the National Fund for Company-owned units on the same basis as assessments required of franchisees within the System.

(c) The National Fund and all contributions thereto, and any earnings thereon, will be used exclusively to meet any and all costs of maintaining, administering, directing and preparing advertising and/or promotional activities (including, among other things, the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; marketing surveys and other public relations activities, employing advertising agencies to assist therein; and promotional brochures and other marketing materials for businesses operated under the System). None of the funds will be used to advertise for the sale of franchises. You will be entitled to receive samples of advertising materials at no cost. You will be responsible for the cost of the placement of such advertising with various media.

(d) Your contribution to the National Fund will be by separate check made payable to the National Fund. All sums paid by you to the National Fund will be maintained separately from any of our accounts and will not be used to defray any of our expenses, except for such reasonable administrative costs and overhead, if any, as we may incur in activities reasonably related to the administration or direction of the National Fund and advertising programs for franchisees in the System. The National Fund and its earnings will not otherwise inure to our benefit. We will maintain separate bookkeeping accounts for the National Fund.

(e) Generally, all contributions to, and earnings of, the National Fund will be expended for advertising and/or promotional purposes during the taxable year within which such contributions and earnings are received. If, however, excess amounts remain in the National Fund at the end of such taxable year, all expenditures in the following taxable year(s) will be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions. Upon completion of our first fiscal year, details of the administration of the National Fund will be provided accordingly.

(f) The National Fund will be a separately incorporated entity and will not be an asset in which we have any ownership interest. The statement of the operations of the National Fund will be prepared annually by an independent certified public accountant selected by us and will be made available to the franchisees upon request.

(g) Although the National Fund is intended to be of perpetual duration, we have the right to establish or terminate the National Fund at our sole discretion. The National Fund will not be terminated, however, until all monies in the National Fund have been expended for advertising and/or promotional purposes or refunded to franchisees *pro rata*.

(h) Additionally, we have the right to designate any geographical area for the purpose of establishing a Cooperative. In the event such a Cooperative is established up to two and one-half (2-1/2%) percent of the 3% advertising fees discussed in Item VI will be directed to the Cooperative. No additional advertising fees will be required to support a cooperative. If a Cooperative has been established which is applicable to your Franchise at the time you commence operation under the Franchise Agreement, you must become a member of the Cooperative not later than thirty (30) days after the date upon which the Cooperative commences operation. In no event will you be required to be a member of more than one cooperative.

(i) You will also be required to expend $2,500 - $10,000 (depending upon size of market area) on grand opening advertising. You must deposit the funds with us concurrent with the execution on the Franchise Agreement. We will hold the Funds in a general account for your benefit until such time as the monies have been disbursed exclusively for grand opening expenses. In the event that you fail to conduct a grand opening as required, the funds deposited with us will be forfeited, without notice, or become an asset of the System's National Advertising Fund.

(j) You may develop advertising material for your own use at your own cost. We must approve any advertising materials in advance and in writing.

(**7**) We are not obligated to provide you, or assist you in obtaining, electronic cash register or computer systems. Furthermore, although we do not presently require the purchase or lease of any particular system, we do recommend that you consider such system. We reserve the right in the future to require the use of electronic cash registers and/or computer systems.

(**8**) The Following sets forth a sample of our table of contents of the Confidential Operation Materials ("Manual") being drafted as of the date of this Offering Circular. The number of pages devoted to each subject and the total number of pages will be provided upon completion. Prior to completion, each subject will be orally discussed during training.

TABLE OF CONTENTS – Confidential Operation Materials (“Manual”)		
Tab	**Title**	**# of Pages**
1	**GENERAL/ORIENTATAION/MANAGEMENT**	**51**
	General Rules	1
	Gourmet Pizzas	1
	Questions to be Answered by Prospective Employees	1
	Employee Covenants Agreement	3
	General Rules and Tips	1
	Customer Complaint Procedures	1
	Greeks’ Smoking Policy	1
	Manager Closing List	3
	Weekly Kitchen Cleaning Calendar	1
	Ticket Check List	2
	Schedule Form	2
	Account for All Ticket Issued	3
	Prep Sheets	3
	Inventory Control	3
	Weekly Inventory	2
	Grease Waste Memorandum	1
	Managers Meeting Sample	2
	Staff Meeting Sample	13
	Weekly Royalty Payment Form	1
	Location Questionnaire	2
	Sample Layout	1
	Employment Agreement	1
	Social Media Policy	2
2	**PRODUCTION/FOOD PREP/KITCHEN COOKS**	**39**
	Closing Checklists	2
	Cooks Duties and Closing Lists	3
	Greeks Dough	1
	Greeks Original Garlic Butter	1
	Greeks Green Bell Pepper Slicing	1
	Greeks Onion Slicing	1
	Recipes Quick Reference Sheet	1
	Menu Abbreviations	3
	Food Preparation	33
3	**SERVER/DINING/BATHROOMS**	**7**

	Server/Host Duties	2
	Server Closing List/Procedures	3
	Prices with Tax	1
	Bathroom Cleaning List	1
4	**MAINTENANCE/EQUIPMENT**	**37**
	Burner Flame Checks	1
	Automatic Safety Pilot	2
	Flame Master Oven Control	2
	Bakers Pride Gas Ovens	8
	Instruction Manual – Model M-800 Mixer	24

****Confidential Operation Materials ("Manual") will vary per location. Each subject is discussed orally in detail at the location.**

C. Site Selection. The site for each Franchise is selected by you subject to our approval. Prior to your acquisition by lease or purchase of any site for a Franchise, you must submit our form on Trade Area Evaluation (completed by you), a market feasibility study for the site, in the form prescribed by us from time to time, and such other information and materials as we may reasonably require, together with a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site. No site will be deemed approved unless it has been expressly approved in writing by us. Our approval of a site is not a warranty as to the viability for success of such site or any guarantee of profitability.

The factors relied upon by us in assessing a site include general location and neighborhood, population, traffic patterns, parking, size, physical characteristics of existing buildings and other businesses in the area.

We estimate the time from payment of the franchise fee and approval of the site to the commencement of operation for a Franchise to be established in an existing structure and converted to our Forum™ concept will be approximately four (4) months. This time may vary depending on you, the time necessary to obtain the site, availability of cash on hand or your ability to obtain financing, local building regulations, weather conditions and the time required to obtain the necessary permits and licenses for the construction and operation of the business. None of these factors are within our control.

D. Training. Within one hundred twenty (120) days of signing your Franchise Agreement, we will train one (1) person to staff the establishment. This person must attend and complete to our satisfaction a training program as, or similar to, the one described in the following table:

Subject	Location	Instructional Material	Hours - Classroom Training	Hrs.-On-The-Job Training	Instructor
Orientation	1600 University Ave Muncie, IN 47308 OR On-Site	Review of Franchise Agreement Training & Dev. Material Recipe Material Menu Descriptions	8		Director of Training
Production	1600 University Ave Muncie, IN 47308 OR On-Site	Verbal and printed material	2	6	Forum Instructor
Food Prep & Familiarization	1600 University Ave Muncie, IN 47308 OR On-Site	Verbal and printed material	2	14	Forum Instructor
Line Cooking	1600 University Ave Muncie, IN 47308 OR On-Site	Verbal and printed material	1	31	Forum Instructor
Server	1600 University Ave Muncie, IN 47308 OR On-Site	Verbal and printed material	1	7	Forum Instructor
Host/Server	1600 University Ave Muncie, IN 47308 OR On-Site	Verbal and printed material	1	7	Forum Instructor
Maintenance	1600 University Ave Muncie, IN 47308 OR On-Site	Verbal	2	6	Forum Instructor
Managerial Administration	1600 University Ave Muncie, IN 47308 OR On-Site	Pizza Forum® administrative control forms	2	6	Senior Tr. Mgr/ General Mgr
Management	1600 University Ave Muncie, IN 47308 OR On-Site	Pizza Forum® administrative control forms	1	11	Senior Tr. Mgr/ General Mgr

The initial training program will be conducted at a training center located in Muncie, Indiana, on-site or another location designated by us. We expect that all pre-opening required training will be completed approximately one to two weeks prior to the opening of the

Franchise.

Instructional materials and oral comments for the initial training program consist of operations and training literature and other pertinent operating forms. Topics covered include customer relations, food presentation and preparation, service standards and procedures and inventory control.

Our training will be conducted under a director of Training, either by Mr. Karamesines, an approved manager, or outsourced to a veteran Forum Franchisee, or any affiliate created by a veteran Forum Franchisee whose responsibilities may include actual training, overseeing and coordinating on-site training. Training may include assistance from kitchen trainers and service trainers.

You or your staff must also attend such refresher courses, seminars and other training programs as we may reasonably require from time to time.

For any initial and subsequent training courses, seminars and programs, we will provide instruction and training materials, and you or your staff will be responsible for any and all other expenses incurred in connection with any such courses, seminars and programs, including, without limitation, the costs of transportation, lodging, meals and any wages. We reserve the right to charge a fee for training more than one person and for any re-training or refresher courses.

We have no formal franchise association. Instead, Forum® has an open-door policy. You can telephone headquarters and get questions answered or discuss concerns.

Notwithstanding the foregoing, if a Franchise Agreement is being executed as a renewal of an initial franchise, neither Franchisor or Franchisee shall be obliged to re-perform the initial training as provided therein.

XII. <u>TERRITORY</u>

The Franchise Agreement does not grant you any territorial rights beyond whatever geographic radius is set forth in that certain document titled “Exhibit H – Exclusive Territory” incorporated by reference in the Franchise Agreement. The protected geographic territory (Exclusive Territory) will not be uniform in scope among franchisees, but will be determined on the basis of the characteristics of the area where the particular Forum is located. Such characteristics will include, among other things, population size and mix within the geographic area, traffic patterns, commercial and residential mix and the existence of unique institutions such as universities, malls and theaters. During the term of the Franchise Agreement, we will not, without your consent, establish or franchise another to establish, a Forum at any location which falls within your Exclusive Territory under the Franchise Agreement except as otherwise provided in Section I.E. of the Franchise Agreement. The relocation of any franchised business will be subject to our prior written approval which may be withheld on whatever basis we determine is in our best interests.

The Exclusive Territory granted to you is not dependent upon the achievement of a certain sales volume, market penetration or other contingency. There are no circumstances under which the protected area granted to you may be altered prior to the expiration or termination of the Franchise Agreement, without our mutual consent.

We retain the right, in our sole discretion and without granting any rights to you the franchisees to itself operate, or to grant to other persons the right to operate Forum Franchises at such locations (other than areas protected under Franchise Agreement) on such terms and conditions as we deem appropriate. We also retain the right to sell products and services authorized under the System, bearing the Proprietary Marks, through similar or dissimilar channels of distribution as we deem appropriate. Pizzas, sauces or related products may in the future be sold in supermarkets, specialty stores, hotels or other institutions within your protected territory. Other than Greek’s Pizzerias, we do not, nor do we have any affiliate which operates, or franchises the operation of, or has any presently formulated plans or policy to operate or franchise the operation of, any business selling under different trademarks goods or services similar to, or competitive with, those to be offered for sale by franchisees.

XIII. TRADEMARKS, SERVICE MARKS, TRADE NAMES, LOGOTYPES AND COMMERCIAL SYMBOLS

The Franchise Agreement grants you the right to operate a business utilizing the principal trademark "Pizza Forum®" or Greek's® Pizzeria or such other of our Proprietary Marks as the same may be changed, improved and further developed from time to time. Principal trademarks include service marks, tag lines, names, logos and symbols used to identify your Franchise.

We have registered the following service marks: GREEK'S® PIZZERIA - Reg. No. 1, 114, 714 registered Mar. 6, 1979 - For: Restaurant Services, in Class 42 (U.S. CL. 100) First use as early as Jan. 1, 1970; in commerce at least as early as Jan. 1, 1970. Without waiver of any right at common law, applicant disclaims the word "PIZZERIA" separate and apart from the mark. “Chef Design” service mark - registration No. 2,001,491, Sept. 17, 1996, service mark “Pizza Forum”® (Chuckles typeface) registration No. 2,012,254, Oct. 29, 1996, tag line service mark “A Forum for Family & Friends”® registration No. 2,016,222, Nov. 12, 1996, and Subject mark reg. No. 2,030,528, Jan. 14, 1997, Int. Cls.: 39 and 42.

We are unaware of any conflicting use of any of the Proprietary Marks. Furthermore, there are no currently effective determinations of the Patent and Trademark Office, the Trademark Administrator of any state, or any court, or cancellation proceeding, nor any pending material litigation involving the Proprietary Marks.

There are no other agreements currently in effect which significantly limit our rights to use or license the use of any of the Proprietary Marks.

We are obligated by the Franchise Agreement to protect any rights granted to you to use the Proprietary Marks and to protect you against claims of infringement or unfair competition with respect to them, provided you have used the Marks in compliance with the terms of your Franchise Agreement.

In the event that litigation involving the Proprietary Marks is instituted or threatened against you, you must promptly notify us and cooperate fully in defending or settling such litigation.

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

The right and license of the Proprietary Marks granted under the Franchise Agreement to you is nonexclusive. Thus, we have, and retain, the rights, among others, to use the Proprietary Marks, to grant others the license to their use, and to develop other systems using the same or similar Proprietary Marks, with the same right to sue, grant or license such new Proprietary Marks.

You must modify or discontinue use of a Mark if we modify or discontinue it. If this happens, we will reimburse you for your tangible costs of compliance (for example, changing signs). We do not know of any infringing uses that could materially affect your use of our Marks. When using any of our proprietary marks, you must display the appropriate ® or ™ mark accordingly.

XIV. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

The Founder has filed/registered Patent and Trademark Applications which are material to the Franchise and Amusement Enclosure. We claim Trademarks to the name "PIZZA FORUM"®, tag line: "A Forum For Family & Friends"®, Artwork, and Copyrights in the Confidential Operation Materials ("Manual"), currently being written, trade dress, menus, advertising materials and related items, used in operating the franchise. Such Trademarks and Copyrights are protected under law and where appropriate, by virtue of Us placing the appropriate notice of Trademarks and Copyrights on such items. You may use the Trademarks, our Proprietary Amusement Enclosure concept and design, trade dress, future Confidential Operation Materials ("Manual") and other materials during the term of the Franchise Agreement. We have registered and patented the following service marks and design: GREEK'S® PIZZERIA - Reg. No. 1, 114, 714 registered Mar. 6, 1979 - For: Restaurant Services, in Class 42 (U.S. CL. 100) First use as early as Jan. 1, 1970; in commerce at least as early as Jan. 1, 1970. Without waiver of any right at common law, applicant disclaims the word "PIZZERIA" separate and apart from the mark. Amusement Enclosure Patent Des. 370,535, Jun. 4, 1996, (now Proprietary) "Chef Design" service mark - registration No. 2,001,491, Sept. 17, 1996, service mark "Pizza Forum"® (Chuckles typeface) registration No. 2,012,254, Oct. 29, 1996, tag line service mark "A Forum for Family & Friends"® registration No. 2,016,222, Nov. 12, 1996, and Subject mark reg. No. 2,030,528, Jan. 14, 1997, Int. Cls.: 39 and 42.

The Franchise Agreement grants you the right to operate a business utilizing our Proprietary Amusement Enclosure concept and designs. They may be changed, improved and further developed from time to time. The designs include Trademarks, service marks, names, trade dress, logos and symbols used to identify your Franchise.

We are unaware of any conflicting use of any of our Proprietary Designs, Concepts or Proprietary Marks. Furthermore, there are no currently effective determinations of the Patent and Trademark Office, the Trademark Administrator of any state, or any court, or cancellation proceeding, nor any pending material litigation involving our Proprietary Designs, Concepts or Proprietary Marks.

There are no other agreements currently in effect which significantly limit our rights to use or license the use of any of our Proprietary Designs, Concepts or Marks.

We are obligated by the Franchise Agreement to protect any rights granted to you to use our Proprietary Marks and to protect you against claims of infringement or unfair competition with respect to them, provided you have used the Marks in compliance with the terms of your Franchise Agreement.

In the event that litigation involving our Proprietary Marks is instituted or threatened against you, you must promptly notify us and cooperate fully in defending or settling such litigation.

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

The right and use of our Proprietary Designs, Concepts and Marks granted under the Franchise Agreement to you is nonexclusive. Thus, we have, and retain, the right, to use our Proprietary Designs, Concepts and Marks, to grant others the license to their use, and to develop other systems using the same or similar Proprietary Designs, Concepts and Marks, with the same right to use, grant or license any new Designs, Concepts and Proprietary Marks.

You must modify or discontinue use of a Design, Concept or Mark if we modify or discontinue it. If this happens, we will reimburse for your tangible costs of compliance (for example, changing signs). We do not know of any infringing uses that could materially affect your use of our Designs, Concepts or Marks.

XV. OBLIGATIONS TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The business must at all times be under your direct, day-to-day, full-time supervision (or, in the event of an assignment of the agreement to a partnership or corporation, a managing partner or shareholder who shall have been approved by us as the managing partner or shareholder and who shall have satisfactorily completed the training program) or a General Manager, satisfactory to us and who shall have satisfactorily completed our training program. In the event a manager shall supervise the establishment you (or such managing partner or shareholder) must remain active in overseeing the operations of the business conducted under the supervision of such manager.

Any person who shall be responsible for the day-to-day supervision of the establishment will assume such responsibilities on a full-time basis and may not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility, time commitments, or otherwise may conflict with your obligations under the Franchise Agreement. Any person given access to our propriety information, trade secrets or other confidential information, is required to sign a Covenants Agreement in the form attached as Exhibit “H”, and is bound by the provisions of Section XVI of the Franchise Agreement. In the event of an assignment of the agreement to a partnership or corporation, such partnership or corporation may not engage in any business or activities other than the ownership and operation of other Pizza Forum® Franchises pursuant to development and/or franchise agreements granted by us.

XVI. RESTRICTIONS ON WHAT FRANCHISEE MAY SELL

You must use the business premises solely for the operation of Pizza Forum® franchise.

Further, you must sell or offer for sale only such menu items, products or services as have been expressly approved in writing for sale by us or specified by us. You may not deviate from our standards and specifications without our prior written consent. With respect to the offer and sale of all menu items, products and services, you will have sole discretion as to the prices to be charged customers so long as such pricing does not harm other Franchisees or the image of FORUM. You must also sell or offer for sale products and services only at the Franchise site, and must not engage directly or indirectly in off premises sales, catering, or delivery unless approved by FORUM in advance and in writing.

XVII. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the Franchise and related agreements. You should read the provisions in the agreements attached to the Offering Circular:

Provision	**Section in Franchise Agreement**	**Summary**
a) Term of the Franchise	Article II A	10 years
b) Renewal or extension of the term	Article II B	If you are in good standing and meet the other requirements, Forum will consider renewal of another ten (10) year term
c) Requirements for you to renew or extend	Article II B (1)-(8)	Provide notice, remodel, sign new agreement and release
d) Termination by you	Not Applicable	
e) Termination by Forum without cause	Not Applicable	
f) Termination by us with cause	Article XIV	Forum can only terminate upon your default
g) "Cause" defined - curable defaults	Article XIV	Curable defaults are not specifically defined, but those not delineated as noncurable and which are readily curable such as nonpayment of fees, sanitation problems or reporting
h) "Cause" defined - defaults which cannot be cured	Article XIV A & B	Insolvency; bankruptcy; receivership; dissolution; foreclosure; failure to timely construct site; loss of occupancy; conviction of felony; safety or health threat; unapproved transfer; violation of confidentiality or noncomplete covenants;

		maintenance of false records; chronic curable defaults; material misstatements in the franchise application; failure to pay taxes; and unauthorized use of Marks or Proprietary Designs
i) Your obligations on termination/non-renewal	Article XV	Complete de-identification; discontinue use of all Proprietary Concepts/Designs and return all Proprietary materials; assign to us your lease (at our election); pay all amounts due (see also r. below)
j) Assignment of contract by us	Article XIII A	Unrestricted right to assign
k) "Transfer" by you – defined	Article XIII B	Includes transfer of contract or assets by ownership change
l) Our approval of transfer by you	Article XIII B	We have the right to approve any transfer, but we will not unreasonably withhold approval provided all conditions are met
m) Conditions for our approval of transfer	Article XIII B(2)	All amounts owing paid; no defaults in agreements; general release; transferee guarantees all obligations; transferee qualifies; current agreement signed by transferee; establishment refurbished; transfer fee paid; training program completed
n) Our right of first refusal to acquire your business	Article XIII C	We can match any offer for the site/establishment
o) Our option to purchase your business	Not Applicable	
p) Your death or disability	Article XIII D	Franchise must be assigned by estate to approved buyer in 12 months
q) Noncompetition covenants after the franchise is terminated	Article XVI C	No involvement in Italian theme casual dining establishment which

or expires		includes or excludes amusements deriving 40% and/or more of its revenue from pizza or pasta or amusements, located in the United States
r) Noncompetition covenants after the franchise is terminated or expires	Article XVI C	No involvement in Italian theme casual dining establishment which includes or excludes amusements deriving 40% and/or more of its revenue from pizza or pasta or amusements, located in the Exclusive Territory for 2 years after termination
s) Modification of the Agreement	Article XX	No modifications without mutual agreement, but all Confidential Operation Materials ("Manuals") are subject to change
t) Integration/Merger Clause	Article XX	
u) Dispute Resolution by arbitration or mediation	Not Applicable	
v) Choice of Forum (legal: court of law)	Article XXII B	Litigation must be in Indiana in judicial circuit of Franchisor's principal place of business
w) Choice of Law	Article XXII A	Indiana law applies

These states have statutes which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-2043], CONNECTICUT [Gen. Stat. Section 42-133e *et seq.*], DELAWARE [Code, tit.], Hawaii [Rev. Stat. Section 482E-1], ILLINOIS [Rev. Stat. Chapter 121 1/2, Sections 1719-17201], INDIANA [Stat. Section 23-2-2.7], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI {Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], SOUTH DAKOTA [Codified Laws Sections 37-5A-51], VIRGINIA [Code 12.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03]. These and other states may have court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

These states have statutes which limit the franchisor's ability to restrict your activity after the franchise agreement has ended: California Business and Professions Code Section 16,600, Florida Statutes Section 542.33, Michigan Compiled Laws Section 445.771 *et seq.*, Montana Codes Section 30-14-201, North Dakota Century Code Section 9-08-06, Oklahoma Statutes Section 15-217-19, Washington Code Section 19.86.030. Other states have court decisions limiting the franchisor's ability to restrict your activity after the franchise agreement has ended.

A provision in the franchise agreement which terminates the franchise upon the bankruptcy of the franchise may not be enforceable under Title 11, United States Code Section 101.

The following states have statutes which restrict or prohibit the imposition of liquidated damage provisions: California [Civil Code Section 1671], Indiana [IC23-2-2.7-1], Minnesota [Rule 2860.4400J], South Dakota [Civil Law 53-9-5]. State courts also restrict the imposition of liquidated damages. The imposition of liquidated damages is also restricted by fair practice laws, contract law and state and federal court decisions.

XVIII. PUBLIC FIGURES

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

XIX. 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 THIS ITEM 19 MAY BE GIVEN ONLY IF: (1) A FRANCHISOR PROVIDES THE ACTUAL RECORDS OF AN EXISTING OUTLET YOU ARE CONSIDERING BUYING; OR (2) A FRANCHISOR SUPPLEMENTS THE INFORMATION PROVIDED IN THIS ITEM 19, FOR EXAMPLE, BY PROVIDING INFORMATION ABOUT POSSIBLE PERFORMANCE AT A PARTICULAR LOCATION OR UNDER PARTICULAR CIRCUMSTANCES.

WE DO NOT MAKE ANY REPRESENTATIONS ABOUT A FRANCHISEE'S FUTURE FINANCIAL PERFORMANCE OR THE PAST FINANCIAL PERFORMANCE OF COMPANY-OWNED OR FRANCHISED OUTLETS. WE ALSO DO NOT AUTHORIZE 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 ATHANASIOS (CHRIS) KARAMESINES, P.O. BOX 111, MUNCIE, IN 47308 (TELEPHONE NUMBER - (765) 284-5655), THE FEDERAL TRADE COMMISSION, AND THE APPROPRIATE STATE REGULATORY AGENCIES.

XX. LIST OF OUTLETS & FRANCHISEE INFORMATION

As of the date of this Offering Circular, Forum has not opened any company owned locations. The company has sold the following franchises:

Franchisee Name/Address	Phone	Franchise Location	Open
Kyle Kindig 8800 E. 116th St. Fishers, IN 46038	317/915-9111	Greek's® Pizzeria Fishers, IN	2024
Steve & Emily Hawthorne 103 S. Main St. Whitestown, IN 46075	317/768-3500	Greek's® Pizzeria Whitestown, IN	2024
Brooke Baxter & Makiah Latta 120 S. Main St. Kendallville, IN 46755	260/343-9699	Pizza Forum® Kendallville, IN	2024
Bradley Newton 9613 N. College Carmel, IN 46280	317/798-2121	Greek's® Pizzeria Carmel, IN	2024
Anthony Hinton 1004 S. Jackson St. Frankfort, IN 46041	765/601-4269	Greek's® Pizzeria Frankfort, IN	2024
Steve & Emily Hawthorne 120 E. Main St. Carmel, IN 46032	317/848-1969	Greek's® Pizzeria Carmel, IN	2024

Steve & Emily Hawthorne 12703 Meeting House Rd. Carmel, IN 46032	317/587-1620	Greek's® Pizzeria Carmel, IN	2024
Wes & Courtney Beard 120 S. Main St. Kendallville, IN 46755	260/343-9699	Pizza Forum® Kendallville, IN	2024
Mike Cole 103 S. Main St. Whitestown, IN 46075	317/768-3500	Greek's® Pizzeria Whitestown, IN	2023
Justin Fox 5030 S. 7th St. Terre Haute, IN 47807	812/645-5511	Greek's® Pizzeria Terre Haute South, IN	2023
Wes & Courtney Beard 210 E. Main St. North Manchester, IN 46962	260/982-9488	Greek's® Pizzeria North Manchester, IN	2023
Jacob Szumski & Caden Madding 920 25th St. Columbus, IN 47201	812/657-3500	Greek's® Pizzeria Columbus, IN	2023
Nate Sims 111S Vine St. Plainfield, IN 46168	317/406-3269	Greek's® Pizzeria Plainfield	2022
Jake Gagnon 1345 W. Southport Rd. Indianapolis, IN 46217	317/300-8948	Greek's® Pizzeria Southport	2022
Justin Fox 600 Wabash Ave. Suite B Terre Haute, IN 47807	812/244-1440	Greek's® Pizzeria Terre Haute North, IN	2022
Curt & Jen Whitesell 419 S. Main St. Sheridan, IN 46069	317/804-7778	Greek's® Pizzeria Sheridan, IN	2022
Jake Gagnon & Nate Sims 111 S. Vine St. Plainfield, IN 46168	317/406-3269	Greek's® Pizzeria Plainfield, IN	2021

Wes & Courtney Beard 933 E. Dupont Rd. Ft. Wayne, IN 46825	260/490-9099	Greek's® Pizzeria Ft. Wayne, IN	2021
Curt & Jen Whitesell Speedway		Greek's® Pizzeria Speedway, IN	2021
Mark Milam & Brett Tipton 325 W. Broadway St. Fortville, IN 46040	317/747-4889	Greek's® Pizzeria Fortville, IN	2021
Dean Roberts 411 N. Park Ave Alexandria, IN 46001	765/704-4494	Greek's® Pizzeria Alexandria, IN	2021
Rob Sevening 21 W. North St. Greenfield, IN 46140	317/403-0012	Greek's® Pizzeria Greenfield, IN	2020
Brad & Maddie Newton 114 E. Main Cross St. Edinburgh, IN 46124	812/975/2112	Greek's® Pizzeria Edinburgh, IN	2020
Tanner Graves 20 S. Harrison St. Shelbyville, IN 47176	317/825-0532	Greek's® Pizzeria Shelbyville, IN	2020
Ryan & Rebecca Kitto 933 E. Dupont Rd. Ft. Wayne, IN 46825	260/490-9099	Greek's® Pizzeria Ft. Wayne, IN	2020
Jake Gagnon 10240 US-36 Avon, IN 46123	317/757-8190	Greek's® Pizzeria Avon, IN	2020
Joey Patrick 10 E. Morgan St. Martinsville, IN 46151	765/316-0116	Greek's® Pizzeria Martinsville, IN	2020
Rob Siegfried 260 Southbridge St. Mooresville, IN 46158	317/483-3200	Greek's® Pizzeria Mooresville, IN	2020

Eric Gordon 1425 N. Dunn St. Bloomington, IN 47408	812/822-0222	Greek's® Pizzeria Bloomington, IN	2020
Gary and Susan Fitzpatrick 1345 W. Southport Rd. Indianapolis, IN 46217	317/534-6077	Greek's® Pizzeria Indianapolis, IN/Southport	2019
Mike Cole 116 S. Washington St. Crawfordsville, IN 47933	765/323-3154	Greek's® Pizzeria Crawfordsville, IN	2019
Greg Abes 106 S. Main St. Kirklin, IN 46050	765/279-5492	Kirklin, IN	2019
Ryan and Rebecca Kitto 1601 Columbia Ave Indianapolis, IN 46202	317/602-6833	Greek's® Pizzeria Indianapolis, IN	2018
Josh Trisler Rafael Domenech 130 N. Delaware St. Indianapolis, IN 46204	317/951-1969 317/797-7167	Downtown Indianapolis, IN	2018
Blake and Chaney Miller 106 S. Main St. Kirklin, IN 46050	765/279-5492	Kirklin, IN	2018
Mark Stoughton 813 E. McGalliard Rd. Muncie, IN 47303	765/282-7492	Greek's® Pizzeria Muncie/McGalliard	2018
Barry Abes 120 E. Main St. Carmel, IN 46032	317/848-1969	Greek's® Pizzeria Carmel, IN	2018
John Virtue 5 N. Jackson St. Frankfort, IN 46041	765/601-4269	Greek's® Pizzeria Frankfort, IN	2017
Damara Karamesines 9613 N. College Ave., Suite B Indianapolis, IN 46280	317/798-2121	Greek's® Pizzeria Carmel, IN	2017

Damara Karamesines 120 E. Main St. Carmel, IN 46032	317/798-2121	Greek's® Pizzeria Carmel, IN	2017
Mike Bandor & Brian Burk 62 E. Berry St. Upland, IN 46989	317/966-7200	Greek's® Pizzeria Upland, IN	2017
Jason Tapp & Michael Harvey 1642 Olive Brand Park Ln., Suite 100 & 200 Greenwood, IN 46143	317/627-8993	Greek's® Pizzeria Greenwood, IN	2017
Bradley Newton & Madeline Mauk 920 25th St. Columbus, IN 47201	317/774-4877	Greek's® Pizzeria Columbus, IN	2017
Rafael Domenech 4901 N. College Ave Indianapolis, IN 46205	317/797-7167	Greek's® Pizzeria Indianapolis, IN	2017
Greg Abes 12703 Meeting House Rd. Carmel, IN 46032	317.294-7160	Greek's® Pizzeria West Clay, IN	2017
Candy/Shawn McCoy 1607 N. Meridian Street Portland, IN 47371	260/729-1640	Greek's® Pizzeria Portland, IN	2017
Trent Vance 11725 Fox Rd. Indianapolis, IN 46236	317/289-9020	Greek's® Pizzeria Geist Lake, IN	2017
Mike Cole & Kyle Hawkins 105 West Main Street Lebanon, IN 46052	812/679-7593	Greek's® Pizzeria Lebanon, IN	2016
Josh Trisler 5741 E. 71st Street Indianapolis, IN 46220	317/418-1824	Greek's® Pizzeria Indianapolis, IN	2015

Chris Collins 11725 Fox Rd. Indianapolis, IN 46236	317/627-8993	Greek's® Pizzeria Geist Lake, IN	2015
John Jones 813 E. McGalliard Muncie, IN 47304	765/602-5298	Greek's® Pizzeria Muncie, IN	2015
Jason Tapp 18 E. Jefferson St. Franklin, IN 46131	317/627-8993	Greek's® Pizzeria Franklin, IN	2015
Dean Trapp 2520 N. Salisbury St. West Lafayette, IN 47906	765/532-3615	Greek's® Pizzeria West Lafayette, IN	2015
Josh Trisler 12703 Meeting House Rd. Carmel, IN 46032	317/418-1824	Greek's® Pizzeria West Clay, IN	2014
Josh Trisler 12703 Meeting House Rd. Carmel, IN 46032	317/418-1824	Klipsch Music Center Noblesville, IN	2014
Scott Vaughn & Jon Wright 208 Park St. Westfield, IN 46074	317/804-7777	Greek's® Pizzeria Westfield, IN	2014
Robert Roe 1345 W. Southport Rd. Indianapolis, IN 46217	317/534-6077	Greek's® Pizzeria Indianapolis, IN	2014
Archie Soulidis 6000 NW Hwy, Suite 2 Crystal Lake, IL 60014	419/450-0103	Greek's® Pizzeria Avon, IN (Relocated to Crystal Lake, IL)	2014
Josh Trisler 120 E. Main St. Carmel, IN 46032	317/418-1824	Greek's® Pizzeria Carmel, IN	2013
Troy Mink 813 E. McGalliard Muncie, IN 47304	765/282-7492	Greek's® Pizzeria Muncie, IN	2012

Mike Cole 6336 N. Guilford Ave. Indianapolis, IN 46220	260/316-1915	Greek's® Pizzeria Broad Ripple, IN (Relocated to West Lafayette, IN)	2012
Rafael Domenech & Mike Bandor & Brian Burk 1600 University Ave. Muncie, IN 47303	765/284-9007	Greek's® Pizzeria Muncie, IN	2012
Jeremy Stow 6317 Martin Luther King Blvd. Anderson, IN 46012	765/640-5300	Greek's® Pizzeria Anderson, IN	2012
Andy Goth 1600 University Ave. Muncie, IN 47304	765/284-5094	Greek's® Pizzeria Muncie, IN	2012
Mike Cole, CAPP&S LLC 15 N. Pennsylvania St. Indianapolis, IN 46204	260/316-1915	Greek's® Pizzeria Indianapolis, IN	2011
Mike Cole 30 N. Main St. Zionsville, IN 46077	260/316-1915	Greek's® Pizzeria Zionsville, IN	2011
Mark Milam / Brett Tipton 216 S. 10th St. Noblesville, IN 46060	317/773-4444	Greek's® Pizzeria Noblesville, IN	2011
Chris Collins 101 East Center St. Warsaw, IN 46580	574/269-1113	Greek's® Pizzeria Warsaw, IN (Relocated to Geist, IN)	2010
Ryan Roe 8028 S. Emerson Ave. Unit F Indianapolis, IN 46237	317/881-5581	Greek's® Pizzeria Indianapolis, IN	2010
Scott C. Schaum 240 S. Green River Rd. Evansville, IN 47715	812/598-8704	Greek's® Pizzeria Evansville, IN	2010
Andy Goth 1600 University Ave. Muncie, IN 47304	765/284-5094	Greek's® Pizzeria Greencastle, IN	2010
Tony Page 1600 University Ave. Muncie, IN 47304	317/446-0334	Greek's® Pizzeria Zionsville, IN	2009

Mike Cole 215 S. Main Auburn, IN 46706	260/316-1915	Pizza Forum® Auburn, IN	2009
Zack Miller 834 E. 64th Street Indianapolis, IN 46220	317/465-9111	Greek's® Pizzeria Broad Ripple, IN	2008
Mike Cole 1019 Coliseum Fort Wayne, IN 46705	260/316-1915	Pizza Forum® Fort Wayne, IN (Relocated to Lebanon, IN)	2008
Kory Hurless 240 S. Green River Rd. Evansville, IN 47715	812/598-8704	Greek's® Pizzeria Evansville, IN	2007
Mike Ellis 1912 E. Markland Ave. Kokomo, IN 46901	812/786-0279	Greek's® Pizzeria Kokomo, IN	2006
Rafael Domenech & Mike Bandor 8800 E. 116th St. Fishers, IN 46060	317/915-9111	Greek's® Pizzeria Fishers, IN	2005
Mike Cole / Kyle Baker 120 S. Main Street (Transfer 2014) Kendallville, IN 46755	260/343-9699	Pizza Forum® Kendallville, IN	2004
Chris Vassion/Pam & Tim Bellew 2736 Linda Lane Salina, KS 67401	785/827-0989	Greek's® Pizzeria (2) Wichita & Salina, KS	
Mark Wagner Deceased 1600 University Ave. Muncie, IN 47304		Greek's® Pizzeria (3) Muncie, IN	2004
Kyle Hawkins 405 E. Kirkwood Ave. Bloomington, IN 47408	812/323-0044	Greek's® Pizzeria Bloomington, IN	2003

Andy Goth 1600 University Ave. Muncie, IN 47304	765/284-5094	Greek's® Pizzeria Greenwood, IN	2002
Mike Cole 60 N Public Sq. Angola, IN 46703	260/316-1915	Greek's® Pizzeria Angola, IN	2002
Mike Ellis 1912 E. Markland Ave. Kokomo, IN 46901	812/786-0279	Greek's® Pizzeria Fishers, IN	2001
Mike Hensley	765/289-8639	Greek's® Pizzeria Cowan, IN	1999
Barry Adkins (GM)	740/377-4513	Pizza Forum® Ironton, OH	1999
Mary Copeland	785/623-8920	Greek's® Pizzeria Hays, KS	1999
Brian Gross	330/626-5736	Greek's® Pizzeria Hutchinson, KS	1998
Sarah Jackson	704/336-6726	Greek's® Pizzeria Marion, IN	1997
Dwight V. Etchison	702/360-7932	Greek's® Pizzeria Yorktown, IN	1996
Pam & Tim Bellew	785/827-0989	Greek's® Pizzeria Manhattan, KS	1996
Michael G. Barnes	765/759-5727	Greek's® Pizzeria Jacksonville, FL	1995

The Jacksonville, Fla. Franchisee ceased operations as a result of partnership restructuring. The franchisee has retained the franchise.

The Yorktown, IN franchisee ceased operations as a result of layoff from primary job of 17 years and relocation due to continuance of career employment. Franchisee still retains franchise.

The Marion, IN franchisee (Sarah Jackson) ceased operations due to pregnancy, the sudden destruction of her private residence by fire, and divorce. Franchisee failed to reopen; franchise canceled by Forum.

The Manhattan, KS store was destroyed by a fire. Franchisees chose other areas to relocate.

The Hutchison, KS franchisee ceased operations as a result of relocation due to change in career employment. Franchisee still retains franchise.

The Cowan, IN franchisee ceased operations as a result of ill health and poor management. Franchisee still retains franchise.

The Ironton, OH franchisee failed to pay royalties in a timely manner. Franchise canceled by Forum.

The Fishers, IN store was purchased in 2005 by franchisees Rafael Domenech and Mike Bandor from prior franchisee of five years Mike Ellis. (Converted to training, research and development center.)

The initial Broad Ripple, IN franchisee failed to pay royalties in a timely manner. Franchise canceled by Forum.

The Greenwood, IN franchisee relocated to Greencastle, IN, then decided to redesign/change use of site and lease such to tenant. Franchisee failed to pay royalties and ceased franchise operations in two (2) separate locations. Franchise canceled by Forum.

The Hays, KS store sold. Franchisee retains franchise rights.

The Angola, IN store is being relocated by franchisee to Indianapolis, IN location in 2011.

The Evansville, IN store was transferred to new owner, prior owner/partner had family medical concerns. 2010 owner has ceased operations.

The Bloomington, IN store is relocating.

The 15 N. Pennsylvania St., Indianapolis, IN franchise canceled by Forum.

The Warsaw, IN store was purchased by another franchisee.

The Avon, IN franchisee relocated to Crystal Lake IL and has since closed location due to lack of business.

The Kendallville, IN location was transferred to new franchisee.

The Warsaw, IN franchise relocated to Geist, IN.

The Broad Ripple, IN franchise relocated to West Lafayette, IN.

The Muncie McGallliard location was sold and transferred to new franchisee.

The Fort Wayne, IN store franchise relocated to Lebanon, IN.

The Indianapolis, IN south location cease operations. Franchisee is assisting partner at Southport location and spending more time with family.

In 2016, the West Clay, IN sold and was purchased by Greg Abes.

In 2017, the Geist, IN store was sold to Trent Vance.

In 2017, the Carmel, IN (120 E. Main Street) store ceased operations. Thereafter, in 2017, a new franchisee opened the Carmel, IN (120 E. Main Street) store.

The Muncie/McGalliard location, was sold and transferred to a new franchisee in 2018.

The Kirklin location was sold and transferred to a new franchisee in 2018.

In 2018, the downtown Carmel location was sold and transferred to a new franchisee.

In 2019, the Southport location was sold and transferred to a new franchisee, prior owner wanted to pursue different avenues.

In 2019, The Kirlin location was sold and transferred to Greg Abes.

In 2020, The Kirklin franchisee is discussing relocation.

In 2020, The Westfield, IN location was sold and transferred to new franchisees Curt and Jen Whitesell. Prior owners moved to Atlanta, GA to be near family.

In 2020, The Downtown Indy location moved operations from 130 N. Delaware St., Indianapolis, IN 46204 to a different location. New location address 630 Virginia Ave, Indianapolis, IN 46203.

In 2021, Rob Sevening became managing member of Greenfield location.

In 2021, The Dupont Ft. Wayne location was sold and transferred to new franchisees Courtney and Wes Beard, prior owner moved and wanted to pursue different avenues.

In 2021, Curt and Jen Whitesell moved Speedway franchise to Sheridan, IN.

In 2022, The Plainfield location was sold and transferred to Nate Sims from Jake Gagnon.

In 2022, The Southport location was sold and transferred to Jake Gagnon from Gary and Sue Fitzpatrick, prior owner wanted pursue different avenues.

In 2023, The Columbus, IN location was transferred to new Franchisees, Jacob Szumski and Cayden Madding. Prior owner is looking into purchasing another Greek's location

In 2023, Jake Gagnon ceased operations at Avon and Southport locations.

In 2024 Bradley Newton after selling Columbus in (2023) and closing Edinburgh (2024) moved to Carmel and purchased the 96th and College location from Damara Karamesines.

In 2024 The West Clay, Carmel Main, and Whitestown locations were purchased by Steve & Emily Hawthorne.

In 2024 Rob Siegfried ceased operations at Mooresville location

In 2024 Wes & Courtney Beard purchased Kendallville location, prior owner wanted to pursue other avenues.

In 2024 Wes & Courtney Beard ceased operations in Dupont Ft. Wayne, North Manchester and Kendallville locations.

In 2024 Brooke Baxter & Makiah Latta purchased Kendallville location.

In 2024 Anthony Hinton purchased Frankfort location, previous owner wanted to pursue other avenues.

In 2024 Kyle Kindig purchased Fishers location, previous owner wanted to pursue other avenues.

Systemwide 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	37	38	+1
	2023	38	40	+4-2
	2024	40	36	-4
Company Owned	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Total Outlets	2022	37	38	+1
	2023	38	40	+4-2
	2024	40	36	-4

Transfers of Outlets from Franchisees to New Owners (other than Franchisor)

State	Year	Number of Transfers
IN	2022	2
	2023	1
	2024	3
KS	2022	0
	2023	0
	2024	0
Total	2022	2
	2023	1
	2024	3

Status of Franchise Outlets For Years 2022 - 2024

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
IN	2022	37	1	0	0	0	0	38
	2023	38	4	0	0	0	2	40
	2024	40	0	0	0	0	4	36
KS	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Totals	2022	37	1	0	0	0	0	38
	2023	38	4	0	0	0	2	40
	2024	40	0	0	0	0	4	36

Status of Company-Owned Outlets For Years 2022 - 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
IN	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
KS	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
Totals	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0

Projected New Franchised Outlets
As of December 31, 2024

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Indiana	0	2	0
Kansas	0	2	0
Colorado	0	1	0
Total	0	5	0

XXI. FINANCIAL STATEMENTS

Attached hereto as Exhibit "B" are our audited consolidated financial statements as of December 31, 2024.

XXII. CONTRACTS

Attached hereto as Exhibits "C", "D", "E", "F," "H" & “I” are copies of The PIZZA FORUM® Franchise Agreement, Development Agreement, Security Agreement, Covenants Agreement and "Exclusive Territory" Agreement.

XXIII. RECEIPTS/EXHIBITS

Attached hereto as Exhibit "G" are two copies of page 2 of 3 an Acknowledgment of Receipt, one of which is to be signed by the prospective Franchisee, detached and returned to PIZZA FORUM®, P.O. Box 111, Muncie, IN 47308.

Gamble Richardson
Certified Public Accountants

Indiana Securities Division
West Washington Street, Room E
Indianapolis, Indiana 46204

Re: Franchise Registration Renewal
Division File # 21-00092

Ladies and Gentlemen:

I have no objection to the inclusion of the Independent Auditor's Report, dated March 1, 2025 to Pizza Forum Franchise, LLC as of December 31, 2024 in the UFOC of our client.

Very truly yours,

Susan E Dawson, CPA

Susan E Dawson, CPA
CC; A.C. Karamensines

132 East Main Street, Suite 100
Crawfordsville, Indiana 47933

(765) 362-1040 • Fax (765) 362-2440
www.gamblerichardsoncpa.com

EXHIBIT B

PIZZA FORUM, LLC
MUNCIE, INDIANA

AUDITED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

GAMBLE RICHARDSON
Certified Public Accountants
132 E. Main Street, Suite 100
Crawfordsville, IN 47933
(765) 362-1040

PIZZA FORUM, LLC
MUNCIE, INDIANA

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INDEPENDENT AUDITOR'S REPORT

To the Member of
Pizza Forum, LLC

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of Pizza Forum, LLC, which comprise the balance sheet-modified cash basis as of December 31, 2024, and the related statements of operations-modified cash basis, changes in member's equity-modified cash basis, and cash flows-modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Pizza Forum, LLC as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Basis of Opinion

We concluded our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Pizza Forum, LLC and to meet our 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.

Management's Responsibility 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; this includes 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 Pizza Forum, LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Accountant's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 GAAS will always detect a material misstatement when it exits. 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

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

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of Matter

Management has determined that it incorrectly listed Property and Equipment that was disposed of in prior years. Information on the impact of this change to the financial statements can be found in Note 2 to the financial statements.

Revenue Recognition standards under ASC 606 were adopted during the periods covered by this review report. Additional information can be found in Note 3 to the financial statements.

Gamble Richardson, CPAs

Crawfordsville, IN 47933

March 1, 2025

PIZZA FORUM, LLC
BALANCE SHEET - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2024

ASSETS

		2024
CURRENT ASSETS		
Cash	$	19,030
Total Current Assets		19,030
FIXED ASSETS		
Equipment and Vehicles		155,291
Sign		9,850
Leasehold Improvements		211,226
Less Accumulated Depreciation		(112,520)
Total Fixed Assets		263,847
TOTAL ASSETS	**$**	**282,877**

LIABILITIES AND MEMBER'S EQUITY

EQUITY		
Member's Equity	$	282,877
TOTAL LIABILITIES AND MEMBER'S EQUITY		**282,877**

SEE INDEPENDENT ACCOUNTANT'S AUDIT REPORT AND NOTES TO THE FINANCIAL STATEMENTS

PIZZA FORUM, LLC
STATEMENT OF OPERATIONS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

		2024
REVENUES		
Royalties	$	1,118,160
Franchise Fees		65,117
Administration/Inspections		234,478
Total Revenue	$	1,417,755
OPERATING EXPENSES		
Professional Fees	$	20,721
Repairs and Maintenance		57,392
Advertising		34,591
Office Expense		6,253
Training		44,773
Rents		41,269
Management Services		654,373
Insurance		31,943
Travel		12,469
Contributions		1,200
Vehicle and Delivery Operation		45,505
Telephone		4,063
Depreciaiton		58,914
Supplies		3,146
Total Operating Expenses		1,016,612
NET INCOME	**$**	**401,143**

		2024
MEMBER'S EQUITY, BEGINNING OF YEAR	$	235,136
Add: Net Income		401,143
Less: Prior Period Adjustment		(49,758)
Less: Owner Distributions		(303,643)
Member's Equity End of Year	**$**	**282,878**

PIZZA FORUM, LLC
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income	$ 401,143
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	58,914
Net Cash Provided by Operating Activities	460,057
CASH FLOWS FROM INVESTING ACTIVITIES:	
Sale of equipment	-
Purchases of property, plant and equipment	(154,005)
Net Cash Used by Investing Activities	(154,005)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Distributions to Shareholder	(303,643)
Net Cash Used by Financing Activities	(303,643)
NET INCREASE (DECREASE) IN CASH	**2,409**
CASH AT BEGINNING OF YEAR	**16,621**
CASH AT END OF YEAR	**$ 19,030**

CASH AT END OF YEAR

ORGANIZATION

Pizza Forum, LLC (the company), is a Single Member LLC that was organized in 1994 to operate and sell pizza franchises.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. This basis of presentation differs from accounting principles generally accepted in the United States of America (GAAP) in that certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation incurred. Specifically, the variances from GAAP include omissions of assessments receivable and accruals for expenses. Such variances are presumed to be material. However, similar to financial statements prepared in accordance with GAAP, these financial statements reflect the capitalized cost of property and equipment and related depreciation. The accompanying financial statements are not intended to present the financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

Date of Management's Review

Management has performed an analysis of the activities and transactions subsequent to December 31, 2024, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended December 31, 2024. Management has performed their analysis of subsequent events through March 1, 2025, the date the financial statements were available to be issued.

Cash and Cash Equivalents

For the purposes of the statements of financial position and cash flows, the Company considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, using the straight-line method. Improvements are capitalized, while expenditure for maintenance and repairs are charged to expenses as incurred. Upon disposal of depreciable property, the appropriate property accounts will be reduced by the related costs and accumulated depreciation.

The Company is subject to the provisions of the Impairment or Disposal of Long-Lived Assets topic of the FASB Accounting Standard Codification (ASC) 360-10. Impairment or Disposal of Long-Lived Assets has no retroactive impact on the Company's financial statements. The standard requires impairment losses to be recorded on long-lived assets when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets (excluding interest) are less than the carrying amount of the assets. In such cases, the carrying value of assets to be held and used are adjusted to their estimated fair value and assets held for sale are adjusted to their estimated fair value less selling expenses. No impairment losses were recognized during the year ended December 31, 2024.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Accordingly, actual results could differ from those estimates.

Income Tax Status

The Company is not subject to income taxes. Instead, the Member reports his distributive share of the Company's profits and losses in his personal return.

The Company has evaluated its tax positions and determined there are no uncertain tax positions. A tax position is recognized as a benefit only if it is 'more likely than not' that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the 'more likely than not' test, no tax benefit is recorded.

The Company recognizes interest and penalties related to unrecognized tax benefits in interest income tax expense, respectively. The Company has no amounts incurred for interest or penalties as of December 31, 2024.

Due to the pass-through status, the Company is not subject to U.S. federal income tax or state income tax. The Company is generally no longer subject to examination by U.S. federal taxing authorities for years before 2021 and all state income taxes through 2021. The Company does not expect the total amount of unrecognized benefits to significantly change in the next 12 months.

Recognition of Revenue

Revenue is recognized on the date that the money is received from the franchisee. The Company receives a percentage of the gross revenue of each franchisee location. These fees are deposited each month by electronic funds transfers. Accordingly, all revenue from these fees are recognized at a specific point of time. No revenue from the company is recognized over a period of time.

Concentration of Credit Risk

The Company deposits its cash in financial institutions. At times, deposits may exceed federally insured limits. The Company has not experienced any losses in such accounts.

NOTE 2 – PRIOR PERIOD ADJUSTMENT

Property and Equipment -Vehicles

A prior period adjustment was made to record $49,758 net book value of vehicles discovered no longer on the depreciation schedule. This loss reduces Members Equity as the vehicles were removed from the Pizza Forum, LLC's depreciation schedule and returned to personal use vehicles.

NOTE 3-CHANGES IN ACCOUNTING POLICIES

REVENUE RECOGNITION

In May 2014, the FASB issued guidance (Accounting Standards Codification [ASC] 606, Revenue from Contracts with Customers) which provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in United States generally accepted accounting principles. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. The Company adopted ASC with a date of initial application of January 1, 2024, using the full-retrospective method.

The Company's revenue is recognized on a cash basis and records revenue when received from the franchisee's electronic funds transfer for their franchise fees on the date of receipt. The majority of the Company's contracts do not contain variable consideration, other than a percentage of gross revenues and contract modifications are generally minimal. For these reasons, there is not a significant impact as a result of electing these transition practical expedients.

The adoption of ASC 606 did not have a significant impact on the Company's balance sheet, related statement of operations, or cash flows. The Company's revenue arrangements general consist of a percentage of gross sales at each franchise location. Based on the Company's evaluation of its contracts with franchisees, the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues. Per review by management, there were not differences between what had been previously reported as revenue and what would be reported under the new standard.

PIZZA FORUM® LLC

PIZZA FORUM® LLC FRANCHISE AGREEMENT

EXHIBIT "C"

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PIZZA FORUM ® LLC
FRANCHISE AGREEMENT

THIS AGREEMENT is made and entered into _______________, 20___, between Pizza Forum® LLC, an Indiana company (hereinafter "Company"), and _______________ (hereinafter "Franchisee").

WITNESSETH:

WHEREAS, the Company, as the result of the expenditure of time, skill, effort and money, has developed and owns a distinctive system (hereinafter "System") relating to the establishment and operation of a family-oriented, upscale casual style food operation featuring a specialized menu of appetizers, salads, pizzas, as well as various pasta dishes, pizza shell wraps, sandwiches and other food and beverage items; and

WHEREAS, the distinguishing characteristics of the System include, without limitation, the use of a Proprietary Amusement Enclosure Concept and Design, distinctive exterior and interior design, decor, trade dress, color scheme and furnishings; special recipes and menu items; uniform standards, specifications and procedures for operations; quality and uniformity or products and services offered; procedures for inventory and management control; training and assistance; and advertising and promotional programs; all of which may be changed, improved and further developed by the Company from time to time; and

WHEREAS, the Company identifies the System by means of certain trade names, tag lines, service marks, trademarks, logos, emblems, and indicia of origin, including but not limited to the mark Pizza Forum®, Greek's® Pizzeria and logos, and such other trade names, service marks and trademarks as are now designated (and may hereafter be designated by the Company in writing) for use in connection with the System (hereinafter, referred to as "Proprietary Marks"); and

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

WHEREAS, Franchisee desires to enter into the business of operating an establishment under the Company's System and wishes to obtain a franchise from the Company for that purpose, as well as to receive the training and other assistance provided by the Company in connection therewith; and

WHEREAS, Franchisee understands and acknowledges the importance of the Company's high standards of quality, cleanliness, appearance and service and the necessity of operating the business franchised hereunder in conformity with the Company's standards and specifications as well as the necessity for protecting any proprietary information provided to Franchisee hereunder; and

WHEREAS, Franchisee acknowledges that he has conducted an independent investigation of the business contemplated by this Agreement and recognizes that, like any other business, the nature of the business conducted by Pizza Forum ® LLC, may evolve and change over time, that an investment in Pizza Forum® LLC franchise involves business risks and that the success of the venture is largely dependent upon the business abilities, aggressiveness and efforts of Franchisee; and

WHEREAS, the Company expressly disclaims the making of, and Franchisee acknowledges that he has not received or relied upon, any warranty or guaranty, express or implied, as to the revenues, profits or success of the business venture contemplated by this Agreement. Franchisee acknowledges that he has not received or relied on any representations about the franchise by the Company, or its officers, directors, employees or agents, that are contrary to the statements made in the Company's Franchise Offering Circular or to the terms herein, and further represents to the Company, as an inducement to its entry into this Agreement, that Franchisee has made no misrepresentations to the Company in the application for the franchise granted hereunder.

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

I. GRANT

A. The Company hereby grants to Franchisee, upon the terms and conditions herein contained, the right to do business under and to use the Proprietary Amusement Enclosure Design/Concept, trademarks, tradenames, service marks, tag lines, logos, emblems and indicia of origin of the Franchise, including the System, and Franchisee undertakes the obligation to operate an establishment (hereinafter referred to as "franchised business") and to use solely in connection therewith the Proprietary Marks and the System, as it may be changed, improved and further developed from time to time, only at the approved location as provided in Section I.B.

B. The street address of the Franchised Business is ___________________ ("Approved Location").

C. Except as otherwise provided in this Agreement and in Exhibit “H”, the Company shall not establish, nor license anyone other than Franchisee to establish, any Franchised Business under the System within the Exclusive Territory referred to in Exhibit “H”.

D. Franchisee acknowledges that this franchise is non-exclusive (except that the grant of the Franchise is exclusive within the Exclusive Territory). The grant of this franchise does not imply the grant of rights to any other location or territory. Furthermore, Company reserves for itself the right to sell, within the Exclusive Territory, products and services authorized for Pizza Forum® LLC Franchised Businesses under the Marks or other trademarks, service marks and commercial symbols through dissimilar channels of distribution and pursuant to such terms as Company deems appropriate.

E. Franchisee acknowledges that certain circumstances (Franchisee does not provide adequate customer service), locations, events or market areas within the Exclusive Territory are unique and separate in their character; locations may include the campus of a university or college, a hospital, a public transportation facility, or a government facility (be it federal, state, or other), stadiums or similar sports facilities and amusement parks. The Company and Franchisee agree that (a) the Company shall have the sole right to declare by written notice to Franchisee, at any time, that any such location be developed by Franchisee pursuant to Company's then current form of Franchise Agreement and if the Franchisee fails to or refuses to enter into a Franchise Agreement and pay the then current franchise fees (ex: 2001 initial franchise fee $18,500 + 5% of gross sales) for each additional business site for such location within ninety (90) days of Company's notice to Franchisee (21 days' notice for local events via food truck service), the Company shall have the right to construct and operate, and have the right to franchise others to construct and operate, a Pizza Forum® establishment or food truck at such site regardless of location within the Exclusive Territory and such shall not constitute a conflict or violation under this Agreement; (b) notwithstanding the foregoing, in the event that the development opportunities described in this Section I(E) of the Franchise Agreement include additional or similar sites outside the Exclusive Area, the Company shall not be obligated to offer any rights to Franchisee and the Company shall be free to construct and operate or franchise such business to others; and (c) If Franchisee does not provide adequate customer service within the Exclusive Territory or inadequate customer service otherwise exists within Franchisee's Exclusive Territory, other Franchisees shall be free to provide customer service within the Exclusive Territory from their established franchise location located outside the Exclusive Territory.

II. <u>TERM AND RENEWAL</u>

A. Except as otherwise provided herein, the term of this Agreement shall expire ten (10) years from ______________________, the date on which the Franchise began.

B. Franchisee may, at its desire, apply to renew its franchise for an additional term of ten (10) years, subject to the following conditions which must be met prior to the Company's consideration to renewal;

(1) Franchisee shall give the Company written notice of Franchisee's desire to renew not less than six (6) months nor more than nine (9) months prior to the end of the then-current term;

(2) Franchisee shall make or provide for, in a manner satisfactory to the Company, such renovation and modernization of the franchised premises as the Company may reasonably require, including, without limitation renovation of signs, furnishings, fixtures and decor, both interior and exterior, to reflect the then-current standards, trade dress, and image of the System, and addition of equipment or redesign of the layout of the Franchised Business.

(3) Franchisee shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any agreement between Franchisee or its subsidiaries and affiliates and the Company or its subsidiaries and affiliates; and Franchisee shall have substantially complied with all the terms and conditions of such agreements during the terms thereof.

(4) Franchisee or its subsidiaries and affiliates shall have satisfied all monetary obligations owed by Franchisee to the Company and its subsidiaries and affiliates and shall have timely met those obligations throughout the term of this Agreement.

(5) Franchisee shall present satisfactory evidence that Franchisee has the right to remain in possession of the approved location for the duration of the renewal term of this Agreement.

(6) Franchisee shall execute the Company's then-current form of franchise agreement, such agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement, including without limitation, a higher percentage royalty fee and advertising contribution; and Franchisee shall pay a renewal fee equal to 81.5% of the then-current initial franchise fee, payable in thirty (30) equal, non-interest bearing installments commencing on the effective date of renewal.

(7) Franchisee shall execute a general release, in a form prescribed by the Company, of any and all claims against the Company and its subsidiaries and affiliates, and their respective officers, directors, agents and employees; provided, however, the Company is not released from any liability pertaining to Indiana Code Section 23-2-2.7.

(8) Franchisee shall comply with the Company's then-current qualification and training requirements; provided however, neither Franchisee or Franchisor shall be obliged to re-perform any initial training previously performed at the time of Franchise establishment.

C. If the Company will not renew the Franchise, the Company will provide Franchisee written notice to that effect, stating the reasons for such refusal, no later than ninety (90) days before the expiration of the term of the Franchise. Company reasons for refusal to renew the Franchise agreement will be binding, provided, however, the Company is not released from any liability pertaining to Indiana Code Section 23-2-2.7.

III. <u>SITE SELECTION</u>

If a site for the Franchised Business has not been selected by the Franchisee and approved by the Company at or prior to the time this Agreement is executed, such site shall be selected in accordance with the following provisions, and designated in Exhibit "H" hereto, which site shall be deemed the Approved Location as provided in Section I.B hereof.

A. Prior to the acquisition by lease or purchase of a site for the franchised business, Franchisee shall submit to the Company, in the form prescribed by the Company, the Company's then-current form of Trade Area Evaluation, a market feasibility study for the site, in the form prescribed by the Company, as well as such other information or materials as the Company may reasonably request or require together with a letter of intent or other evidence satisfactory to the Company which confirms the Franchisee's favorable prospects for obtaining the site. The Company may withhold any approval of the site until Franchisee has provided the Company with a letter of intent or other evidence satisfactory to the Company which confirms Franchisee's favorable prospects for obtaining the site. No site shall be deemed approved unless it has been expressly approved in writing by the Company by notice of site approval sent to Franchisee.

B. If Franchisee will occupy the premises of the franchised business under a lease, Franchisee shall furnish to the Company a copy of the executed lease within five (5) days after execution thereof, and, prior to such execution, shall submit such lease to the Company for its written approval. The lease shall include the following terms and conditions:

(1) That the premises shall be used only for the operation of the business franchised hereunder.

(2) That the landlord consents to the Franchisee's use of such Proprietary Amusement Enclosure Design/Concepts, Marks and signage as the Company may prescribe for the franchised business.

(3) That the landlord and Franchisee each agree to furnish the Company with copies of any and all letters and notices sent to each other pertaining to the lease and the premises, at the same time that such letters and notices are sent to the respective party.

(4) That Franchisee may not sublease or assign all or any part of its occupancy rights, or extend the term of or renew the lease, without the Company's prior written consent.

(5) That the Company shall have the right to enter the premises to make any modification necessary to protect the Company's Proprietary Marks, designs or to cure any default under the lease or under this Agreement.

(6) That landlord pre-approves the right of the Company to assume Franchisee's occupancy rights, and the right to sublease, for all or any part of its terms upon Franchisee's default or termination under such lease, or under this Agreement or transfer of the Franchised Business to the Company.

(7) That the landlord shall acknowledge the interest to the Company in the exterior signage about the premises subject to the security interest granted herein and shall waive any interest therein or execute a form of landlord waiver in connection therewith.

(8) That a memorandum of the Lease be recorded in the appropriate recorder's office in the county and state capital in which the Franchised Business is located and a copy of the recording certificate be delivered to the Company.

(9) That the term of the Lease shall be, with options, at least ten (10) years.

(10) If the Franchised Business is to be located in a shopping center, mall or other multi-tenant facility, the landlord agrees that it shall not lease other space within such facility to any food service entity which has games and amusements, pizza and/or pasta items representing more than twenty (20%) percent of its sales or comprising more than twenty (20%) percent of its menu.

A lease provision substantially in the form attached hereto as Exhibit C1 shall meet the requirements of this Section III(B)(1-8),(10).

C. Although the Company has or may examine the lease and approve the site, the examination and approval are not guaranties or warranties, express or implied, of the successful operation or profitability of the Franchised Business operated at such location. The approval indicates only that the Company believes that the premises and the terms of the lease fall within the accepted criteria established by the Company as the same existed at the time of the evaluation.

IV. DUTIES OF THE COMPANY

A. Company shall provide an initial training program prior to the opening of the Franchised Business for one (1) individual (subject to class size, scheduling, etc.) at no expense to the Franchisee, except that all ancillary expenses including without limitation transportation to and from the training site, telephone and fax cost, photocopying, meals, lodging, wages and insurance shall be the sole responsibility of Franchisee. Training will be conducted under a director of Training, either by Mr. Karamesines, an approved manager, or outsourced to a veteran Forum Franchisee, or any affiliate created by a veteran Forum Franchisee whose responsibilities may include actual training, overseeing and coordinating on-site training. There is no tuition cost to the Franchisee in connection with the initial required training program. However, the Company reserves the right to charge reasonable fees for the training of additional individuals, for training materials, telephone and fax cost, photocopying, and for other training programs as Franchisee may request or incur or the Company in its sole discretion makes available or requires thereafter. All training provided by Company shall be subject to the terms set forth in Section II(B)(8), VI.C.(1)(2), D., F. H., S. and IV.C. of this Agreement.

B. Company shall make available, at a charge to Franchisee of $1,500, a schematic layout on a 1/4" or 1/8" inch scale, for use by Franchisee's architect in architect's preparation of Construction Plans. It shall be the responsibility of Franchisee's architect to create the construction documents to be used for submission to all applicable regulatory authorities and from which the Franchised Business will be built.

Further, in the event that Franchisee avails itself of Company's services in the preparation of the schematic layout, it is the sole responsibility of Franchisee and Franchisee's architect to provide Company with critical dimension measurements from which the schematic layout will be prepared. Franchisee acknowledges and agrees that any differential between the critical dimensions provided by Franchisee to Company and actual site conditions are the sole responsibility of the Franchisee and that Company has no liability for any consequences that may arise from such inaccuracy.

C. Company shall provide such on-site pre-opening and opening supervision and assistance as the Company deems appropriate and shall provide such continuing advisory assistance to Franchisee in the operation of the franchised business as the Company deems advisable. Such on-site pre-opening and opening supervision and assistance may be provided by either Mr. Karamesines, an approved manager, or outsourced to a veteran Forum Franchisee, or any affiliate created by a veteran Forum Franchisee whose responsibilities may include actual training, overseeing and coordinating on-site training.

D. Company shall have the right to review and approve or disapprove all advertising and promotional materials which Franchisee proposes to use, pursuant to Sections V.C. and B. hereof.

E. Company shall provide Franchisee upon its completion, on loan, confidential written material, which may consist of more than one volume including without limitation: operations material, training and development material, development material, recipe material, marketing material, facilities material and systems confidential operation materials ("Manual") more fully described in Section VIII hereof.

F. Company may provide to Franchisee, from time to time as the Company deems appropriate, advice and additional written materials concerning techniques of managing and operating the franchised business, including new developments and improvements in equipment, food products, packaging and preparation.

G. Company shall seek to maintain the high standards of quality, appearance and service of the System, and to that end shall conduct, as it deems advisable, inspections of the Franchised Business hereunder, and evaluations of the products sold and services rendered herein.

H. Company shall sell to Franchisee at Company's cost plus a reasonable application of overhead and shipping and handling charges, point of purchase materials and other similar promotional and advertising items.

I. Where through no fault of the Franchisee, the Company no longer supports the Pizza Forum Franchise by not fulfilling obligations identified in the Agreement, then the right to continue to use the then-current Franchise trade names, recipes and systems will not be withheld from the Franchisee for purposes of continuing its operations.

V. <u>FEES</u>

A. Franchisee shall pay to the Company an initial franchise fee of Eighteen Thousand Five Hundred ($18,500) Dollars, payable in full on or before the time of execution of this Agreement by Franchisee, receipt of which is hereby acknowledged.

THE INITIAL FRANCHISE FEE HAS BEEN FULLY EARNED AND IS NONREFUNDABLE IN CONSIDERATION OF ADMINISTRATIVE AND OTHER EXPENSES INCURRED BY THE COMPANY IN GRANTING THIS FRANCHISE AND FOR THE COMPANY'S LOST OR DEFERRED OPPORTUNITY TO FRANCHISE OTHERS.

B. Beginning at the end of the first week, the following Monday or Tuesday of the opening of the Franchised Business for business and continuing each week thereafter during the term hereof, Franchisee shall pay to the Company a continuing weekly royalty fee in an amount equal to five (5%) percent of the gross sales of the Franchised Business, as defined in Section V.E. hereof.

C. Franchisee shall be obligated to expend locally and contribute to advertising funds established by the Company, whether national (hereinafter "National Fund") or regional advertising cooperative ("Regional Fund"), in the aggregate, four (4%) percent of Franchisee's monthly gross sales for advertising and promotional purposes as follows: (1) Franchisee shall pay to the Company, on a monthly basis, for use by the National Fund, the sum of one (1%) percent of Franchisee's gross sales from the franchised business; (2) Franchisee shall make expenditures for local advertising in the amount of three (3%) percent of gross sales, as set forth in Section XI.A. hereof and be obligated to provide a statement that such expenditures were made certified by its chief financial officer, chief operations officer or chief executive officer. Any National or Regional Fund shall be maintained and administered by the Company as provided in Section XI.D. hereof. provided, however, that in the event a Regional Fund is formed in Franchisee's market area as defined by the Company, up to two and one-half (2-1/2%) percent of gross sales shall be contributed to such Regional Fund and one-half (1/2%) percent of gross sales shall be spent on local advertising. All advertising by the Franchisee shall be subject to the approval of the Company as to form and content. Franchisee acknowledges and agrees that the Company may in its sole discretion increase the aggregate advertising contribution from four (4%) percent to five (5%) percent to be allocated nationally or regionally in the sole discretion of the Company.

D. All weekly payments required by this Section V. shall be paid by the first or second day of each week on the gross sales for the preceding calendar week, and shall be submitted to the Company at the address provided under Section XIX hereof or by any other means as the Company may designate, together with any reports or statements required under Section X hereof. Any payment or report not actually received by the Company on or before such dates shall be deemed overdue. If any payment is overdue, Franchisee shall pay the Company, in addition to the overdue amount, interest on such amount from the date it was due until paid at the rate of eighteen (18%) percent per annum, or the maximum rate permitted by law, whichever is less. Entitlement to such interest shall be in addition to any other remedies the Company may have. If a claim or suit is brought by Company for the recovery of any payment due under this Section V or other breach thereof, Franchisee agrees to pay all costs and reasonable attorney's fees incurred in connection with said suit, whether or not the suit proceeds to judgment, including but not limited to all reasonable attorney's fees incurred by Company in any garnishment, post-judgment or appellate proceedings. Company hereby reserves the right to require Franchisee to make payments required hereunder by electronic transfer of funds.

E. As used in this Agreement, "gross sales" shall include all revenue from the sale of all services and products and all other income of every kind and nature related to the franchised business, whether for cash or credit and regardless of collection in the case of credit; provided, however, that "gross sales" shall not include any sales taxes or other taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority, customer refunds, credits and allowances actually made by the Franchised Business, employee discounts, the discounted value of payment by coupon from a Company-approved coupon program, or sales of retail items sold to the Franchisee by the Company.

F. Notwithstanding any designation by the Franchisee, the Company has the sole discretion to apply any payments made by the Franchisee to any of Franchisee's past indebtedness for royalties, advertising fund, contributory purchases from the Company or its affiliates, interest or any other indebtedness.

VI. DUTIES OF FRANCHISEE

A. Franchisee understands and acknowledges that every detail of the franchised business is important to Franchisee, the Company, and other franchisees in order to develop and maintain high operating standards to increase the demand for the services and products sold by all franchisees, and to protect the Company's reputation and goodwill.

Furthermore, the Franchisee understands and acknowledges to have sole authority and control over day-to-day franchise operations in general and franchise employees in particular, including, but not limited to, training, wages, benefits, vacations, safety, work schedules and specific tasks.

B. Before commencing any construction of the Franchised Business, Franchisee, at its expense, shall comply, to the Company's satisfaction, with all of the following requirements:

(1) Franchisee shall employ a qualified architect or engineer who is reasonably acceptable to the Company to prepare, for the Company's approval, one-quarter (1/4") inch scale dimensional floor plans for site improvements based upon a schematic layout, such schematic to be provided, at Franchisee's expense, by Company or other contractor.

(2) Franchisee shall be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which may be necessary or advisable owing to any restrictive covenants relating to Franchisee's location. After having obtained such approvals and clearances, Franchisee shall submit to the Company, for the Company's approval, final plans for construction based upon the approved dimensional floor plan and specifications. Once approved by the Company, such final plans shall not thereafter be changed or modified without the prior written permission of the company.

(3) Franchisee shall obtain all permits and certifications required for the lawful construction and operation of the Franchised Business and shall certify in writing or submit copies to the Company that all such permits and certifications have been obtained.

(4) Franchisee shall employ a qualified licensed general contractor who is reasonably acceptable to the Company to construct the Franchised Business and to complete all improvements. Franchisee shall obtain and maintain in force during the entire period of construction the insurance required under Section XII of the Franchise Agreement.

C. Before commencing operations, Franchisee shall construct and furnish the Franchised Business in accordance with the provisions and schedule set forth in this Section VI. Time is of the essence. Prior to opening the Franchised Business to the public, Franchisee shall comply with all pre-opening requirements set forth in this Agreement, the Manuals or elsewhere in writing by the Company and comply with the following requirements:

(1) Franchisee shall, as one of the aforementioned pre-opening requirements, attend the Company's approved or Company-certified training program, the successful completion of which is required prior to the Franchised Business's opening.

(2) The Company will dispatch a representative within ten (10) days of notice from Franchisee that all requirements set forth in this Section VI have been met.

Franchisee acknowledges and agrees that the Company will not dispatch its pre-opening staff to Franchisee's location until Franchisee, its CEO, COO or CFO certifies in writing that it has received all permits necessary to operate including but not limited to, a certificate of occupancy and health permits, as well as a warrant of roster if applicable.

And further, Franchisee acknowledges and agrees that, in accordance with the Pizza Forum® System governing pre-opening and opening procedures, it will open the Franchised Business only on a Tuesday, and in any event not during the period beginning sixteen (16) days before Christmas and ending twenty-one (21) days after Christmas.

(3) Franchisee further acknowledges and agrees that it will not commence operations without the express written consent of the Company which consent will not be unreasonably withheld, however, such approval will not be conferred in the absence of all immediate approvals, including without limitation insurance, training, plans, permits, layouts and equipment.

(4) Franchisee shall notify the Company of the date of completion of construction and, within a reasonable time thereafter, the Company shall conduct a final inspection of the Franchised Business and its premises. Franchisee acknowledges and agrees that Franchisee shall not open the Franchised Business for business without the express written authorization of the Company ("Opening Approval Letter"), and that the Company's authorization to open shall be conditioned upon Franchisee's strict compliance with the specifications of the approved final plans and with the standards of the System.

(5) Franchisee shall open the Franchised Business for business within fifteen (15) days of the date of the Opening Approval Letter. The parties agree that time is of the essence in the construction and opening of the Franchised Business.

(6) Franchisee shall open the Franchised Business in compliance with all obligations set forth in Section VI.B., C. and D.

D. Prior to the opening of the Franchised Business, the Franchisee or an individual designated by the Franchisee shall attend and complete to the Company's satisfaction any initial training program which may be offered by the Company. At the Company's option, any persons subsequently employed by Franchisee in the position of manager shall also attend the Company's initial training program. Franchisee, if Franchisee is an individual, and Franchisee's manager and other employees shall also attend such refresher courses, seminars and other training programs as the Company may reasonably require from time to time. The Company, in its sole discretion, may determine that additional personnel may be required to attend and successfully complete its training program. Franchisee shall maintain on its payroll at all times a general manager and manager (or such other personnel as the Company, in its sole discretion may require), all of whom shall have attended and successfully completed Company's approved, or a Company certified, training program.

E. Franchisee agrees to conduct a grand opening advertising and promotional program not earlier than thirty (30) nor later than sixty (60) days after the opening of the Franchised Business, the actual dates of such grand opening to be determined by Franchisee after consultation with the Company. Franchisee agrees to expend Twenty-five Hundred to Ten Thousand ($2,500-$10,000) Dollars (depending upon the size of market area) for the grand opening program, such funds to be deposited with the Company concurrent with the execution of this Agreement for the benefit of the Franchisee until such time as they have been disbursed exclusively for grand opening expenses or, in the event that Franchisee fails to conduct its grand opening as required in this Agreement, the funds deposited with the Company will be forfeited without notice and become an asset of the System's National Advertising Fund. The grand opening program shall conform to the Company's requirements and shall utilize the media and advertising formats designated by the Company. Franchisee shall submit vendor invoices for grand opening expenses to the Company for direct payment within ninety (90) days of the commencement of grand opening. On the 90th day following commencement of the grand opening, any and all remaining funds will be forfeited without notice and become as asset of the System's National Fund.

F. For all initial and subsequent training courses, seminars and programs, Franchisee or its employees shall be responsible for any expenses incurred by them in connection with any such courses, seminars and programs, including, without limitation, the costs of transportation, lodging, meals and any wages. No tuition charges will be assessed for the initial training of one (1) individual.

G. Franchisee shall use the Franchised Business premises solely for the operation of the business franchised hereunder; shall keep the business open and in normal operation for such hours and days as the Company may from time to time specify in the Manuals or as the Company may otherwise specify or approve in writing, and such hours shall be adhered to and clearly displayed on the entry windows or doors. Franchisee shall refrain from using or permitting the use of the premises for any other purpose or activity at any time.

H. Franchisee agrees to maintain a competent, conscientious, trained staff, including a fully-trained full-time manager and general manager, one of which must have one year's experience in the casual dining business; and to take such steps as are reasonably necessary to ensure that its employees preserve good customer relations and comply with such dress code as the Company may reasonably prescribe.

I. Franchisee shall meet and maintain the highest health standards and ratings applicable to the operation of a food facility. Franchisee shall furnish to the Company, within five (5) days after thereof, a copy of any inspection report, warning, citation, certificate and/or rating applicable to the health and safety standards in the operation of the Franchised Business.

J. Franchisee shall maintain the Franchised Business in a high degree of sanitation, repair and condition, and in connection therewith shall make such additions, alterations, repairs and replacements thereto (but no others without the Company's prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment and decor as the Company may reasonably direct.

K. At the Company's request, which shall not be more often than once every five (5) years, Franchisee shall refurbish the Franchised Business at its expense to conform to the building design, trade dress, color schemes, presentation of the Proprietary Marks and equipment requirements in a manner consistent with the standards then in effect for new franchises under the System, including, without limitation, structural changes, remodeling, redecoration and modifications to existing improvements.

L. To insure that the highest degree of quality and service is maintained, Franchisee shall operate the Franchised Business in strict conformity with such methods, standards and specifications as the Company may from time to time prescribe in the Manual or otherwise in writing. Franchisee agrees:

(1) To maintain in sufficient supply, and to use and/or sell at all times, only and all such menu items, ingredients, products, materials, supplies and paper goods as conform with the Company's standards and specifications, and to refrain from deviating therefrom by the use or offer of non-conforming items, without the Company's prior written consent.

(2) To sell or offer the sale only and all such menu items, products and services as have been expressly approved or required for sale in writing by the Company; to sell or offer for sale all types of menu items, products and services specified by the Company; to refrain from any deviation from the Company's standards and specifications without the Company's prior written consent; and to discontinue selling and offering for sale any menu items, products or services which the Company may, in its discretion, disapprove in writing at any time.

(3) To offer and sell all menu items, products and services to customers at prices (not too low or too high!) that will not affect franchisee, other franchisees or the Company’s profits and image.

(4) To permit the Company or its agents, at any reasonable time, to remove samples of food or non-food items from Franchisee's inventory, or from the Franchised Business, without payment thereof, in amounts reasonably necessary for testing by the Company or an independent laboratory to determine whether said samples meet the Company's then-current standards and specifications. In addition to any other remedies it may have under this Agreement, the Company may require Franchisee to bear the cost of such testing if the supplier of the item has not previously been approved by the Company or if the sample fails to conform with the Company's specifications.

(5) To purchase and install, at Franchisee's expense, all fixtures, furnishings, equipment, hardware and software and point of sale equipment meeting Company's specifications, decor and signs as the Company may reasonably direct from time to time in the Manual or otherwise in writing; and to refrain from installing or permitting to be installed on or about the Franchised Business premises, without the Company's prior written consent, any fixtures, furnishings, equipment, decor, signs, games, amusements, vending machines or other items nor previously approved as meeting the Company's standards and specifications.

(6) To sell or offer for sale products and services only at the Franchised Business and not to engage either directly or indirectly in off-premises sales, catering, or delivery unless approved by Pizza Forum ® in advance and in writing.

(7) To participate in the testing and development of new menu items that may be developed or conceived by the Company.

(8) To pay all vendors and purveyors in a timely manner so as not to impair the reputation of the Company, other franchisees or otherwise impair the Marks.

M. Franchisee shall purchase all food items, ingredients, supplies, materials and other products used or offered for sale at the Franchised Business solely from suppliers (including manufacturers, distributors and other sources) who demonstrate, to the continuing reasonable satisfaction of the Company, the ability to meet the Company's then-current standards and specifications for such items; who possess adequate quality controls and capacity to supply Franchisee's needs promptly and reliably; and who have been approved in writing by the Company prior to any purchases by Franchisee from any such supplier, and have not thereafter been disapproved. If Franchisee desires to purchase any products from an unapproved supplier, Franchisee shall submit to the Company a written request for such approval, or shall request the supplier itself to do so. Franchisee shall not purchase from any supplier until and unless such supplier has been approved in writing by the Company. The Company shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to the Company or to an independent laboratory designated by the Company for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by Franchisee or the supplier. Such testing will be conducted by the Company within 30 days. The Company may also require that the supplier comply with such other requirements as the Company may deem appropriate, including payment of reasonable continuing inspection fees and administrative costs. The Company reserves the right, as its option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of the Company's then-current criteria. Nothing in the foregoing shall be construed to require the Company to approve any particular supplier.

N. Franchisee acknowledges and agrees that the Company may develop for use in the System certain products which are highly confidential secret recipes and which are trade secrets of the Company. Because of the importance of quality and uniformity of production and the significance of such products in the System, it is to the mutual benefit of the parties that the Company closely control the production and distribution of such products. Accordingly, Franchisee agrees that, in the event such products are or become a part of the System, Franchisee shall use only the Company's secret recipe products and shall purchase from the Company or from a source designated by the Company all of Franchisee's requirements of such products.

O. Franchisee shall require all advertising and promotional materials, signs, decorations, paper goods (including disposable food containers, napkins, menus and all forms and stationery used in the franchised business), and other items which may be designated by the Company to bear the Proprietary Marks in the form, color, location and manner prescribed by the Company. When using any of our proprietary marks, you must display the appropriate ® or J mark accordingly. All such items referred to in this section must be submitted to the Company for approval and must meet Company's specifications regarding design, materials and manufacture.

P. Franchisee shall grant the Company and its agents the right to enter upon the Franchised Business premises at any time for the purpose of conducting inspections; shall cooperate with the Company's representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from the Company or its agents and without limiting the Company's other rights under this Agreement, shall take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Should Franchisee, for any reason, fail to correct such deficiencies within a reasonable time as determined by the Company, the Company shall have the right and authority (without, however any obligation to do so), to correct such deficiencies and to charge Franchisee a reasonable fee for the Company's expenses in so acting, payable by Franchisee immediately upon demand.

Q. In the event Franchisee is a corporation, the following requirements shall also apply to Franchisee:

(1) Franchisee shall be newly organized and its charter shall at all times provide that its activities are confined exclusively to operating the business franchised herein.

(2) Copies of Franchisee's Articles of Incorporation, By-Laws and other governing documents, and any amendments thereto, including the resolution of the Board of Directors authorizing entry into this Agreement shall be furnished to the Company concurrent with execution of this Agreement or promptly following incorporation subsequent to entering into this Agreement.

(3) Franchisee shall maintain stop-transfer instructions against the transfer on its records of any equity securities; and each stock certificate of Franchisee shall have conspicuously endorsed upon its face a statement in a form satisfactory to the Company that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignment by this Agreement.

(4) Franchisee shall maintain a current list of all owners of record and all beneficial owners of any class of voting securities of Franchisee and shall furnish the list to the Company upon request.

(5) All ten (10%) percent or more shareholders of Franchisee or shareholders, officers and directors involved in the operation of the business shall execute a Covenants Agreement in the form attached hereto as Exhibit "F."

R. A Franchisee which is a partnership shall comply, except as otherwise approved in writing by the Company, with the following requirements throughout the term of this Agreement:

(1) Franchisee shall furnish the Company with its partnership agreement as well as such other documents as the Company may reasonably request, and any amendments thereto concurrent with the execution of this agreement or promptly following formation of a partnership subsequent to entering into this Agreement.

(2) Franchisee shall prepare and furnish to the Company, upon request, a list of all general and limited partners in Franchisee.

(3) Any general partner, ten (10%) percent or more limited partners, limited partners active in business franchised hereunder, any officer, director and shareholder of a corporate general partner shall execute and deliver to the Company a fully executed Covenants Agreement in the form attached hereto as Exhibit "F."

S. Any employee, officer, director or equity owner who is to be exposed to any of the Company's confidential materials or who attends the Company's training program shall execute the Covenants Agreement.

T. Franchisee shall comply with all other requirements set forth in this Agreement.

U. Franchisee shall establish and maintain in force arrangements with any and all credit and debit card issuers, check verification services and electronic fund transfer systems including such equipment and telephone line(s) as may be required to maintain such services and systems as the Company requires in its sole discretion. Further, Franchisee may utilize only such methods of payment which the Company authorizes or approves. Franchisee shall, at its expense, establish and maintain at the business franchised hereunder a dedicated telephone line and telephone modem such that Company may access Franchisee's computer and register system as required in Section X.B. hereof.

V. Franchisee shall not engage in any business other than the development and operation of Pizza Forum ® pursuant to this Agreement and any other agreements with the Company.

W. In order to further secure Franchisee's performance of the covenants set forth in this Agreement including, but not limited to the payment of royalties and advertising fees, concurrent herewith Franchisee shall execute and deliver to the Company the Security Agreement attached hereto as Exhibit "E." The Security Agreement grants to the Company a first lien security interest in the exterior signage, telephone and fax lines, and other property used by Franchisee in the Franchised Business.

VII. MARKS, DESIGNS AND CONCEPTS

A. Ownership and Goodwill of Proprietary Amusement Enclosure Design/ Concept and Marks. Franchisee acknowledges that the Company owns the Proprietary Marks and that Franchisee has no interest whatsoever in or to the Proprietary Amusement Enclosure Design/Concept and Marks and that Franchisee's right to use the Proprietary Amusement Enclosure Design/Concept and the Marks is derived solely from this Agreement and is limited to the conduct of its business pursuant to and in compliance with this Agreement and all applicable specifications, standards and operating procedures prescribed by the Company from time to time during the term of the Franchise. Any unauthorized use of the Proprietary Amusement Enclosure Design/Concept and the Marks by Franchisee shall constitute an infringement of the rights of the Company and to the Proprietary Amusement Enclosure Design/Concept and the Marks.

Franchisee agrees that all usage of the Proprietary Amusement Enclosure Design/ Concept and the Marks by Franchisee and any goodwill established thereby shall inure to the exclusive benefit of the Company and Franchisee acknowledges that this Agreement does not confer any goodwill or other interests in the Proprietary Amusement Enclosure Design/Concept and the Marks upon Franchisee. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Proprietary Amusement Enclosure Design/Concept and the Marks or assist any other person in contesting the validity or ownership of any of the Proprietary Amusement Enclosure Design/Concept and the Marks.

Franchisee shall not use any Proprietary Marks as part of any corporate or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form, nor may Franchisee use any of the Proprietary Amusement Enclosure Design/Concept and the Marks in connection with any business or activity, other than the business conducted by Franchisee pursuant to this Agreement, or in any manner not explicitly authorized in writing by the Company. Any unauthorized use of the Proprietary Amusement Enclosure Design/Concept and the Marks by the Franchisee shall constitute an infringement of the rights of the Company and to the Proprietary Amusement Enclosure Design/Concept and the Marks, and further, failure to strictly comply with any and all provisions regarding use of the Proprietary Amusement Enclosure Design/Concept and the Marks in this Section VII shall be a breach of this Agreement and be grounds for termination of this Agreement without the opportunity to cure as more fully set forth in Section XIV.

All provisions of this Agreement applicable to the Proprietary Amusement Enclosure Design/Concept and the Marks shall apply to any additional trademarks, service marks, logo forms and commercial symbols hereafter authorized for use by and licensed to Franchisee pursuant to the Franchise.

B. Limitations on Franchisee's Use of Proprietary Amusement Enclosure Design/Concept and Proprietary Marks. Franchisee agrees to use the Proprietary Amusement Enclosure Design/Concept and the Marks as the sole identification of the Franchised Business, provided that Franchisee shall identify himself as the independent owner thereof in the manner prescribed by the Company. Franchisee agrees to display the Proprietary Amusement Enclosure Design/Concept and the Marks prominently and in the manner prescribed by the Company on signs, menus and forms. Franchisee agrees to display the appropriate notice; ®, J, upon use of such Proprietary marks. Further, Franchisee agrees to give such notices of trademark and service mark registrations and copyrights as the Company specifies and to obtain such fictitious of assumed name registrations as may be required under applicable law.

If it becomes advisable at any time, in the Company's sole discretion, for the Company and/or Franchisee to modify or discontinue use of any Proprietary Amusement Enclosure Design/Concept and Marks, and/or use one or more additional or substitute design concepts, trademarks or service marks, Franchisee agrees to comply therewith within a reasonable time after notice thereof by Company.

C. Notification of Infringement and Claims. Franchisee shall notify the Company immediately in writing of any apparent infringement of or challenge to Franchisee's use of any Proprietary Amusement Enclosure Design/Concept and Marks, or claim by any person of any rights in any Proprietary Marks or any similar trade name, tag line, trademark or service mark of which Franchisee becomes aware. Franchisee shall not communicate with any person other than the Company and its counsel in connection with any such infringement, challenge or claim. The Company shall have sole discretion to take such action as it deems appropriate and the right to exclusively control any litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Proprietary Amusement Enclosure Design/Concept and Marks. Franchisee agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of the Company's counsel, be necessary or advisable to protect and maintain the interests of the Company in any such litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding or to otherwise protect and maintain the interests of the Company in the Proprietary Amusement Enclosure Design/Concept and the Marks.

D. Indemnification of Franchisee. The Company agrees to indemnify Franchisee against, and to reimburse Franchisee for, all damages for which he is held liable in any proceeding in which Franchisee's use of any Proprietary Marks pursuant to and in compliance with this Agreement is held to constitute trademark infringement, unfair competition or dilution, and for all costs reasonably incurred by Franchisee in the defense of any such claim brought against it or in any such proceeding in which it is named as a party, provided that Franchisee has timely notified the Company of such claim or proceeding, has otherwise complied with this Agreement and has tendered complete control of the defense of such to the Company. If the Company defends such claim, the Company shall have no obligation to indemnify or reimburse Franchisee with respect to any fees or disbursements of any attorney retained by Franchisee.

E. Discontinuance of Use of Proprietary Designs, and Marks.
If is becomes advisable at any time, in the Company's sole discretion, for the Company and/or Franchisee to modify or discontinue use of any Proprietary Designs or Marks, and/or use one or more additional or substitute trademarks, tag lines, or service marks, Franchisee agrees to comply therewith within a reasonable time after notice thereof by the Company, and the sole liability and obligation of the Company in any such event shall be to reimburse Franchisee for the out-of-pocket costs of complying with this obligation.

VIII. CONFIDENTIAL OPERATION MATERIALS ("MANUAL")

A. In order to protect the reputation and goodwill of the Company and to maintain high standards of operation under the Company's Proprietary Designs or Marks, Franchisee shall conduct its business in accordance with oral and written materials ("Manual") currently under revision (which may include, without limitation, Recipe Material, Development Material, Training Material, and all similar material) of which Franchisee will acknowledge having received on loan from the Company for the term of this Agreement. Franchisee acknowledges and agrees that the Company may, in its sole discretion, modify or replace the Manuals and Franchisee further agrees to conduct its business with the Company's then-current Manuals on all its terms.

B. Franchisee shall at all times treat the Manuals, any other manuals created for or approved for use in the operation of the franchised business, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time copy, duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

C. The Manuals shall at all times remain the sole property of the Company and shall at all times be kept in a secure place on the Franchised Business premises.

D. The Company may from time to time revise the contents of the Manuals, and Franchisee expressly agrees to comply with each new or changed standard.

E. Franchisee shall at all times maintain the Manuals at the Franchised Business and insure that the Manuals are kept current and up to date; and, in the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by the Company at the Company's home office shall be controlling.

F. Franchisee adopts all or any part of the manuals solely at their discretion.

IX. CONFIDENTIAL INFORMATION

A. Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, persons, partnership, association or corporation any confidential information, knowledge or know-how concerning the methods of operation of the business franchised hereunder which may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation under the terms of this Agreement. Franchisee shall divulge such confidential information only to such of its employees as must have access to it in order to operate the franchised business. Any and all information, knowledge, know-how, and techniques which the Company designated as confidential shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention prior to disclosure thereof by the Company; or which, at or after the time of disclosure by the Company to Franchisee, had become or later becomes a part of the public domain, through publication or communication by others.

B. Franchisee shall require all personnel, as a condition of employment, to execute covenants that they will maintain the confidentiality of all information, written and verbal, which they receive in connection with their employment by Franchisee at the Franchised Business. Such covenants shall be in a form satisfactory to the Company, including, without limitation, specific identification of the Company as a third party beneficiary of such covenants with the independent right to enforce them. Franchisee agrees to provide the Company with a statement certified by its chief financial officer, chief executive officer or chief operating officer that all individuals employed by Franchisee during its fiscal year executed such nondisclosure agreements, such statement to be delivered concurrently with Franchisee's audited annual sales report.

C. If Franchisee fails to comply with the requirements of this Section IX, the Company may seek all court costs and reasonable attorney's fees incurred by the Company in seeking specific performance of, or an injunction against violation or, the requirements of this Section IX in addition to any other claims to which the Company may be entitled.

D. All copyrights in confidential information (including, but not limited to, the confidential operation materials ["Manual"]) and in promotional, advertising and other materials, and any and all discoveries, inventions, ideas and/or improvements (whether or not patentable or copyrightable) relating to a Pizza Forum ® or Greek's ® Pizzeria, whether created by Franchisee, its owners (if the Franchisee is a corporation or partnership) or their agents and independent contractors, shall be promptly disclosed by Franchisee to the Company and shall be the Company's sole and exclusive property and, if applicable, deemed to be works made-for-hire for the Company. Franchisee and its owners (if applicable) will execute, and cause their agents and independent contractors to execute, whatever assignment or other documents the Company requests to evidence the Company's ownership or to assist the Company in obtaining copyright registrations or patent rights. Franchisee and its owners (if applicable) will use such items solely in connection with activities permitted in this Agreement and will not use any substantially similar material for any purpose during or after the term of this Agreement.

X. ACCOUNTING RECORDS

A. Franchisee shall maintain during the term of this Agreement and shall preserve for at least three (3) years from the dates of their preparation, full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles or in the form and manner prescribed by the Company from time to time in writing.

B. Franchisee shall submit to the Company, at the address provided under Section XIX hereof, in care of the "Treasurer", no later than the tenth (10th) day of each month during the term of this Agreement after the opening of the franchised business, a remittance report, in the form prescribed by the Company, accurately reflecting all gross sales during the preceding calendar month, and such other data or information as the Company may require. In particular, and without limiting the foregoing, Franchisee shall submit a monthly and fiscal year-to-date profit and loss statement (which may be unaudited) for the franchised business, and shall submit copies of all state sales tax returns for the franchised business, such monthly and year-to-date profit and loss statements to be delivered on a form and format specified by the Company.

The Company reserves the right and Franchisee agrees to comply with the requirements that Franchisee adopt such fiscal periods as Company may determine from time to time in its sole discretion. Franchisee shall comply with such requirement for its next fiscal year upon ninety (90) days of notice from the Company.

Further, at the request of the Company, Franchisee agrees to purchase at its expense and utilize such electronic equipment and software as the Company may specify including without limitation cash registers, computers and communications devices in connection with its operations of the franchised business and communications with the Company.

C. Franchisee shall, at Franchisee's expense, submit to the Company, in the form prescribed by the Company, a quarterly balance sheet (which may be unaudited) within fifteen (15) days after the end of each quarter of the fiscal year of the franchised business during the term hereof. Each such statement shall be signed by Franchisee or by Franchisee's treasurer or chief financial officer attesting that it is true and correct.

D. Franchisee shall, at its expense, provide to the Company a complete audited annual sales report, the format of which shall be provided by the Company, and reviewed financial statements including profit and loss statements, balance sheets and statements of cash flow on a calendar year basis prepared by an independent certified public accountant satisfactory to the Company, within ninety (90) days after the end of each fiscal year of the franchised business during the term hereof, showing the results of operations of the franchised business during said fiscal year.

E. Franchisee shall also submit to the Company, for review or auditing, such other forms, reports, records, information and data as the Company may reasonably designate, in the form and at the times and places reasonably required by the Company, upon request and as specified from time to time in the Manual or otherwise in writing.

F. The Company or its designated agents shall have the right at all reasonable times to enter and inspect Franchisee's place of business and to examine and copy, at the Company's expense, the Franchisee's books, records and tax returns, including but limited to Franchisee's "point of sale" system and software programs. Franchisor may additionally access Franchisee's books and records via transmission lines, telephone modems or other means of direct communication between Franchisee's computer system and Franchisor. Franchisor shall have the unrestricted right to review all records by computer communications. The Company shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If an inspection should reveal that any payments have been understated in any report to the Company, then Franchisee shall immediately pay to the Company the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of eighteen (18%) percent per annum, or the maximum rate permitted by law, whichever is less. If an inspection discloses an understatement in any report of two (2%) percent or more of Franchisee's gross sales, Franchisee shall, in addition, reimburse the Company for any and all costs and expenses connected with the inspection (including, without limitation, travel, lodging and wage expenses, and reasonable accounting, collection and legal costs). The foregoing remedies shall be in addition to any other remedies the Company may have for breach of this Agreement or otherwise.

XI. ADVERTISING

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

A. Franchisee shall spend not less than three (3%) percent of its monthly gross sales on local advertising and promotion; provided, however, that the required minimum amount shall be reduced by any contribution to a regional advertising Cooperative made by Franchisee pursuant to Section XI.D hereof, but not by any payments made to the National Advertising Fund pursuant to Section V.C hereof.

B. All local advertising and promotion by Franchisee in any medium shall be conducted in a dignified manner and shall conform to the standards and requirements of the Company as set forth in the Manuals or otherwise. Franchisee shall obtain the Company's prior approval of all advertising and promotional plans and materials that Franchisee desires to use and that have not been prepared or previously approved by the Company within one (1) year. Franchisee shall submit such unapproved plans and materials to the Company (by personal delivery or through the mail, return receipt requested), and the Company shall approve or disapprove such plans and materials within fifteen (15) days from the date of receipt thereof by the Company. Franchisee shall use no such plans or materials until they have been approved by the Company and shall promptly discontinue use of any advertising or promotional plans or materials upon notice from the Company.

C. Franchisee agrees to make contributions to the National Fund as required under Section V.C hereof, and agrees that the National Fund shall be maintained and administered by the Company as follows:

(1) The Company shall oversee all advertising and promotional programs with sole discretion to approve or disapprove the creative concepts, materials and media used in such programs, and the placement and allocation thereof. Franchisee agrees and acknowledges that the National Fund is intended to maximize general public recognition, acceptance and use of the Proprietary Designs and Marks for the benefit of the System, and that the Company undertake no obligation in administering the National Fund to make expenditures for Franchisee which are equivalent or proportionate to its contribution, or to ensure that any particular franchisee benefits directly or *pro rata* from the advertising or promotion conducted under the National Fund.

(2) As provided in Section V.C hereof, Franchisee shall pay to the Company for the National Fund a monthly advertising contribution of one (1%) percent of Franchisee's gross sales from the franchised business in addition to the local advertising contribution to any Regional Fund. The Company shall, for each of its company-owned establishments, make contributions to the National Fund on the same basis as assessments required of comparable franchisees within the System.

(3) The National Fund, all contributions thereto, and any earnings thereon shall be used exclusively to meet any and all costs of maintaining, administering, directing and preparing advertising and/or promotional activities (including, among other things, the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; marketing surveys and other public relations activities; employing advertising agencies to assist therein; and providing promotional brochures and other marketing materials to the establishments operated under the System).

(4) Franchisee shall contribute to the National Fund by separate check made payable to the National Fund. All sums paid by Franchisee to the National Fund shall be maintained in an account separate from the other monies of the Company and shall not be used to defray any of the Company's expenses, except for such reasonable administrative costs and overhead, if any as the Company may incur in activities reasonably related to the administration or direction of the National Fund and advertising programs for franchisees and the System. The National Fund and its earnings shall not otherwise inure to the benefit of the Company. The Company shall maintain separate bookkeeping accounts for the National Fund.

(5) It is anticipated that all contributions to and earnings of the National Fund shall be expended for advertising and/or promotional purposes during the taxable year within which the contributions and earnings are received. If, however, excess amounts remain in the National Fund at the end of such taxable year, all expenditures in the following taxable year(s) shall be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions.

(6) The National Fund shall not be an asset of the Company. A statement of the operations of the National Fund as shown on the books of the National Fund shall be prepared annually by an independent certified public accountant selected by the Company and shall be made available to Franchisee upon request.

(7) Although the National Fund will be intended to be of perpetual duration, the Company will maintain the right to establish or terminate the National Fund at its sole discretion. The National Fund shall not be terminated, however, until all monies in the National Fund have been expended for advertising and/or promotional purposes or refunded to Franchisees *pro rata*.

D. Franchisee agrees that the Company shall have the right, in its discretion, to designate any geographical area for purposes of establishing a Cooperative. If a Cooperative has been established applicable to the franchised business at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Cooperative. If a Cooperative applicable to the franchised business is established at any later time during the term of this Agreement, Franchisee shall become a member of such Cooperative no later than thirty (30) days after the date on which the Cooperative commences operation. In no event shall Franchisee be required to be a member of more than one Cooperative as to a particular franchise. The following provisions shall apply to each Cooperative:

(1) Each Cooperative shall be organized and governed in a form and manner, and shall commence operation on a date, approved in advance by the Company in writing.

(a) Each Cooperative shall be organized for the exclusive purposes of administering regional advertising programs and developing, subject to the Company's approval, standardized promotional materials for use by the members in local advertising.

(b) No advertising or promotional plans or materials may be used by a Cooperative or furnished to its members without the prior approval of the Company. All such plans and materials shall be submitted to the Company in accordance with the procedure set forth in Section XI.B hereof.

(c) Each Cooperative shall have the right to require its members to make contributions to the Cooperative in such amounts as are determined by the Cooperative; provided, however, that franchisee shall be required to contribute to any Cooperative not more than two and one-half (2-1/2%) percent of its monthly gross sales. Any contributions to such cooperative will be credited against Franchisee's obligation to spend three (3%) percent of its gross monthly sales on local advertising.

(d) Each member franchisee shall submit to the Cooperative, no later than the fifteenth (15th) day of each month, for the preceding calendar month, its contribution as provided in Section XI.D(1)(c) hereof, together with such other statements or reports as may be required by the Company or by the Cooperative with the Company's prior written approval.

(2) After formation of a Cooperative in accordance with the provisions of Section XI.D Franchisee acknowledges and agrees that it is subject to the Cooperative's By-Laws (and that the Company has neither authority nor responsibility for the Cooperative's actions).

XII. INSURANCE

A. Franchisee shall procure, prior to the commencement of construction under this agreement, and shall maintain in full force and effect at all times during the term of this Agreement at Franchisee's expense, an insurance policy or policies protecting Franchisee, the Company, and respective officers, directors, partners and employees, against any demand or claim with respect to personal injury, death or property damage, or any loss, liability, or expense whatsoever arising or occurring upon or in connection with the franchised business. Such policy or policies shall be issued by insurers rated A+ by AM Best and Company, Inc. and shall include, at a minimum (except as additional coverage and higher policy limits may reasonably be specified by the Company from time to time), in accordance with standards and specifications set forth in the Manual or otherwise in writing, the following:

(1) Comprehensive General Liability Insurance, including broad form contractual liability, broad form property damage, personal injury, completed operations, products liability, fire legal liability and liquor liability in the amount of One Million ($1,000,000) Dollars combined single limit, and naming the Company as an additional insured in each such policy or policies.

(2) "All Risks" coverage for the full cost of replacement of the Franchised Business premises and all other property in which the Company may have an interest, with a replacement cost clause attached, agreed amount endorsement equal to one hundred (100%) percent of the value of the property.

(3) Employer's Liability, Worker's Compensation, dramshop, and such other insurance as may be required by statute or rule of the state or locality in which the franchised business is located and operated.

(4) Business interruption insurance, in an amount equal to fifty (50%) percent of Franchisee's annual gross earnings, excluding ordinary payroll expenses.

(5) Franchisee may, with the prior written consent of the Company, elect to have reasonable deductibles in connection with the coverage required under Sections XII.A(1) and (2) hereof.

B. Franchisee's obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by the Company, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section XVII.C of this Agreement.

C. All public liability and property damage policies shall contain a provision that the Company and the other insured parties, although named as additional insured, shall nevertheless be entitled to recover under said policies on any loss occasioned to the Company or its servants, agents or employees by reason of the negligence of Franchisee or its servants, agents or employees.

D. At least thirty (30) days prior to the time any insurance is first required to be carried by Franchisee, and thereafter at least thirty (30) days prior to the expiration of any such policy, Franchisee shall deliver to the Company Certificates of Insurance evidencing the proper coverage with limits not less than those required hereunder. All Certificates shall expressly provide that no less than thirty (30) days prior written notice shall be give the Company in the event of material alteration to or cancellation of the coverage evidenced by such Certificates. Further Certificates evidencing the insurance required by Section XII.A(1) and (4) hereof shall name the Company, and each of its managers, partners, subsidiaries, affiliates, directors, agents and employees as additional insureds, and loss payees (in the case of A[4] in an amount equal to the royalties that would have been paid based on the gross sales of the establishment for the preceding twelve [12] month period, or prorated for such shorter period, if the establishment has not been in operation for twelve [12] months) and shall expressly provide that any interest of same therein shall not be affected by any breach by Franchisee of any policy provisions for which such Certificates evidence coverage.

E. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by the Company in the Manual or otherwise in writing, the Company shall have the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge same to Franchisee, which charges, together with a reasonable fee for the Company's expenses in so acting, shall be payable by Franchisee immediately upon notice. The foregoing remedies shall be in addition to any other remedies the Company may have.

XIII. TRANSFER OF INTEREST

A. Transfer by the Company. The Company shall have the right to transfer or assign this Agreement and all or any part of its liabilities, rights or obligations herein to any person or legal entity. Upon any such transfer or assignment, the Company shall be relieved of any liability or obligation hereunder.

B. Transfer by Franchisee.

(1) Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that the Company has granted this franchise in reliance on Franchisee's business skill, financial capacity and personal character. Accordingly, neither Franchisee nor any immediate or remote successor to any part of Franchisee's interest in this franchise, nor any individual, partnership, corporation or other legal entity which directly or indirectly owns any interest in this franchise or in Franchisee shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in this franchise in any legal entity which owns this franchise, or seventy-five (75%) percent of the assets of the Franchised Business, without the prior written consent of the Company. Any purported assignment or transfer, by operation of law or otherwise, not having the written consent of the Company required by this Section XIII.B(1) shall be null and void and shall constitute a material breach of this agreement, for which the Company may then terminate without opportunity to cure pursuant to Section XIV.B(5) of this Agreement.

(2) The Company shall not unreasonably withhold its consent to a transfer of any interest in Franchisee or in this franchise; provided, however, that if a transfer, alone or together with other previous, simultaneous or proposed transfers, would have the effect of transferring a controlling interest in the franchised business, the Company may, in its sole discretion, require any or all of the following as conditions of its approval:

(a) All of Franchisee's, its subsidiaries' and affiliates' accrued monetary obligations and all other outstanding obligations to the Company, its subsidiaries, and its affiliates shall have been satisfied;

(b) Franchisee, its subsidiaries and affiliates are not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee and the Company, or its subsidiaries and affiliates;

(c) The transferor shall have executed a general release under seal, in a form satisfactory to the Company, of any and all claims against the Company and its officers, directors, shareholders and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, the company is not released from any liability pertaining to Indiana Code Section 23-2-2.7;

(d) The transferee shall enter into a written assignment, under seal and in a form satisfactory to the Company, assuming and agreeing to discharge all of the transferor's obligations under this Agreement; the transferee shall guarantee the performance of all such obligations in writing in a form satisfactory to the Company;

(e) The transferee shall demonstrate to the Company's satisfaction that it meets the Company's educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business franchised herein (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to operate the business;

(f) The transferee shall execute (and/or, upon the Company's request, shall cause all interested parties to execute), for a term ending on the expiration date of this Agreement and with such renewal terms as may be provided by this Agreement, the standard form franchise agreement then being offered to new System franchisees and other ancillary agreements as the Company may require for the franchised business, which agreements shall supersede this Agreement in all respects and the terms of which agreement may differ from the terms of this Agreement, including, without limitation, a higher percentage royalty rate and advertising contribution. Upon expiration of this agreement the transferee will be required to pay a renewal fee equal to the current initial franchise fee unless otherwise noted herein;

(g) The transferee, at its expense, shall upgrade the Franchised Business to conform to the then-current standards and specifications of System establishments, and shall complete the upgrading and other requirements within the time specified by the Company;

(h) Franchisee shall remain liable for all of the obligations to the Company in connection with the franchised business prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by the Company to evidence such liability;

(i) At the transferee's expense, the transferee's general manager and manager shall complete any training programs then in effect for franchisees upon such terms and conditions as the Company may reasonably require;

(j) Except in the case of a transfer to a corporation formed for the convenience of ownership, or transfers among existing shareholders, Franchisee shall pay a transfer fee equal to the greater of Three Thousand ($3,000) Dollars or fifteen (15%) percent of the then current franchise fee to reimburse the Company for its reasonable costs and expenses associated with reviewing the application to transfer, including, without limitation, legal and accounting fees;

(k) The Franchisee and transferee agree that any note issued by the transferee to Franchisee in connection with the purchase price of the Franchised Business be subordinate to transferee's obligations to pay royalties or any other amounts due the Company or it affiliates;

(l) The Franchisee must transfer all Pizza Forums ® owned by Franchisee in the Exclusive Territory and in any right(s) to develop additional Pizza Forums® in the Exclusive Area as defined in any Development Agreement which may exist between the Company and Franchisee pursuant to which the subject franchise was developed.

(3) Franchisee shall grant no security interest in the franchised business or in any of its assets unless the secured party agrees that in the event of any default by Franchisee under any documents related to the security interest, the Company shall have the right and option to be substituted as obligor to the secured party and to cure any default of Franchisee.

(4) Franchisee acknowledges and agrees that each condition which must be met by the transferee is necessary to assure such transferee's full performance of the obligations hereunder.

C. Right of First Refusal.

(1) Any party holding any direct or indirect interest in Franchisee or in this franchise and who desires to accept any bona fide offer from a third party to purchase such interest shall notify the Company in writing of each such offer, and shall provide such information and documentation relating to the offer as the Company may require. The Company shall have the right and option, exercisable within thirty (30) days after receipt of such written notification (along with all information and documentation relating to the offer), to send written notice to the seller that the Company intends to purchase the seller's interest on the same terms and conditions offered by the third party. In the event that the company elects to purchase the seller's interest, closing on such purchase must occur within thirty (30) days from the date of notice to the seller of the election to purchase by the Company. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by the Company as in the case of an initial offer. Failure of the Company to exercise the option afforded by this Section XIII.C shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section XIII, with respect to a proposed transfer.

(2) In the event the Company exercises its right of first refusal, the Agreement of Sale relating to the sale of the Franchised Business shall contain customary representations and warranties given by the Seller of the assets of a business or voting stock of any incorporated business, as applicable, including, without limitation, representations and warranties as to ownership, condition of and title to stock and/or assets, liens and encumbrances relating to the stock/and or assets, validity of contracts and verification of financial statements.

D. Death or Disability. Upon the death or permanent disability of Franchisee (or the managing shareholder or partner in the event of an assignment for Franchisee's benefit), the executor, administrator, conservator or other personal representative of such person, or the remaining shareholders or partners, shall appoint a competent manager within a reasonable time, not to exceed thirty (30) days from the date of death or permanent disability. Such manager shall attend and satisfactorily complete the Company's training program. If the establishment is not being managed by a certified manager within thirty (30) days after death or permanent disability, the Company is authorized, but shall not be required, to immediately appoint a manager to maintain the operations of the establishment for and on behalf of Franchisee until an approved assignee shall be able to assume the management and operation of the establishment. The Company's appointment of a manager of the establishment shall not relieve Franchisee of its obligations under this Agreement, and the Company shall not be liable for any debts, losses, costs or expenses incurred in the operations of the establishment or to any creditor of Franchisee for any products, materials, supplies or services purchased by the establishment during any period in which it is managed by the Company appointed manager. The Company shall have the right to charge a reasonable fee for such management services and to cease to provide such management services at any time.

Upon the death or permanent disability of Franchisee (or any shareholder or partner of Franchisee, if Franchisee has assigned this Agreement to a corporation or partnership), the executor, administrator, conservator or other personal representative of such person must transfer his interest within a reasonable time, not to exceed twelve (12) months from the date of death or permanent disability, to a person approved by the Company. Such transfers, including, without limitations, transfers by devise or inheritance, shall be subject to all the terms and conditions for assignments and transfers contained in Paragraphs A, B and C of Article XIII of this Agreement. Failure to so dispose of such interest within said period of time shall constitute grounds for termination of this Agreement.

E. Non-Waiver of Claims. The Company's consent to a transfer of any interest in the franchise granted herein shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of the Company's right to demand exact compliance with any of the terms of this Agreement by the transferee.

F. State and Federal Securities Laws /Private Offerings. In the event Franchisee (or any of its owners) shall, attempt to raise or secure funds by the sale of securities in a transaction pursuant to Regulation D of the Securities Exchange Act of 1934 or a uniform limited offering exemption under any state securities statutes or in any offering required to be registered under Federal or State securities laws, (including, without limitation, common or preferred stock, bonds, debentures or general or limited partnership interests) in Franchisee or any affiliate of Franchisee, Franchisee, recognizing that the written information used with respect thereto may reflect upon the Company, agrees to submit any such written information to the Company prior to its inclusion in any Offering Circular, memorandum or prospectus. No information respecting the Company or any of its affiliates shall be included in any securities disclosure document, unless such information has been furnished by the Company, in writing, pursuant to the written request of the Franchisee, in which the Franchisee states the specific purposes for which the information is to be used. Should the Company, in its sole discretion, object to any reference to the Company or any of its affiliates or to any of their licensees in such offering literature, such literature shall not be used unless and until the objections of the Company are withdrawn. The Company assumes no responsibility for the offering whatsoever.

Any literature utilized in any offering shall contain the following language in boldface type on the first textual page thereof:

"NEITHER PIZZA FORUM® NOR ANY OF ITS AFFILIATES IS DIRECTLY OR INDIRECTLY THE ISSUER OF THE SECURITIES OFFERED HEREBY. NEITHER PIZZA FORUM® NOR ANY OF ITS

AFFILIATES ASSUMES ANY RESPONSIBILITY WITH RESPECT TO THIS OFFERING AND/OR THE ADEQUACY OR ACCURACY OF THE INFORMATION SET FORTH HEREIN, INCLUDING ANY STATEMENTS MADE WITH RESPECT TO ANY OF THEM. NEITHER PIZZA FORUM® NOR ANY OF ITS AFFILIATES ENDORSES OR MAKES ANY RECOMMENDATION WITH RESPECT TO THE INVESTMENT CONTEMPLATED BY THIS OFFERING."

Franchisee and each of its owners must indemnify, defend and hold harmless the Company and its affiliates, and their respective officers, directors, employees and agents from any and all claims, demands, liabilities, and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in the defense of such claims, demands or liabilities arising from the offer or sale of such securities, whether asserted by a purchaser of any such security or by a government agency. The Company shall have the right (but not the obligation) to defend any such claims, demands or liabilities and/or to participate in the defense of any action to which the Company or any of its affiliates or any of their respective offices, directors, employees or agents is named as a party.

Franchisee shall reimburse the Company for its legal and other costs incurred in reviewing the offering or proposed offering. Such fee shall be due within 30 days of billing by the Company

XIV. DEFAULT AND TERMINATION

A. Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee: (i) if Franchisee shall become insolvent to make a general assignment for the benefit of creditors; or (ii) if a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee; or (iii) if Franchisee is adjudicated bankrupt or insolvent; or if a bill in equity to other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; or (iv) if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or (v) if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee; or (vi) if a final judgement remains unsatisfied or of record of thirty (30) days or longer (unless supersedeas bond is filed); or (vii) if Franchisee is dissolved; or (viii) if execution is levied against Franchisee's business or property; or (ix) if suit to foreclose any lien or mortgage against the Franchised Business premises or equipment is instituted against Franchisee and not dismissed within thirty (30) days; or (x) if the real or personal property of Franchisee's business shall be sold after levy thereupon by any sheriff, marshal or constable.

B. Franchisee shall be deemed to be in default and the Company may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon receipt of notice by Franchisee, upon the occurrence of any of the following events:

(1) If Franchisee fails to construct and open the franchised business within the time limits as provided in Section VI.C of the Agreement:

(2) If Franchisee at any time ceases to operate or otherwise abandons the franchised business for a period of five (5) days, or loses the right to possession of the premises, or otherwise forfeits the right to do or transact business in the jurisdiction where the Franchised Business is located; provided, however, that if, through no fault of Franchisee, the premises are damaged or destroyed by an event such that repairs or reconstruction cannot be completed within ninety (90) days thereafter, then Franchisee shall have thirty (30) days after such event in which to apply for the Company's approval to relocate and/or reconstruct the premises, which approval shall not be unreasonable withheld, but may be conditioned upon the payment of an agreed minimum royalty to the Company during the period in which the Franchised Business is not in operation;

(3) If Franchisee is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that the Company believes is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated therewith, or the Company's interest therein;

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

(5) If Franchisee or any partner or shareholder in Franchisee purports to transfer any rights or obligations under this Agreement or any interest in Franchisee to any third party without the Company's prior written consent, contrary to the terms of Section XIII of this Agreement;

(6) If Franchisee fails to comply with the in-term covenants in Section XVI.B and C. hereof or fails to obtain execution of the covenants required under Sections IX.B or XVI.I hereof;

(7) If, contrary to the terms of Sections VIII or IX hereof, Franchisee discloses or divulges the contents of the Manuals or other confidential information provided to Franchisee by the Company;

(8) If Franchisee knowingly maintains false books or records, or submits any false reports to the Company;

(9) If Franchisee, after curing a default pursuant to Section XIV.C hereof, commits the same default again, whether or not cured after notice;

(10) If Franchisee has made material misrepresentations or omissions in Franchisee's franchise application;

(11) In the event Franchisee fails to pay any federal or state income, sales or other taxes due on the Franchised Business's operations unless the Franchisee is in good faith contesting liability for such taxes; or

(12) If Franchisee makes any unauthorized use of the Proprietary Designs and Marks or fails to strictly comply with the terms set forth in Section VII hereof.

C. Except as provided in Sections XIV.A and B of this Agreement, upon any default by Franchisee which is susceptible of being cured, the Company may terminate this Agreement only by giving written notice of termination stating the nature of such default to Franchisee at least thirty (30) days prior to the effective date of termination; provided, however, that Franchisee may avoid termination by immediately initiating a remedy to cure such default and curing it to the Company's satisfaction within the thirty-day period (or within such shorter time period as the Company may reasonably specify), and by promptly providing proof thereof to the Company. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Franchisee effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require.

D. If Franchisee and its owners are in compliance with this Agreement and the Company fails to comply with this Agreement and either to cure such failure within thirty (30) days after written notice thereof is delivered to the Company or, if the failure cannot be corrected within thirty (30) days, to provide proof acceptable to Franchisee of efforts which are reasonably calculated to correct such failure within a reasonable time, which shall in no event be more than sixty (60) days after such notice, Franchisee may terminate this Agreement, effective ten (10) days after delivery to the Company of notice thereof. A termination of this Agreement by Franchisee for any other reason or without such notice shall be deemed a termination by Franchisee without cause.

E. In the event this Franchise is granted pursuant to a development agreement with the Company, a breach of this Agreement as described in Paragraphs XIV.B(3), (5), (6), (7), (8), (10) and (12) shall be deemed a breach of such development agreement entitling the Company to all remedies available thereunder including, but not limited to, termination thereof.

F. If a claim or suit is brought by Company arising out of any the breach or default of any provision of this Agreement, Franchisee agrees to pay all costs and reasonable attorney's fees incurred in connection with said suit, whether or not the suit proceeds to judgment, including but not limited to all reasonable attorney's fees incurred by Company in any garnishment, post-judgment or appellate proceedings.

XV. <u>OBLIGATIONS UPON TERMINATION OR EXPIRATION</u>

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

A. Franchisee shall immediately cease to operate the business franchised under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of the Company.

B. Franchisee shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures and techniques associated with the System; the Proprietary Amusement Enclosure Designs/Concept, Proprietary Marks "Pizza Forum ®", Greek's® Pizzeria and all other Proprietary Marks and distinctive forms, slogans, signs, symbols and devices associated with the System. In particular, Franchisee shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms and any other articles which display the Proprietary Marks.

C. Franchisee shall take action as may be necessary to cancel any assumed name or equivalent registration which contains the mark Pizza Forum ®, Greek's ® Pizzeria or any other service mark or trademark of the Company, and Franchisee shall furnish the Company with evidence satisfactory to the Company of compliance with this obligation within five (5) days after termination or expiration of this Agreement.

D. Franchisee shall, at the Company's sole option and direction (i) assign to the Company any interest which Franchisee has in any lease or sublease for the premises of the franchised business, and (ii) take action as may be necessary to transfer the business' telephone numbers and listings to the Company, but in any event Franchisee must discharge any and all indebtedness to the appropriate vendor(s). In the event the Company does not elect to exercise its option to acquire the lease, sublease or telephone number for the premises of the franchised business, Franchisee shall make such modifications or alterations to the premises operated hereunder (including, without limitation, the changing of telephone number) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of said premises from that of other establishments under the System, and shall make such specific additional changes thereto as the Company may reasonably request for that purpose. In the event Franchisee fails or refuses to comply with the requirements of this Section XV, the Company shall have the right to enter upon the premises where Franchisee's franchised business was conducted, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand. Franchisee authorizes Franchisor and appoints Franchisor and any of Franchisor's designated agents as Franchisee's attorney in fact, to direct the telephone company and all telephone directory publishers to transfer any telephone and telecopy numbers and directory listings relating to Franchisee and its Approved Location to Franchisor, or Franchisor's designee, should Franchisee fails or refuse to do so, and the telephone company and all telephone directory publishers may accept such direction or this Agreement as conclusive of Franchisor's exclusive rights in the telephone and telecopy numbers and directory listings and Franchisor's authority to direct their transfer;

E. Franchisee agrees, in the event it continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Proprietary Amusement Enclosure Designs/Concept and Marks either in connection with such other business or the promotion thereof which is likely to cause confusion, mistake or deception, or which is likely to dilute the Company's rights in and to the Proprietary Amusement Enclosure Design/Concept and Marks, and further agrees not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with the Company constituting unfair competition.

F. Franchisee shall promptly pay all sums owing to the Company and its subsidiaries and affiliates. In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses, including reasonable attorney's fees, incurred by the Company as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of the Company against any and all of the personal property, furnishings, equipment, signs fixtures and inventory owned by Franchisee and on the premises operated hereunder at the time of default.

G. The Company may seek all damages, costs and expenses, including reasonable pre- and post- attorney fees, incurred by the Company subsequent to the termination or expiration of this Agreement in seeking injunctive or other relief for the enforcement of any provisions of this Section XV.

H. Franchisee shall immediately deliver to the Company all manuals, including the Manual, and all other records and instructions containing confidential information, all of which is acknowledged to be the property of the Company.

I. The Company shall have the option, to be exercised within thirty (30) days after termination, to purchase from Franchisee any or all of the furnishings, equipment, signs, fixtures, supplies or inventory of Franchisee related to the operation of the franchised business, at their fair market value. If the parties cannot agree on a fair market value within a reasonable time, an independent appraiser shall be designated by the parties, and his determination shall be binding. If the Company elects to exercise any option to purchase herein provided, it shall have the right to set off all amounts due from Franchisee, and the cost of the appraisal, if any, against any payment therefor.

J. Franchisee shall comply with the covenants contained in Section XVI.C of this Agreement.

XVI. COVENANTS

A. Franchisee covenants that during the term of this Agreement except as otherwise approved in writing by the Company, Franchisee shall devote full time, energy and best efforts to the management and operation of the business franchised hereunder.

B. Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information, including without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of the Company and the System. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by the Company, Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership or corporation, divert or attempt to divert any business or customer of the business franchised hereunder to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Company's Proprietary Designs/Concepts, Marks and the System.

C. Franchisee covenants that Franchisee shall not, during the term of this Agreement and for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause of termination and continuing for two (2) years thereafter, (1) either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership or corporation, own, maintain, operate, engage in, or have any interest in any casual dining food operation or establishment deriving more than forty (40%) percent of its gross revenues from the combined sale of Games and Amusements, pizza and/or pasta items, which business is, or is intended to be, located within the United States provided, that for the period commencing upon expiration or termination of this Agreement the geographic scope of this covenant shall be limited to the Exclusive Territory granted pursuant to this Agreement; OR (2) divert or attempt to divert any business or customer of the business franchised hereunder to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Company's Proprietary Designs/Concepts, Marks and the System. The time period referred to above shall be tolled during any period in which Franchisee is in default hereunder.

D. Section XVI.C shall not apply to ownership to Franchisee of less than one (1%) percent beneficial interest in the outstanding equity securities of any publicly-held corporation.

E. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section XVI is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappeased final decision to which the Company is a party, Franchisee expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section XVI.

F. Franchisee understands and acknowledges that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Sections XVI.B and XVI.C in this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof; and the Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section XXI hereof.

G. Franchisee expressly agrees that the existence of any claims it may have against the Company, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by the Company of the covenants in this Section XVI. The Company may seek all costs and expenses (including reasonable attorneys' fees) incurred by the Company in connection with the enforcement of this Section XVI.

H. If Franchisee violates any of the terms of this Section XVI, Franchisee understands that the Company may seek the issuance of an injunction prohibiting any conduct by Franchisee in violation of the terms of this Section XVI.

I. At the Company's request, Franchisee shall require and obtain execution of covenants similar to those set forth in this Section XVI (including covenants applicable upon the termination of a person's relationship with the Franchisee) from any or all of the following persons: (1) all managers of Franchisee and any other personnel employed by Franchisee who have received or will receive training from the Company; (2) all officers, directors, and holders of a beneficial interest of one (1%) percent or more of the securities of Franchisee, and of any corporation directly or indirectly controlling Franchisee, if Franchisee is a corporation; and (3) the general partners and any limited partners (including any corporation, and the officers, directors and holders of a beneficial interest of one (1%) percent or more of the securities of any corporation which controls, directly or indirectly any general or limited partner), if Franchisee is a partnership. Every covenant required by this Section XVI.I shall be in a form satisfactory to the Company, including, without limitation, specific identification of the Company as a third party beneficiary of such covenants with the independent right to enforce them. Failure by Franchisee to obtain execution of a covenant required by this Section XVI.I shall constitute a default under Section XIV.B (6) hereof.

XVII. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that Franchisee shall be an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever.

B. During the term of this Agreement and any extensions hereof, Franchisee shall hold itself out to the public as an independent contractor operating the business pursuant to a franchise from the Company. Franchisee agrees to take such action as may be necessary to do so, including, without limitation, exhibiting a notice of that fact in a conspicuous place in the franchised premises, the content of which the Company reserves the right to specify.

C. It is understood and agreed that nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty or representation on the Company's behalf, or to incur any debt or other obligation in the Company's name; and that the Company shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action, nor shall the Company be liable by reason of any act or omission of Franchisee in its conduct of the franchised business or for any claim or judgment arising therefrom against Franchisee or the Company. Franchisee shall indemnify and hold the Company, and the Company's managers, officers, directors, employees, subsidiaries, affiliates, shareholders, agents, successors and assigns harmless against any and all claims arising directly or indirectly from, as a result of, or in connection with Franchisee's operation of the franchised business, as well as the costs. Franchisee agrees to pay all costs and reasonable attorneys' fees incurred whether or not the suit proceeds to judgment, including but not limited to all reasonable attorney fees incurred by Company and any garnishment, post-judgment or appellate proceedings, of defending against them.

XVIII. APPROVALS AND WAIVERS

A. Whenever this Agreement requires the prior approval or consent of the Company, Franchisee shall make a timely written request to the Company therefor, and such approval or consent must be obtained in writing.

B. The Company makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

C. No delay, waiver, omission or forbearance on the part of the Company to exercise any right, option, duty or power arising out of any breach or default by Franchisee under any of the terms, provisions, covenants or conditions hereof, shall constitute a waiver by the Company to enforce any such right, option, duty or power as against Franchisee, or as to subsequent breach or default by Franchisee. Subsequent acceptance by the Company of any payments due to it hereunder shall not be deemed to be a waiver by the Company of any preceding breach by Franchisee of any terms, provisions, covenants or conditions of this Agreement.

XIX. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to the Company: Pizza Forum® LLC
Attention: Chris Karamesines
P.O. Box 111
Muncie, IN 47308

Notices to Franchisee: ____________________
____
____
____

Any notice by certified or registered mail shall be deemed to have been given at the date and time of receipt.

XX. ENTIRE AGREEMENT

This Agreement, the Exhibits attached hereto, and the documents referred to herein constitute the entire, full and complete Agreement between the Company and Franchisee concerning the subject matter hereof and supersede all prior agreements. No other representations having induced Franchisee to execute this Agreement. No amendment change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. However, where the terms of this Agreement conflict with the terms of any development agreement, pursuant to which this Franchise Agreement is entered into, such development agreement will be controlling to the extent of any conflicting terms therein; including, but not limited to, timing of the payment of the franchise fee due hereunder and required Franchised Business opening date.

XXI. SEVERABILITY AND CONSTRUCTION

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

B. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisee, the Company, the Company's officers, directors and employees, and such of Franchisee's and the Company's respective successors and assigns as may be contemplated (and, as to Franchisee, permitted) by Section XIII hereof, any rights or remedies under or by reason of this Agreement.

C. Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which the Company is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

D. All captions in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

E. All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable; and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all those executing this Agreement on behalf of Franchisee.

XXII. APPLICABLE LAW

A. This Agreement takes effect upon its acceptance and execution by the Company and shall be interpreted and construed under the laws of the State of Indiana, which laws shall prevail in the event of any conflict of law.

B. The parties agree that any action brought by either party against the other in any court, whether federal or state, shall be brought within the State of Indiana in the judicial circuit in which the Company has its principal place of business and do hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

C. No right or remedy conferred upon or reserved to the Company or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

D. Nothing herein contained shall bar the Company's right to seek injunctive relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for seeking restraining orders and preliminary injunctions.

XXIII. ACKNOWLEDGMENTS

A. Franchisee acknowledges that it has conducted an independent investigation of the business franchised hereunder, and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of Franchisee as an independent businessman. The Company expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement.

B. Franchisee acknowledges that it received a copy of the Franchise Disclosure Document, complete Pizza Forum® Franchise Agreement, and the Attachment(s) thereto, at least fourteen (14) calendar days prior to the date on which this Agreement was executed, and the Franchise Agreement with all other agreements, with all blanks filled in, were delivered to Franchisee at least five (5) business days prior to the date on which this Agreement was executed.

C. Franchisee acknowledges that it has read and understood this Agreement, the Attachment(s) hereof, and agreements relating thereto, if any, and that the Company has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.

D. Franchisee understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain the Company's high standard of quality and service and the uniformity of those standards at all Pizza Forum ® establishments and thereby to protect and preserve the goodwill of the Proprietary Designs/Concepts, and Marks. Information relating to the sales, profits or cash flow of Pizza Forum ® establishments operated by the Company, its affiliates or franchisees that is contained in the Company's Franchise Offering Circular and other materials, if any, is intended only to be an indication of historical and/or potential future financial performance of Pizza Forum ®. The Company expressly disclaims the making of, and Franchisee acknowledges that he has not receive nor relied upon, any guaranty, express or implied, as to the revenue, profits or success of the business venture contemplated by this Agreement or the extent to which the Company will continue to develop and expand the network of Pizza Forum ® establishments. Franchisee acknowledges and agrees that the Company's (whether it's privately, publicly, or corporately operated) officers, directors, employees and agents act only in a representative, and not in a personal capacity in connection with any of their dealings with Franchisee. Franchisee further acknowledges that he has not received or relied on any representations about the franchise, the Company or its franchising program or policies made by the Company or its officers, directors, employees or agents that are contrary to the statements made in the Company's Franchise Offering Circular or to the terms herein. Any information acquired by Franchisee from other Pizza Forum ®/Greek's® Pizzeria franchisees relating to the sales, profits or cash flows of any such franchised Pizza Forum ®/Greek's® Pizzeria establishments does not constitute information obtained from the Company, nor does the Company make any representation as to the accuracy of any such information. Franchisee further represents to the Company, as an inducement to its entry into this

Agreement, that all statements in Franchisee's application for the franchise are accurate and complete, and the Franchisee has made no misrepresentations or material omissions in obtaining the franchise.

E. The recitals set forth on pages 1 and 2 hereof are true and correct and are hereby made a part hereof.

IN WITNESS WHERE OF, the parties hereto have duly executed, sealed and delivered this Agreement in triplicate on the day and hear first above written.

ATTEST: **Pizza Forum® LLC**

______________________________ **By ____________________**
A.C. Karamesines

(CORPORATE SEAL)

WITNESS:

______________________________ ____________________ (SEAL)
Franchisee

______________________________ ____________________ (SEAL)
Franchisee

______________________________ ____________________ (SEAL)
Franchisee

Franchisee subscribed and sworn to me before this ________ day of ____________________________

NOTARY PUBLIC ____

My Commission expires _____________________________________

Exhibit C1

Form Lease Provision (Section III(B))

Franchisor Protection. Landlord acknowledges that Lessee/Tenant is a franchisee of Pizza Forum, LLC (hereinafter "Franchisor"), and Landlord and Tenant agree that Franchisor shall be entitled to the protections as hereinafter set forth:

a. Notice of Default; Opportunity to Cure. As a precondition to exercising any rights or remedies as a result of any alleged default by Lessee, Landlord shall give written notice of the default to Franchisor, specifying in detail the alleged event of default and required remedy. In the event Landlord gives such written notice of default, Franchisor shall have the right, but not the obligation to remedy or cure any default in the manner hereinafter set forth: (i) thirty (30) days to remedy any "monetary default," defined as any default arising out of the failure to pay rent or other monetary obligation under this Lease, or (ii) sixty (60) days for any non-monetary default.

b. Consent to Assignment and Sublease. Landlord pre-approves the right, but not the obligation, of Franchisor to assume Lessee's occupancy and other rights under this Lease, by assignment or otherwise, as well as the right to sublease to another duly qualified franchisee on the same terms and conditions as otherwise set forth in this Lease. Landlord further agrees and acknowledges that Lessee may not sublease or assign all or any part of its rights herein, or otherwise extend the term of or renew this Lease, without Franchisor's prior written consent.

c. Franchisor's Access to Leased Premises. Franchisor shall have the right, but not the obligation, to enter upon the Leased Premises to make any modification necessary to protect Franchisor's proprietary marks, designs, or to otherwise cure any default under this Lease.

d. Franchisee's Use of Leased Premises. Landlord consents to the Tenant's use of the Leased Premises as a Pizza Forum/Greek's Pizzeria franchise, including signage identifying the Tenant's business as a Pizza Forum/Greek's Pizzeria franchise. Landlord and Tenant further agree that the Tenant shall only use the Leased Premises as a Pizza Forum/Greek's Pizzeria franchise.

e. Tenant's Exterior Signage – Franchisor's Security Interest. Landlord acknowledges Franchisor's security interest in Tenant's exterior signage, and shall waive and refrain from asserting any lien or interest in Tenant's exterior signage inconsistent with Landlord's priority security interest.

f. Noncompetition with Lessee Business. If the Leased Premises is located in a shopping center, mall or other multi-tenant facility, Landlord agrees that it shall not lease other space within such facility to any food service entity which has games and amusements, pizza and/or pasta items representing more than twenty (20%) percent of its sales or comprising more than twenty (20%) percent of its menu.

g. Recording. A short form or memorandum of this Lease shall be recorded in the real property records of the county where the Leased Premises is located, giving notice of such nonmonetary terms of this Lease. A copy of the recorded memorandum shall be delivered to Franchisor.

h. Notice to Franchisor. Wherever notice is required to be given under this Lease to Lessee, it should also be given to Franchisor at the following location:

Pizza Forum
1600 University Avenue
P.O. Box 111
Muncie, IN 47308

PIZZA FORUM® LLC

PIZZA FORUM® LLC DEVELOPMENT AGREEMENT

EXHIBIT "D"

PIZZA FORUM ® LLC DEVELOPMENT AGREEMENT

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Section

PIZZA FORUM® LLC
DEVELOPMENT AGREEMENT

THIS AGREEMENT is made and entered into ________________________, 20____, between Pizza Forum® LLC, an Indiana company (hereinafter "Company"), and ______________ ____ (hereinafter "Developer").

1. **PREAMBLES**

WHEREAS, the Company, as the result of the expenditure of time, skill, effort and money, has developed and owns a distinctive system (hereinafter "System") relating to the establishment and operation of a family-oriented, upscale casual style food operation featuring a specialized menu of appetizers, salads, pizzas, as well as various pasta dishes, pizza shell wraps, sandwiches and other food and beverage items; and

WHEREAS, the distinguishing characteristics of the System include, without limitation, the use of a Proprietary Amusement Enclosure Concept and Design, distinctive exterior and interior design, decor, trade dress, color scheme and furnishings; special recipes and menu items; uniform standards, specifications and procedures for operations; quality and uniformity or products and services offered; procedures for inventory and management control; training and assistance; and advertising and promotional programs; all of which may be changed, improved and further developed by the Company from time to time; and

WHEREAS, the Company identifies the System by means of certain trade names, tag lines, service marks, trademarks, logos, emblems, and indicia of origin, including but not limited to the mark Pizza Forum[7], Greek's® Pizzeria and logos, and such other trade names, service marks and trademarks as are now designated (and may hereafter be designated by the Company in writing) for use in connection with the System (hereinafter, referred to as "Proprietary Marks"); and

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

WHEREAS, Developer desires to enter into the business of operating an establishment under the Company's System and wishes to obtain a franchise from the Company for that purpose, as well as to receive the training and other assistance provided by the Company in connection therewith; and

WHEREAS, Developer understands and acknowledges the importance of the Company's high standards of quality, cleanliness, appearance and service and the necessity of operating the business franchised hereunder in conformity with the Company's standards and specifications as well as the necessity for protecting any proprietary information provided to Developer hereunder; and

WHEREAS, Developer acknowledges that he has conducted an independent investigation of the business contemplated by this Agreement and recognizes that, like any other business, the nature of the business conducted by Pizza Forum ® may evolve and change over time, that an investment in Pizza Forum ® involves business risks and that the success of the venture is largely dependent upon the business abilities and efforts of Developer; and

WHEREAS, the Company expressly disclaims the making of, and Developer acknowledges that he has not received or relied upon, any warranty or guaranty, express or implied, as to the revenues, profits or success of the business venture contemplated by this Agreement. Developer acknowledges that he has not received or relied on any representations about the franchise by the Company, or its officers, directors, employees or agents, that are contrary to the statements made in the Company's Franchise Offering Circular or to the terms herein, and further represents to the Company, as an inducement to its entry into this Agreement, that Developer has made no misrepresentations to the Company in his application for the franchise granted hereunder.

2. DEFINITIONS

A. EXCLUSIVE AREA

AExclusive Area@ shall mean the geographical area described in Exhibit A, attached hereto and incorporated herein by reference.

B. FRANCHISE AGREEMENT

AFranchise Agreement@ shall mean the then current form of agreements (including, without limitation, franchise agreement and any exhibits, riders, collateral assignments of leases or subleases, shareholder guarantees, security agreements and preliminary agreements used in connection therewith) in use by the COMPANY from time to time.

3. DEVELOPMENT RIGHTS AND OBLIGATIONS

A. TERM OF AGREEMENT/RESERVATION OF RIGHTS

Subject to the provisions contained herein, this Agreement shall be for a term commencing on the date hereof and expiring on the date set forth in Exhibit B, hereto attached and hereof made a part.

The COMPANY (on behalf of itself and its affiliates) retains the right, in its sole discretion and without granting any rights to DEVELOPER: (a) to itself own and operate, or to grant other persons the right to own and operate, Pizza Forum ® /Greek's ® Pizzerias at such locations outside the Exclusive Area and on such terms and conditions as the COMPANY deems appropriate: and (b) to sell within and outside the Exclusive Area the products and services authorized for Pizza Forum ® /Greek's ® Pizzerias under the Marks or other trademarks, service marks and commercial symbols through dissimilar channels of distribution as set forth in Section 3.D.(3) hereof and pursuant to such terms and conditions as the COMPANY deems appropriate.

B. RIGHTS DURING TERM

Provided DEVELOPER: (i) is in full compliance with the terms and conditions contained in this Agreement, including, without limitation, the development obligations contained in Paragraph C of this Section 3; and (ii) is in full compliance with all obligations under Franchise Agreements heretofore or hereafter entered into with the COMPANY including the payment of all Franchise fees and royalties; then during the Development Periods, the COMPANY will, subject to Paragraphs A and D of this Section 3: (1) grant to DEVELOPER, in accordance with the provisions of Section 6 hereof, franchises for the ownership and operation of Pizza Forum ® /Greek's ® Pizzerias located within the Exclusive Area; and (2) will not operate (directly or through an affiliate), nor grant a franchise for the operation of, any Pizza Forum ® /Greek's ® Pizzerias to be located within the Exclusive Area, except such franchises as are granted to DEVELOPER. At the expiration of the term of this Agreement as set forth on Exhibit B, the Exclusivity Provisions hereof will terminate, however, if DEVELOPER has fulfilled its obligations under this Agreement and is in compliance with all other agreements with the COMPANY, DEVELOPER will be given a first right of refusal as to the further development of pizzerias in the former Exclusive Territory. Such right will be effective until such time as DEVELOPER elects not to exercise such right at which time DEVELOPER will have no remaining development rights if the offer to DEVELOPER is assumed by the COMPANY or an alternative developer. Additionally, each pizzeria opened pursuant hereto or pursuant to a Franchise Agreement, will maintain its Exclusive Territory as provided under its Franchise Agreement.

C. DEVELOPMENT OBLIGATIONS

DEVELOPER agrees during the term of this Agreement and any extensions thereof that he will at all times faithfully, honestly, and diligently perform his obligations hereunder and that he will continuously exert his best efforts to promote and enhance the development of Pizza Forum ® /Greek's ® Pizzerias within the Exclusive Area. Without limiting the foregoing obligation, DEVELOPER agrees to open and have in operation within the Exclusive Area, all Pizza Forum ® /Greek's ® Pizzerias set forth in Exhibit B ("Minimum Development Quota") on or before the dates required in Exhibit B. If DEVELOPER fails at any time to meet any Minimum Development Quota, the COMPANY shall have the right to terminate this Agreement by delivering a notice to DEVELOPER stating that the COMPANY elects to terminate this Agreement as a result of such failure. Such termination shall be effective upon delivery of such notice termination. The COMPANY's right to terminate this Agreement shall be the sole and exclusive remedy of the COMPANY for DEVELOPER's failure to meet a Minimum Development Quota; provided however that no portion of the Development Fee described in Section 5 hereof shall be refundable by the COMPANY. In the event of termination for failure to comply with the Minimum Development Quota, the COMPANY will nonetheless continue to recognize, the Exclusive Territories of any Pizza Forum ® /Greek's ® Pizzerias opened by DEVELOPER pursuant to a Franchise Agreement.

DEVELOPER acknowledges and agrees that the terms and conditions with respect to timely development and payment of initial franchise fees pursuant to Sections 3. C, 4, 5 and 6 of this Agreement for all Pizza Forum ® /Greek's ® Pizzerias franchised pursuant to this Agreement shall supersede and prevail in the event of any conflict between the franchise agreements for the franchises developed hereunder and this Agreement.

D. <u>EXCLUSIVE AREA CONFLICTS</u>

(1) Any continued operation of an existing Pizza Forum ® /Greek's ® Pizzerias within the Exclusive Area by the COMPANY or a franchisee of the COMPANY which pizzeria was opened on or before the date of this Agreement shall not be considered to constitute a violation of this Agreement.

(2) In the event of claims adverse to DEVELOPER's right to develop a Pizza Forum ® /Greek's ® Pizzerias in the Exclusive Area, it is the responsibility of the COMPANY to protect and maintain DEVELOPER's rights hereunder. However, if it appears to the COMPANY, in its sole discretion, that protection of the Exclusive Area by legal action is not advisable, whether due to the anticipation of or actual protracted nature of the action, the costs involved, the uncertainty of outcome, or otherwise, the COMPANY has the right to terminate this Agreement provided the COMPANY and DEVELOPER enter into a termination and mutual release agreement in form and scope satisfactory to the COMPANY, tenders such agreement to DEVELOPER, and, upon DEVELOPER's execution thereof, refunds all fees to DEVELOPER except to the extent of (a) any debt to the COMPANY which DEVELOPER has otherwise incurred and not paid, and (b) any initial franchise fee and development fee for any franchise sold hereunder prior to such termination.

(3) DEVELOPER acknowledges that certain locations or events within the Exclusive Area are unique and separate in their character from sites customarily developed as Pizza Forum ® /Greek's ® Pizzerias; these locations may include the campus of a university or college, a hospital, a public transportation facility, or a government facility (be it federal, state, or other), stadiums or similar sports facilities and amusement parks. The COMPANY and DEVELOPER agree that (a) the COMPANY shall have the sole right to declare by written notice to DEVELOPER, at any time, that such location be developed by DEVELOPER pursuant to COMPANY's then current form of Franchise Agreement and if the DEVELOPER fails or refuses to enter into a Franchise Agreement for such location within ninety (90) days of COMPANY's

notice to DEVELOPER (21 days= notice for local events via food truck service), the COMPANY shall have the right to construct and operate, and have the right to franchise others to construct and operate, a Pizza Forum ® /Greek's ® Pizzeria or food truck at such site regardless of location within the Exclusive Area or within an Exclusive Territory and such shall not constitute a conflict or violation under this Agreement; and (b) notwithstanding the foregoing, in the event that the development opportunities described in this Section 3. D. (3). include additional similar sites outside the Exclusive Area, the COMPANY shall not be obligated to offer any rights to DEVELOPER and the COMPANY shall be free to construct and operate or franchise such business to others.

4. <u>STORE CLOSINGS</u>

A. Pizza Forum ® /Greek's ® Pizzeria which is permanently closed with the approval of the COMPANY after having been open shall be deemed open and in operation for purposes of the Minimum Development Quota if a substitute Pizza Forum ® /Greek's ® Pizzeria is open and in operation within six (6) months from the date of such closing. Such replacement store shall not otherwise count toward such quotas. The opening of any such substitute Pizza Forum ® /Greek's ® Pizzerias shall be conditioned upon either the payment of the current initial franchise fee charged by the COMPANY or the COMPANY'S then standard relocation fee, as determined by the COMPANY.

5. <u>DEVELOPMENT FEE</u>

Concurrent with the execution of this Agreement, DEVELOPER shall pay to the COMPANY a nonrefundable, fully earned Development Fee equal to the number of Pizza Forum ® /Greek's ® Pizzerias to be developed pursuant to this Agreement as set forth in Exhibit B, multiplied by $8,500.00

6. <u>GRANT OF FRANCHISES TO DEVELOPER</u>

Subject to the provisions of Section 3 hereof, the COMPANY agrees to grant franchises to DEVELOPER for the operation of Pizza Forum ®/Greek's ® Pizzerias located within the Exclusive Area, subject to the following:

A. DEVELOPER executes COMPANY's then current form of Franchise Agreement (including the then current royalty fee not to exceed six [6 %] percent and required advertising fees not to exceed five [5 %] percent) for each franchise location within the Exclusive Area and pays an initial franchise fee of Ten Thousand ($10,000.00) Dollars for each franchise granted hereunder. Payment of each franchise fee is made at the earlier of the time DEVELOPER receives site approval of a site for each pizzeria franchised hereunder or one hundred twenty (120) days before the date on which the franchise has been scheduled to open in accordance with Exhibit B.

B. DEVELOPER shall submit to the COMPANY such site reports and other information as are required. Each location is expressly contingent upon the COMPANY's approval of the site for each site at which DEVELOPER proposes to establish and operate a Pizza Forum ® /Greek's ® Pizzeria and which DEVELOPER reasonably believes to conform to site selection criteria established by the COMPANY from time to time. Such proposed site shall be subject to the COMPANY's prior written approval, which will not be unreasonably withheld. DEVELOPER acknowledges that COMPANY's approval of sites for pizzerias and any information communicated to DEVELOPER regarding proposed sites do not constitute a representation or warranty of any kind, express or implied, as to the suitability of the proposed sites for Pizza Forum ® /Greek's ® Pizzerias or for any other purpose. Such approval indicates only that COMPANY believes that the particular sites fall within the acceptable criteria established by the COMPANY as of the time period encompassing the evaluation. Both DEVELOPER and COMPANY acknowledge that application of site criteria that have been effective with respect to other sites may not be predictive of potential for all sites and that, subsequent to COMPANY's approval of a site, demographic and/or economic factors, including competition from other food service businesses, included in or excluded from COMPANY's site criteria could change, thereby altering the potential of the site. The uncertainty and instability of such criteria are beyond COMPANY's control, and COMPANY shall not be responsible for the failure of the site approved by COMPANY to meet expectations as to potential revenue or operational criteria.

By delivery of written notice to DEVELOPER, the COMPANY will approve or disapprove sites proposed by DEVELOPER for the operation of a Pizza Forum ® /Greek's ® Pizzeria. The COMPANY agrees to exert its best efforts to deliver such notification to DEVELOPER within thirty (30) days of receipt by the COMPANY of the complete site reports, the financial statements, and other materials requested by the COMPANY, containing all information reasonably required by the COMPANY together with the Franchise Agreement and the initial franchise fee.

In the event the COMPANY approves the proposed Pizza Forum ® /Greek's ® Pizzeria site, then COMPANY shall tender to DEVELOPER the Franchise Agreement pertaining to such site and upon receipt of the executed draft thereof by DEVELOPER, will countersign and return same to DEVELOPER. Should the COMPANY not approve the site, then the COMPANY shall promptly so notify DEVELOPER to this effect.

C. DEVELOPER acknowledges that in order to preserve and enhance the reputation and goodwill of all Pizza Forum ® /Greek's ® Pizzerias and the goodwill of the Marks, all Pizza Forum ®/Greek's ® Pizzerias must be properly developed and operated. Accordingly, DEVELOPER agrees that the COMPANY may refuse to grant to DEVELOPER a franchise for a proposed Pizza Forum ® /Greek's ® Pizzeria, unless DEVELOPER meets the standard financial capability criteria as may be developed from time to time by the COMPANY. To this end, DEVELOPER shall furnish to the COMPANY such financial statements and financial and other information regarding DEVELOPER and the development and operation of the proposed Pizza Forum ® /Greek's ® Pizzeria (including, without limitation, pro forma statements and investment and financing plans for the proposed Pizza Forum ® /Greek's ® Pizzeria as the COMPANY may reasonably require).

D. DEVELOPER'S Director of Operations (or such person charged with oversight of the development of the pizzerias) and the general manager and manager of each pizzeria franchised hereunder, must attend and successfully complete, to the satisfaction of the COMPANY, the COMPANY's certified training program. The foregoing personnel must be reasonably satisfactory to the COMPANY.

7. <u>CONFIDENTIAL INFORMATION</u>

A. The COMPANY possesses certain confidential materials and/or information, consisting of the methods of preparation of food products sold at Pizza Forum ® /Greek's ® Pizzerias and the methods, techniques, formats, specifications, procedures, information, systems, including COMPANY's manual which may consist of more than one volume including without limitation: operations manuals, training and development (guide) manuals, development manuals, marketing manuals (guidelines), facilities manuals and guide and system bulletins ("Manual ") and knowledge of the experience in the operation and franchising of Pizza Forum ® /Greek's ® Pizzerias (the "Confidential Information"). The COMPANY will disclose the Confidential Information to DEVELOPER in providing training, guidance and assistance to DEVELOPER under Franchise Agreement.

B. DEVELOPER acknowledges and agrees that he will not acquire any interest in the Confidential Information, other than the rights to utilize it in the development and operation of Pizza Forum ® /Greek's ® Pizzerias pursuant to this Agreement, and that the use or duplication of the Confidential Information in any other business would constitute an unfair method of competition. DEVELOPER acknowledges and agrees that the Confidential Information is proprietary and is a trade secret of the COMPANY and is disclosed to DEVELOPER solely on the condition that DEVELOPER agrees, and DEVELOPER does hereby agree, that he: (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 this Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written, visual, auditory or other tangible form; (4) will adopt and implement all reasonable procedures prescribed from time to time by the COMPANY to prevent unauthorized use or disclosure of the Confidential Information, including without limitation, restrictions on disclosure thereof to employees of Pizza Forum ® /Greek's ® Pizzerias and the use of nondisclosure and noncompetition clauses in employment agreements with such persons; and (5) will not disclose the Confidential Information to limited partners or investors in DEVELOPER (in the event this Agreement is assigned to a partnership or corporation), except to the extent certain financial reporting may be required by applicable partnership or securities laws and unless such individuals sign the Trade Secret Agreement.

C. DEVELOPER acknowledges and agrees that the COMPANY would be unable to protect its trade secrets against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among Pizza Forum ® /Greek's ® Pizzerias if owners of Pizza Forum ® /Greek's ® Pizzerias were permitted to hold interests in any other Italian style restaurants or any other pizzerias or stores serving principally pizza and pasta. Therefore, during the term of this Agreement, neither DEVELOPER, any assignee shareholder or partner (in the event this Agreement is assigned to a corporation or partnership), nor any member of his or their immediate families, shall have any interest as an owner, investor, partner, director, officer, employee, consultant, representative or agent, or in any other capacity, in any Italian style restaurant or stores or any pizzerias or store serving principally pizza or pasta, except for Pizza Forum ® /Greek's ® Pizzerias operated under franchise agreements granted by the COMPANY and the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1 %) or less of that class of securities.

D. All copyrights in confidential information (including, but not limited to, the operating manual) and in promotional, advertising and other materials, and any and all discoveries, inventions, ideas and/or improvements (whether or not patentable or copyrightable) relating to a Pizza Forum ® /Greek's ® Pizzeria, whether created by DEVELOPER, its owners (if the DEVELOPER is a corporation or partnership) or their agents and independent contractors, shall be promptly disclosed by DEVELOPER to COMPANY and shall be COMPANY's sole and exclusive property and, if applicable, deemed to be works made-for-hire for COMPANY. DEVELOPER and its owners (if applicable) will execute, and cause their agents and independent contractors to execute, whatever assignment or other documents COMPANY requests to evidence COMPANY's ownership or to assist COMPANY in obtaining copyright registrations or patent rights. DEVELOPER and its owners (if applicable) will use such items solely in connection with activities permitted in this Agreement and will not use any substantially similar material for any purpose during or after the term of this Agreement.

8. MARKS

A. Ownership and Goodwill of Proprietary Marks. DEVELOPER acknowledges that the COMPANY and its Licensor own the Proprietary Marks and that DEVELOPER has no interest whatsoever in or to the Proprietary Marks and that DEVELOPER's right to use the Proprietary Marks is derived solely from this Agreement and is limited to the conduct of its business pursuant to and in compliance with this Agreement and all applicable specifications, standards and operating procedures prescribed by the COMPANY from time to time during the term of the Franchise. Any unauthorized use of the Proprietary Marks by DEVELOPER shall constitute an infringement of the rights of the COMPANY and its licensor in and to the Proprietary Marks.

DEVELOPER agrees that all usage of the Proprietary Marks by DEVELOPER and any goodwill established thereby shall inure to the exclusive benefit of the COMPANY and its licensor, and DEVELOPER acknowledges that this Agreement does not confer any goodwill or other interests in the Proprietary Marks upon DEVELOPER. DEVELOPER shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Proprietary Marks or assist any other person in contesting the validity or ownership of any of the Proprietary Marks.

DEVELOPER shall not use any Proprietary Mark as part of any corporate or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form, nor may DEVELOPER use any Proprietary marks in connection with any business or activity, other than the business conducted by DEVELOPER pursuant to this Agreement, or in any manner not explicitly authorized in writing by the COMPANY. Any unauthorized use of the Proprietary Marks by the DEVELOPER shall constitute an infringement of the rights of the COMPANY and its Licensor in and to the Proprietary Marks, and further, failure to strictly comply with any and all provisions regarding use of the Marks in this Section 8 shall be a breach of this Agreement and be grounds for termination of this Agreement without the opportunity to cure.

All provisions of this Agreement applicable to the Proprietary Marks shall apply to any additional trademarks, service marks, logo forms and commercial symbols hereafter authorized for use by and licensed to Franchisee pursuant to the Franchise.

B. Limitations on DEVELOPER's Use of Proprietary Marks. DEVELOPER agrees to use the Proprietary Marks as the sole identification of the pizzeria, provided that DEVELOPER shall identify himself as the independent owner thereof in the manner prescribed by the COMPANY. DEVELOPER agrees to display the Proprietary Marks prominently and in the manner prescribed by the COMPANY on signs, menus and forms. Further, DEVELOPER agrees to give such notices of trademark and service mark registrations and copyrights as the COMPANY specifies and to obtain such fictitious or assumed name registrations as may be required under applicable law.

If it becomes advisable at any time, in the COMPANY's sole discretion, for the COMPANY and/or DEVELOPER to modify or discontinue use of any Proprietary mark, and/or use one or more additional or substitute trademarks or service marks, DEVELOPER agrees to comply therewith within a reasonable time after notice thereof by COMPANY.

C. Notification of Infringements and Claims. DEVELOPER shall notify the COMPANY immediately in writing of any apparent infringement of or challenge to DEVELOPER's use of any Proprietary Mark, or claim by any person of any rights in any Proprietary Mark or any similar trade name, trademark or service mark of which DEVELOPER becomes aware. DEVELOPER shall not communicate with any person other than the COMPANY and its counsel in connection with any such infringement, challenge or claim. The COMPANY and/or its licensor shall have sole discretion to take such action as it deems appropriate and the right to exclusively control any litigation. U.S. Patent and Trademark Office proceeding or other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Proprietary Mark. DEVELOPER agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of the COMPANY's counsel, be necessary or advisable to protect and maintain the interests of the COMPANY and/or its licensor in any such litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding or to otherwise protect and maintain the interests of the COMPANY and/or its licensor in the Marks.

D. **Indemnification of DEVELOPER/Discontinuance of Use of Marks.** The COMPANY agrees to indemnify DEVELOPER against, and to reimburse DEVELOPER for, all damages for which he is held liable in any proceeding in which DEVELOPER's use of any Proprietary Mark pursuant to and in compliance with this Agreement is held to constitute trademark infringement, unfair competition or dilution, and for all costs reasonably incurred by DEVELOPER in the defense of any such claim brought against it or in any such proceeding in which it is named as a party, provided that DEVELOPER has timely notified the COMPANY of such claim or proceeding, has otherwise complied with this Agreement and has tendered complete control of the defense of such to the COMPANY. If the COMPANY defends such claim, the COMPANY shall have no obligation to indemnify or reimburse DEVELOPER with respect to any fees or disbursements of any attorney retained by DEVELOPER.

If it becomes advisable at any time, in the COMPANY's sole discretion, for the COMPANY and/or DEVELOPER to modify or discontinue use of any Proprietary Mark, and/or use one or more additional or substitute trademarks or service marks, DEVELOPER agrees to comply therewith within a reasonable time after notice thereof by the COMPANY, and the sole liability and obligation of the Company in any such event shall be to reimburse Franchisee for the out-of-pocket costs of complying with this obligation.

9. MANAGEMENT OF BUSINESS

A. DEVELOPER (managing partner or shareholder approved by the COMPANY) shall exert his full-time efforts to his obligations hereunder and shall not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility, time commitments, or otherwise may conflict with DEVELOPER's obligations hereunder. DEVELOPER (or such managing partner or shareholder) shall supervise the development and operation of Pizza Forum ® /Greek's ® Pizzerias franchised pursuant hereto, but need not be engaged in the day-to-day operations of any such store.

B. Furthermore, the entity which is the DEVELOPER hereunder shall not engage in any business other than the development and operation of Pizza Forum ® /Greek's ® Pizzerias pursuant to this Agreement or any other agreements with the COMPANY.

10. TERMINATION BY COMPANY

In addition to the COMPANY's right to terminate under Paragraph C of Section 3 hereof, DEVELOPER shall be deemed to be in default under this Agreement and all rights granted herein shall automatically terminate without notice to DEVELOPER:

A. (i) if DEVELOPER shall become insolvent or make a general assignment for the benefit of creditors; or (ii) if a petition in bankruptcy is filed by DEVELOPER or such a petition is filed against and not opposed by DEVELOPER; or (iii) if DEVELOPER is adjudicated a bankrupt or insolvent; or if a bill in equity or other proceeding for the appointment of a receiver of DEVELOPER or other custodian for DEVELOPER'S business or assets is filed and consented to by DEVELOPER; or (iv) if a receiver or other custodian (permanent or temporary) of DEVELOPER'S assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or (v) if proceedings for a composition with creditors under any state or federal law should be instituted by or against DEVELOPER; or (vi) if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or (vii) if DEVELOPER is dissolved; or (viii) if execution is levied against DEVELOPER'S business or property; or (ix) if suit to foreclose any lien or mortgage against any of the pizzerias premises or equipment is instituted against DEVELOPER and not dismissed within thirty (30) days; or (x) if the real or personal property of DEVELOPER'S Pizzeria shall be sold after levy thereupon by any sheriff, marshal or constable.

B. DEVELOPER shall be deemed to be in default and the COMPANY may, at its option, terminate this Agreement and all rights granted hereunder, without affording DEVELOPER any opportunity to cure the default, effective immediately upon receipt of notice by DEVELOPER, upon the occurrence of any of the following events:

(a) DEVELOPER (or, if DEVELOPER is a corporation or partnership, any shareholder or partner of DEVELOPER) makes an unauthorized assignment or transfer of this Agreement or any interest in any Pizza Forum ® /Greek's ® Pizzeria or Franchise Agreement granted pursuant to this Agreement;

(b) A general partnership interest in DEVELOPER is terminated, for whatever reason in the event this Agreement has been assigned to a partnership;

(c) DEVELOPER has made any material misrepresentation or omission in its application for the development .. rights conferred by this Agreement or is convicted of or pleads no contest to a felony or other crime or offense that may adversely affect the goodwill associated with the Marks or DEVELOPER conducts himself in a manner offensive to decency, morality, or social proprieties. or becomes involved in a situation which degrades him in society or subjects either him, the COMPANY, or the system of Pizza Forum ® /Greek's ® Pizzerias to public disrepute, contempt or scandal;

(d) DEVELOPER makes any unauthorized use of the Marks or unauthorized use or disclosure of the Confidential Information in which event there shall be no opportunity to cure this default and the rights granted hereunder will automatically terminate;

(e) DEVELOPER fails to comply with any other provision of this Agreement;

(f) DEVELOPER fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not such failures to comply are corrected after notice thereof is delivered to DEVELOPER;

(g) DEVELOPER violates any covenant, term, or condition contained in Section XIV. B(3), (6), (7), (8) and/or (10) of the franchise agreement attached hereto as Exhibit "B" as to any franchise agreement hereinafter entered into between the COMPANY and DEVELOPER pursuant to this Agreement, or of any note or agreement (including any franchise or development agreement) between the COMPANY (or an affiliate) and DEVELOPER, the effect of which is to allow the COMPANY (or an affiliate) to accelerate the maturity of or to terminate such note or agreement before its stated maturity or termination date; or

(h) DEVELOPER=s termination of a Franchise Agreement without cause.

(i) A franchise granted pursuant to this Agreement is in default in the manner described in any cross default provision thereof.

(j) A breach by DEVELOPER as described in paragraph A and/or subparagraphs (a), (c), (d) and (g) of this Section 10 shall be deemed to be a breach of any franchise agreement entered into with COMPANY pursuant to this Agreement, entitling COMPANY to any of the remedies set forth therein including, but not limited to, termination thereof.

11. EFFECT OF TERMINATION AND EXPIRATION

A. CONTINUING OBLIGATIONS

All obligations of the DEVELOPER under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement and until they are satisfied in full or by their nature expire.

B. COVENANT NOT TO COMPETE

(1) DEVELOPER specifically acknowledges that, pursuant to this Agreement, DEVELOPER will receive valuable specialized training and confidential information, including without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of the COMPANY and the System. DEVELOPER covenants that during the term of this Agreement, except as otherwise approved in writing by the COMPANY, DEVELOPER shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership or corporation:

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

(b) Employ or seek to employ any person who is at that time employed by the COMPANY or by any other franchisee or developer of the COMPANY, or otherwise directly or indirectly induce such person to leave his or her employment.

(2) DEVELOPER covenants that DEVELOPER shall not, during the term of this Agreement and for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause for termination and continuing for two (2) years thereafter, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership or corporation, own, maintain, operate, engage in, or have any interest in any Italian theme casual dining restaurant or any restaurant deriving more than forty (40 %) percent of its gross revenues from the combined sale of pizza and/or pasta items, which business is, or is intended to be, located within the United States provided that for the period commencing upon expiration or termination of this Agreement the geographic scope of this covenant shall be limited to the Exclusive Area granted pursuant to this Agreement.

(3) Section II.B.(2). shall not apply to ownership by DEVELOPER of less than one (1 %) percent beneficial interest in the outstanding equity securities of any publicly-held corporation.

(4) The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 11 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the COMPANY is a party, DEVELOPER expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 11.

(5) DEVELOPER understands and acknowledges that the COMPANY shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without DEVELOPER's consent, effective immediately upon receipt by DEVELOPER of written notice thereof; and DEVELOPER agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 11 hereof.

(6) DEVELOPER expressly agrees that the existence of any claims it may have against the COMPANY, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by the COMPANY of the covenants in this Section 11. DEVELOPER agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by the COMPANY in connection with the enforcement of this Section 11.

(7) DEVELOPER acknowledges that DEVELOPER's violation of the terms of this Section 11 would result in irreparable injury to the COMPANY for which no adequate remedy at law may be available, and DEVELOPER accordingly understands that the COMPANY may seek the issuance of an injunction prohibiting any conduct by DEVELOPER in violation of the terms of this Section 11.

(8) At the COMPANY's request, DEVELOPER shall require and obtain execution of covenants similar to those set forth in this Section 11 (including covenants applicable upon the termination of a person's relationship with DEVELOPER) from any or all of the following persons: (1) all managers of DEVELOPER and any other personnel employed by DEVELOPER who have received or will receive training from the COMPANY; (2) all officers, directors, and holders of a beneficial interest of one (1 %) percent or more of the securities of DEVELOPER, and of any corporation directly or indirectly controlling DEVELOPER, if DEVELOPER is a corporation; and (3) the general partners and any limited partners (including any corporation, and the officers, directors and holders of a beneficial interest of one (l %) percent or more of the securities of any corporation which controls, directly or indirectly any general or limited partner), if DEVELOPER is a partnership. Every covenant required by this Section 11 shall be in a form satisfactory to the COMPANY, including, without limitation, specific identification of the COMPANY as a third party beneficiary of such covenants with the independent right to enforce them. Failure by DEVELOPER to obtain execution of a covenant required by this Section 11 shall constitute a default under Section 10 hereof.

C. <u>GENERAL</u>

Upon termination or expiration of this Agreement for any reason, DEVELOPER's rights under this Agreement will terminate. COMPANY will thereafter have no further obligation to grant DEVELOPER additional franchises for Pizza Forum ® /Greek's ® Pizzerias (except as otherwise provided in Section 3.B hereof) and will be free to operate, or grant other persons franchises to operate, Pizza Forum ® /Greek's ® Pizzerias. within the Exclusive Territory.

12. <u>ASSIGNMENT</u>

A. <u>BY COMPANY</u>

This Agreement is fully assignable by the COMPANY and shall inure to the benefit of any assignee or other legal successor to the interests of the COMPANY herein.

B. <u>DEVELOPER AND ITS OWNERS MAY NOT ASSIGN WITHOUT APPROVAL OF COMPANY</u>

DEVELOPER understands and acknowledges that the rights and duties created by this

Agreement are personal to DEVELOPER and that the COMPANY has granted this Agreement in reliance upon the individual or collective character, skill, aptitude, attitude, business ability, and financial capacity of DEVELOPER (or its shareholders or partners, if DEVELOPER is a corporation or partnership). Therefore, neither this Agreement (or any interest therein), nor any part or all of the ownership of DEVELOPER, nor any part of the development rights granted hereunder, may be voluntarily, involuntarily, directly or indirectly, assigned, sold, subdivided, subfranchised, or otherwise transferred by DEVELOPER or its owners (including without limitation, by consolidation or merger, by issuance of securities representing an ownership interest in DEVELOPER, by conversion of a general partnership to a limited partnership, by transfer or creation of an interest as a general partner of a limited partnership, by transfer of an interest in DEVELOPER or in this Agreement in a divorce proceeding, or in the event of the death of DEVELOPER or an owner of DEVELOPER, by will, declaration of or transfer in trust or the laws of the intestate succession), without the prior written approval of the COMPANY. Any such assignment or transfer without such approval shall constitute a breach hereof and shall convey no rights to or interests in this Agreement to such assignee.

(1) The COMPANY shall not unreasonably withhold its consent to a transfer of any interest in DEVELOPER or in this Agreement; provided, however, that if a transfer, alone or together with other previous, simultaneous or proposed transfers, would have the effect of transferring a controlling interest in the DEVELOPER or this Agreement, the COMPANY may, in its sole discretion, require any or all of the following as conditions of its approval:

(a) All of DEVELOPER's accrued monetary obligations and all other outstanding obligations to the COMPANY, its subsidiaries, and its affiliates shall have been satisfied;

(b) DEVELOPER is not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between DEVELOPER and the COMPANY, or its subsidiaries and affiliates;

(c) DEVELOPER shall have executed and delivered to the COMPANY a general release under seal, in a form satisfactory to the COMPANY, of any and all claims against the COMPANY and its officers, directors, shareholders and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances;

(d) The transferee shall enter into a written assignment, under seal and in a form satisfactory to the COMPANY, assuming and agreeing to discharge all of the DEVELOPER's obligations under this Agreement; and, if the obligations of DEVELOPER were guaranteed by the transferor, the transferee shall guarantee the' performance of all such obligations in writing in a form satisfactory to the COMPANY;

(e) The transferee shall demonstrate to the COMPANY's satisfaction that it meets the COMPANY's educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to conduct the business franchised herein (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to operate the business; i. e., a liquid net worth of not less than $250,000 per Unit multiplied by the then current number of pizzerias not yet open;

(f) The DEVELOPER shall also transfer any Pizza Forum ® /Greek's ® Pizzerias operating in the Exclusive Territory and owned by DEVELOPER in conjunction with all development rights granted hereunder. Transfer of partial development rights is prohibited;

(g) The DEVELOPER shall have in operation, in the Exclusive Territory, at least one (1) Pizza Forum ® /Greek's ® Pizzeria;

(h) DEVELOPER shall remain liable for all of the obligations to the COMPANY in connection with the franchised business prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by the COMPANY to evidence such liability;

(i) At the transferee's expense, the transferee, if the transferee is an individual, the transferee's manager, and one (1) other person to be employed in the pizzerias and designated by the transferee, shall complete any training programs then in effect for franchisees upon such terms and conditions as the COMPANY may reasonably require;

(j) Except in the case of a transfer to a corporation formed for the convenience of ownership, or transfers among existing shareholders, DEVELOPER shall pay a transfer fee equal to the greater of Five Thousand ($5,000) Dollars or fifteen (15%) percent of the then current franchise fee in addition to the transfer fees due under franchise agreements in effect pursuant to this Agreement to reimburse the COMPANY for its reasonable costs and expenses associated with reviewing the application to transfer, including, without limitation, legal and accounting fees.

(2) **Right of first Refusal.**

(a) Any party holding any direct or indirect interest in DEVELOPER or in this Agreement and who desires to accept any bona fide offer from a third party to purchase such interest shall notify the COMPANY in writing of each such offer, and shall provide such information and documentation relating to the offer as the COMPANY may require. The COMPANY shall have the right and option, exercisable within thirty (30) days after receipt of such written notification (along with all information and documentation relating to the offer), to send written notice to the seller that the COMPANY intends to purchase the seller's interest on the same terms and conditions offered by the third party. In the event that the COMPANY elects to purchase the seller's interest, closing on such purchase must occur within thirty (30) days from the date of notice to the seller of the election to purchase by the COMPANY. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by the COMPANY as in the case of an initial offer. Failure of the COMPANY to exercise the option afforded by this Section 12 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 12, with respect to a proposed transfer.

(b) In the event the COMPANY exercises its right of first refusal, the Agreement of Sale relating to such sale shall contain customary representations and warranties given by the Seller of the assets of a business or voting stock of any incorporated business, as applicable, including, without limitation, representations and warranties as to ownership, condition of and title to stock and/or assets, liens and encumbrances relating to the stock and/or assets and validity of contracts.

C. PRIVATE OFFERINGS

In the event DEVELOPER (or any of its owners) shall, attempt to raise or secure funds by the sale of securities in a transaction pursuant to Regulation D of the Securities Exchange Act of 1934 or a uniform limited offering exemption under any state securities statutes or in any offering required to be registered under Federal or State securities laws (including, without limitation, common or preferred stock, bonds, debentures or general or limited partnership interests) in DEVELOPER or any affiliate of DEVELOPER, DEVELOPER, recognizing that the written information used with respect thereto may reflect upon the COMPANY, agrees to submit any such written information to the COMPANY prior to its inclusion in any offering circular, memorandum or prospectus. No information respecting the COMPANY or any of its affiliates shall be included in any securities disclosure document, unless such information has been furnished by the COMPANY, in writing, pursuant to the written request of the DEVELOPER, in which the DEVELOPER states the specific purposes for which the information is to be used. Should the COMPANY, in its sole discretion, object to any reference to the COMPANY or any of its affiliates or to any of their licensees in such offering literature, such literature shall not be used unless and until the objections of the COMPANY are withdrawn. The COMPANY assumes no responsibility for the offering whatsoever.

Any literature utilized in any offering shall contain the following language in bold-face type on the first textual page thereof:

"NEITHER PIZZA FORUM ® NOR ANY OF ITS AFFILIATES IS DIRECTLY OR INDIRECTLY THE ISSUER OF THE SECURITIES OFFERED HEREBY. NEITHER THE PIZZA FORUM 7 NOR ANY OF ITS AFFILIATES ASSUMES ANY RESPONSIBILITY WITH RESPECT TO THIS OFFERING AND/OR THE ADEQUACY OR ACCURACY OF THE INFORMATION SET FORTH HEREIN, INCLUDING ANY STATEMENTS MADE WITH RESPECT TO ANY OF THEM. NEITHER PIZZA FORUM ® NOR ANY OF ITS AFFILIATES ENDORSES OR MAKES ANY RECOMMENDATION WITH RESPECT TO THE INVESTMENT CONTEMPLATED BY THIS OFFERING."

DEVELOPER and each of its owners must indemnify, defend and hold harmless the COMPANY and its affiliates, and their respective officers, directors, employees and agents from any and all claims, demands, liabilities, and all costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in the defense of such claims, demands or liabilities arising from the offer or sale of such securities, whether asserted by a purchaser of any such security or by a governmental agency. The COMPANY shall have the right (but not the obligation) to defend any such claims, demands or liabilities and/or to participate in the defense of any action to which the COMPANY or any of its affiliates or any of their respective offices, directors, employees or agents is named as a party.

DEVELOPER shall reimburse the COMPANY for its direct and indirect expenses in connection with the offering or proposed offering.

13. ENFORCEMENT

A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS

To the extent that either Paragraph C of Section 7 or Paragraph B of Section 11 is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, or length of time, but may be made enforceable by reductions of any or all thereof, DEVELOPER and the COMPANY agree that same shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought.

If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the determination of or non-renewal of this Agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by the COMPANY is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions hereof, and the COMPANY shall have the right, in its sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable. DEVELOPER agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof, or any specification, standard or operating procedure prescribed by the COMPANY, any portion or portions which a court may hold to be unenforceable in a final decision to which the COMPANY is a party, or from reducing the scope of any promise or covenant to the extent required to comply which such a court order. Such modifications to this Agreement shall be effective only in such jurisdiction, unless the COMPANY elects to give them greater applicability, and this Agreement shall be enforced as originally made and entered into in all other jurisdictions.

B. WAIVER OF OBLIGATIONS

The COMPANY and DEVELOPER may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver.

Whenever this Agreement requires the COMPANY's prior approval or consent, DEVELOPER shall make a timely written request therefor, and such approval, shall be obtained in writing.

The COMPANY makes no warranties or guarantees upon which DEVELOPER may rely, and assumes no liability or obligation to DEVELOPER, by granting any waiver, approval, or consent to DEVELOPER, or by reason of any neglect, delay, or denial of any request therefor. Any waiver granted by the COMPANY shall be without prejudice to any other rights the COMPANY may have, will be subject to continuing review by the COMPANY, and may be revoked, in the COMPANY's sole discretion, at any time and for any reason, effective upon delivery to DEVELOPER of ten (10) days prior written notice.

The COMPANY and DEVELOPER shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement (including, without limitation), the right to demand exact compliance with every term, condition and covenant herein, or to declare any breach thereof to be a default and to terminate this Agreement prior to the expiration of its term), by virtue of any custom or practice of the parties at variance with the terms hereof; any failure, refusal, or neglect of the COMPANY or DEVELOPER to exercise any right under this Agreement or to insist upon exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure, or omission by the COMPANY to exercise any right, power, or option, whether of the same, similar or different nature, with respect to any Pizza Forum ® /Greek's ® Pizzerias or any development or franchise agreements therefor; any grant of a Franchise Agreement to DEVELOPER; or the acceptance by the COMPANY of any payment from DEVELOPER after any breach of this Agreement.

Neither the COMPANY nor DEVELOPER shall be liable for loss or damage or deemed to be in breach of this Agreement if its failure to perform its obligations results from: (1) compliance with any law, ruling, order, regulation, requirement, or instruction of any federal, state, or municipal government or any department or agency thereof; (2) acts of God; (3) acts or omissions of the other party; (4) fires, strikes, embargoes, war, or riot; or (5) any other similar event or cause which are force majeure in nature. Any delay resulting from any of said causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable.

C. <u>SPECIFIC PERFORMANCE/INJUNCTIVE RELIEF</u>

Nothing herein contained shall bar the COMPANY's right to obtain specific performance of the provisions of this Agreement and injunctive relief against threatened conduct that will cause it loss or damages, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions. DEVELOPER agrees that the COMPANY may have such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law.

D. <u>RIGHTS OF PARTIES ARE CUMULATIVE</u>

The rights of the COMPANY and DEVELOPER hereunder are cumulative and no exercise or enforcement by the COMPANY or DEVELOPER of any right or remedy hereunder shall preclude the exercise or enforcement by the COMPANY or DEVELOPER of any other right or remedy hereunder or which the COMPANY or DEVELOPER is entitled by law or equity to enforce.

E. <u>GOVERNING LAW</u>

Except to the extent governed by the United States Trademark Act of 1946 (15 U.S.C. '1501 et seq.) or other federal law, this Agreement and all claims arising from the relationship between the DEVELOPER and COMPANY shall be governed by the laws of the State of Indiana without regard to its conflict of laws principles.

F. <u>EXCLUSIVE JURISDICTION</u>

DEVELOPER and the COMPANY agree that any action arising out of or relating to this Agreement (including, without limitation, the offer and sale of this Agreement) and the relationship of the parties shall be instituted and maintained only in a state or federal court of general jurisdiction in Indiana, and DEVELOPER irrevocably submits to the jurisdiction of such court and waives any objection he may have to either the jurisdiction or venue of such court.

G. <u>BINDING EFFECT</u>

This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns, and successors in interest, and shall not be modified except by written agreement signed by both DEVELOPER and the COMPANY.

H. <u>CONSTRUCTION</u>

The preambles and exhibit(s) are a part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between the COMPANY and DEVELOPER relating to the subject matter of this Agreement.

Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto.

The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit or construe the contents of such sections or paragraphs.

The term "DEVELOPER" as used herein is applicable to one or more persons, a corporation or a partnership, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time DEVELOPER hereunder, their obligations and liabilities to the COMPANY shall be joint and several. References to "DEVELOPER" and "assignee" which are applicable to an individual or individuals shall mean the owner(s) of the equity or operating control of DEVELOPER or the assignee, if DEVELOPER or the assignee is a corporation or partnership.

This Agreement shall be executed in multiple copies, each of which shall be deemed an original.

Time is of the essence in this Agreement.

14. INDEPENDENT CONTRACTORS/INDEMNIFICATION

The COMPANY and DEVELOPER are independent contractors. Neither the COMPANY nor DEVELOPER shall be obligated by or have any liability under any agreements, representations, or warranties made by the other that are not expressly authorized hereunder, nor shall the COMPANY be obligated for any damages to any person or property directly or indirectly arising out of the operation of DEVELOPER's business conducted pursuant to this Agreement, whether or not caused by DEVELOPER's negligent or willful action or failure to act. The COMPANY shall have no liability for any sales, use, excise, income, gross receipts, property, or other taxes levied. upon DEVELOPER or its assets or upon the COMPANY in connection with the business conducted by DEVELOPER, or any payments made by DEVELOPER to the COMPANY pursuant to this Agreement or any Franchise Agreement.
DEVELOPER agrees to indemnify the COMPANY and its subsidiaries, affiliates, stockholders, directors, officers, employees, agents and assignees against and to reimburse them for all such obligations, damages, and taxes for which they are held liable and for all costs reasonably incurred by them in the defense of any such claim brought against them or in any action in which they are named as a party, including without limitation, reasonable attorneys' and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses. The COMPANY shall have the right to defend any such claim against it. The indemnities and assumptions of liabilities and obligations herein shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

15. NOTICES AND PAYMENTS

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to the Company:	**Pizza Forum® LLC** P.O. Box 111 Muncie, IN 47308
Notices to Developer:	________________________________ ________________________________ ________________________________

Any notice by certified or registered mail shall be deemed to have been given at the date and time of receipt.

16. CONTROLLING EFFECT

Where any of the terms of this Agreement conflict with the terms of any franchise agreement executed by the parties in connection herewith, the terms of this Agreement shall be deemed controlling.

IN WITNESS WHEREOF, the parties hereto have executed, sealed and delivered this Agreement in ____________________________________counterparts on the day and year first above written.

DEVELOPER SIGNATURE(S)

If a corporation:

Attest: Name: ________________________________
(Type or Print)

_____________________________ By: ___________________________________
Secretary (Signature)

Title: _________________________________
(Type or Print)

(SEAL)

Pizza Forum® LLC

By: ____
Title: _______________________________________

Franchisee subscribed and sworn to me before this _________ day of ______________________________

NOTARY PUBLIC ____

My Commission expires ____

EXHIBIT A

TO PIZZA FORUM ® LLC AREA DEVELOPMENT AGREEMENT BY AND BETWEEN PIZZA FORUM ®LLC AND ______________________________ DATED ______________________________, 20___

The Exclusive Area referred to in Section 2 of the captioned agreement shall be:

DEVELOPER SIGNATURE(S)

If a corporation:

Attest:

____
Secretary

Name: ______________________________
(Type or Print)

By: ______________________________
(Signature)

Title: ______________________________
(Type or Print)

(SEAL)

Other:

______________________________ Signature	______________________________ (Signature)
______________________________ (Type or print name above)	______________________________ (Signature)
______________________________ Signature	______________________________ (Signature)
______________________________ (Type or print name above)	______________________________ (Signature)
______________________________ Signature	______________________________ (Signature)
______________________________ (Type or print name above)	______________________________ (Signature)

Not binding without execution by the COMPANY.

Pizza Forum® LLC

By: ______________________________________
Title: _____________________________________

Franchisee subscribed and sworn to me before this _________ day of ______________________________

NOTARY PUBLIC ____

My Commission expires ____

EXHIBIT B

TO PIZZA FORUM ® LLC AREA DEVELOPMENT AGREEMENT BY AND BETWEEN PIZZA FORUM 7 LLC AND ______________________________ DATED ______________________________, 20___

Development Free: ____
$ ____________________________) Dollars.

Expiration Date: ____

MINIMUM DEVELOPMENT QUOTA

STORE NUMBER	OPEN AND OPERATING ON OR BEFORE	INITIAL FRANCHISE FEE DUE UNDER EACH FRANCHISE AGREEMENT

DEVELOPER SIGNATURE(S)

If a corporation:

Attest:

Name: ______________________________
(Type or Print)

____
Secretary

By: ______________________________
(Signature)

Title: ______________________________
(Type or Print)

(SEAL)

COMPANY:

Pizza Forum® LLC

By: ______________________________
Title: ______________________________

Franchisee subscribed and sworn to me before this ________ day of ______________________________

NOTARY PUBLIC ____

My Commission expires ______________________________________

PIZZA FORUM® LLC

PIZZA FORUM® LLC SECURITY AGREEMENT

EXHIBIT "E"

THE PIZZA FORUM ® LLC SECURITY AGREEMENT

THIS AGREEMENT dated as of the Date of Agreement set forth below, entered into by and between Pizza Forum® LLC ("the Franchisor"), the office of which for purposes hereof is set forth below, and the franchisee or franchisees (collectively, if more than one, "Franchisee") identified below.

In consideration of the grant of franchise rights by Franchisor to Franchisee and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS. When used herein, the terms set forth below shall be defined as follows:

(1.1) "Date of Agreement" is __________, 20____.

(1.2) "Franchisee" means the following:

____
NAME OF FRANCHISEE

(1.3) "Franchisee's Address" is ____.

(1.4) "Franchisor's Address" is: P.O. Box 111, Muncie, Indiana 47308.

(1.5) "Equipment" means all goods (as defined by the Uniform Commercial Code), telephone numbers, facsimile numbers, exterior/interior signs, and Proprietary amusement enclosure(s) and Marks installed about the Pizza Forum⁷ establishment located at [H.I. Franchisee's location of business, if other than listed herein]
and owned or leased by Franchisee (the "Approved Location").

(1.6) "Event of Default" means each and every event specified in the Franchise Agreement entered into by and between Franchisee and Franchisor for the operation of a Pizza Forum⁷ establishment at the Approved Location (the "Franchise Agreement").

(1.7) "Obligations" means all indebtedness, obligations and liabilities of Franchisee to Franchisor or its affiliates of every kind and description direct or indirect, secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising, under the Franchise Agreement.

To the extent not defined in this Section I, unless the context otherwise requires, all other terms contained in this Agreement shall have the meanings attributed to them by Article 9 of the Uniform Commercial Code in force in the State of Indiana

as of the Date of Agreement, to the extent the same are used or defined therein.

2. REPRESENTATIONS AND WARRANTIES

(2.1) If a corporation, Franchisee has been duly incorporated and organized and is existing as a corporation in good standing under the laws of the jurisdiction of its incorporation and is duly qualified in good standing as a foreign corporation in those jurisdictions where the conduct of the business or the ownership of the properties requires qualification. Franchisee has the power and authority to own the equipment, to enter into and perform this Agreement and any other document or instrument delivered in connection herewith and to incur the Obligations.

(2.2) This Agreement and any document or instrument delivered in connection herewith and the transactions contemplated hereby or thereby have been duly authorized, and/or executed and delivered, as appropriate; and this Agreement and such other documents and instruments constitute valid and legally binding obligations of Franchisee and are enforceable against Franchisee in accordance with their respective terms.

(2.3) Franchisee is the owner of the Equipment free and clear of all security interests, encumbrances or liens and will defend the Equipment against all claims and demands of all persons at any time claiming an interest therein.

(2.4) Franchisee has filed all federal, state and local tax returns and other reports it is required to file and has paid or made adequate provisions for payment of all such taxes, assessments and other governmental charges.

(2.5) No representation, warranty or statement by Franchisee contained herein or in any certificate or other document furnished or to be furnished by Franchisee pursuant hereto contains or at the time of delivery shall contain any untrue statement of material fact, or omits, or shall at the time of delivery, omit to state a material fact necessary to make it not misleading.

3. SPECIFIC REPRESENTATIONS, WARRANTIES AND COVENANTS WITH RESPECT TO EQUIPMENT. With respect to the Equipment, Franchisee hereby represents and warrants and covenants with Franchisor, as follows:

(3.1) The Equipment is in the possession of Franchisee at the Approved Location and that said location if not owned by Franchisee, is leased to Franchisee. Franchisee shall provide Franchisor with disclaimers and waivers necessary to make the security interest in the Equipment valid against Franchisee and other persons holding an interest in such real estate.

(3.2) Franchisee shall keep and maintain all Equipment in good operating condition and repair, make all necessary repairs thereto and replacement of parts thereof so that the valid and operating efficiency thereof shall at all times be maintained and preserved, and Franchisee shall keep complete and accurate books and records with respect to Equipment, including maintenance records.

(3.4) Franchisee shall not, without the prior written consent of Franchisor, sell, offer to sell, lease or in any other manner dispose of any Equipment.

4. GRANT OF SECURITY INTEREST. To secure the performance of the Obligations, Franchisee hereby pledges, assigns and transfers to Franchisor, and grants to Franchisor a continuing security interest in and to the Equipment.

5. RIGHTS AND REMEDIES. Franchisor shall have, by way of example and not of limitation, the rights and remedies set forth in paragraph 5.1 at all times prior to and/or after the occurrence of an Event of Default and shall have all of the rights and remedies enumerated herein after the occurrences of an Event of default.

(5.1) Franchisor, and any officer or agent of Franchisor, is hereby constituted and appointed as the true and lawful attorney-in-fact of Franchisee with power; to sell, assign, sue for, collect or compromise payment of all or any part of the Equipment in the name of Franchisee or in its own name, or make any other disposition of Equipment, or any part thereof, which disposition may be for cash, credit or any combination thereof, and Franchisor may purchase all or any part of the Equipment at public or, if permitted by law, private sale, and in lieu of actual payment of such purchase price, may set-off the amount of such price against the Obligations; granting to Franchisor, as the attorney-in-fact of Franchisee, full power of substitution and full power to do any and all things necessary to be done in and about the premises as fully and effectually as Franchisee might or could do but for this appointment, and hereby ratifying all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof. Neither Franchisor not its agents shall be liable for any acts or omissions for any error of judgment or mistake of fact in its capacity as such attorney-in-fact. This power of attorney is coupled with an interest and shall be irrevocable so long as any Obligations shall remain outstanding.

Franchisor shall have the right to enter and/or remain upon the premises of Franchisee, or any other place or places where the Equipment is located and kept and: (i) remove the Equipment therefrom to the premises of Franchisor or any agent of Franchisor, for such time as Franchisor may desire, in order to maintain, collect, sell and/or liquidate the Equipment.

(5.2) Franchisor shall have, in addition to any other rights and remedies contained in this Agreement, the Franchise Agreement and any other agreements, guarantees, notices, instruments and documents heretofore, now or at any time or times hereafter executed by Franchisee and delivered to Franchisor, all of the rights and remedies of a secured party under the Uniform Commercial Code in force in the State of Indiana, as of the Date of Agreement, all of which rights and remedies shall be cumulative, and non-exclusive, to the extent permitted by law.

(5.3) Any notice required to be given by Franchisor of a sale or other disposition of other intended action by Franchisor with respect to the Equipment or otherwise, made in accordance with the terms of this Agreement at least one (1) day prior to such proposed action, shall constitute fair and reasonable notice to Franchisee of any such action.

(5.4) Franchisor shall have the right to dismantle the Equipment by such means as it deems appropriate without compensation to Franchisee.

6. GENERAL PROVISIONS.

(6.1) The failure of Franchisor at any time or times hereafter to require strict performance by Franchisee of any of the provisions, warranties, terms and conditions contained in this Agreement, the Franchise Agreement or in any other agreement, guaranty, note, instrument or document now or at any time or times hereafter executed by Franchisee and delivered to Franchisor shall not waive, affect or diminish any right of Franchisor at any time or times thereafter to demand strict performance thereof; and, no right of Franchisor hereunder shall be deemed to have been waived by any act of knowledge of Franchisor, its agents, officers or employees, unless such waiver is contained in an instrument in writing signed by an authorized officer of Franchisor and directed to Franchisee specifying such waiver. No waiver by Franchisor of any of its rights shall operate as a waiver of any of its rights or any of its rights on future occasion.

(6.2) Any demand or notice required or permitted to be given hereunder shall be deemed effective when deposited in the United States mail, and sent by certified mail, return receipt requested, postage prepaid, addressed to Franchisor at Franchisor's Address or to Franchisee at Franchisee's Address, as applicable, or to such other address as may be provided by the party to be notified, on ten (10) days prior written notice to the other party.

(6.3) Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law; should any portion of this Agreement be declared invalid for any reason in any jurisdiction, such declaration shall have no effect upon the remaining portions of this Agreement, furthermore, the entirety of this Agreement shall continue in full force and effect in all other jurisdictions and said remaining portions of this Agreement shall continue in full force and effect in the subject jurisdiction as if this Agreement had been executed with the invalid portions thereof deleted.

(6.4) The provisions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, administrators, successors and assigns of Franchisor and Franchisee; provided however, Franchisee may not assign any of its right or delegate any of its obligations hereunder without the prior written consent of Franchisor.

(6.5) This Agreement is and shall be deemed to be a contract entered into and made pursuant to the laws of the State of Indiana and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said state; in the event that the Franchisor brings any action hereunder in any court of record of Indiana or the Federal Government, Franchisee consents to and confers, personal jurisdiction over Franchisee by such court or courts and agrees that service or process may be made upon Franchisee by mailing a copy of the summons to Franchisee at Franchisee's Address; and in any action hereunder Franchisee waives the right to demand a trial by jury.

(6.6) If, prior hereto and/or at any time or times hereafter, Franchisor shall employ counsel in connection with the execution and consummation of the transactions contemplated by this Agreement or to commence, defend or intervene, file a petition, complaint, answer, motion or other pleadings, or to take any other action in or with respect to any suit or proceeding (bankruptcy or otherwise) relating to this Agreement, the Equipment or any other agreement, guaranty, note, instrument or document heretofore now or at any time or times hereafter executed by Franchisee and delivered to Franchisor, or to protect, collect, lease, sell, take possession of or liquidate the Equipment, or to attempt to enforce or to enforce any security interest in the Equipment, or to collect any of the Obligations, than in any of such events, all pre- and post-litigation attorneys' fees arising from such services, and any expenses, costs and charges relating thereto, shall be part of the Obligations, payable on demand and secured by the Equipment.

(6.7) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

7. Franchisee shall execute and deliver to Franchisor, for recording in all jurisdictions or offices deemed applicable by Franchisor, U.C.C.-1s reflecting Franchisor's security interest in the Equipment. Franchisee hereby appoints Franchisor its attorney-in-fact to execute on behalf of Franchisee any form U.C.C.-1s or U.C.C.-3s covering the Equipment as Franchisor deems necessary to carry out the terms hereof.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the date written above, intending to be legally bound.

ATTEST:	**Pizza Forum® LLC**
______________________________ Franchisee /	**By** ____________________ A.C. Karamesines
______________________________ Franchisee /	
ATTEST:	______________________________ (name of Corporate Franchisee)
	By ______________________________
Title	Title ______________________________
(CORPORATE SEAL)	
WITNESS:	______________________________ (name of Partnership Franchisee)
	By ______________________________ General Partner
	By ______________________________ General Partner
	By ______________________________ General Partner

(If Franchisee is a partnership, all general partners must sign.)

Franchissee subscribed and sworn to me before this ________ day of ____________________________

NOTARY PUBLIC ____

My Commission expires _____________________________________

PIZZA FORUM® LLC

PIZZA FORUM® LLC COVENANTS AGREEMENT

EXHIBIT "F"

THE PIZZA FORUM® LLC COVENANTS AGREEMENT

Agreement made this _________ day of _____________, by and between Pizza Forum® LLC, an Indiana single member LLC, "Company" and ______________________________, a(n) individual(s) residing in____"Undersigned".

WITNESSETH:

WHEREAS, the Company, as the result of the expenditure of time, skill, effort and money, has developed and owns a unique and distinctive system (hereinafter "System") relating to the establishment and operation of full service, family-oriented, casual style food operations featuring a Proprietary Amusement Enclosure Design/Concept and a specialized menu of appetizers, salads, pizzas, as well as various pasta dishes, pizza shell wraps, sandwiches and other food and beverage items; and

WHEREAS, the distinguishing characteristics of the System, include, without limitation, the use of the Proprietary Amusement Enclosure Design/Concept, distinctive exterior and interior design, decor, color scheme and furnishings; special recipes and menu items; uniform standards, specifications and procedures for operations; quality and uniformity of products and services offered; procedures for inventory and management control; training and assistance; and advertising and promotional programs; all of which may be changed, improved and further developed by the Company from time to time; and

WHEREAS, the Company identifies the System by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including but not limited to the mark Pizza Forum®, Greek's® Pizzeria and logos, and such other trade names, service marks, tag lines and trademarks as are now designated (and may hereafter be designated by the Company in writing) for use in connection with the System (hereinafter, referred to as "Proprietary Marks"); and

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

WHEREAS, the undersigned is a stockholder, officer, director or partner of an entity which has entered into a franchise agreement (the "Franchise Agreement") with the Company for the operation of a Pizza Forum® establishment at _______________________________________, (the "Establishment"); and

WHEREAS, as an inducement for the Company to enter into the Franchise Agreement for the Establishment the undersigned has agreed to be bound individually by the covenants set forth herein in order to protect the Company from unauthorized disclosure of trade secrets or other confidential information, from competition and from unauthorized use of Proprietary Marks or Amusement Enclosure Design/Concept of the Company.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained and intending to be legally bound thereby, the parties hereto agree as follows:

(1) Ownership and Goodwill of Proprietary Marks. The undersigned acknowledges that he has no interest whatsoever in or to the Proprietary Amusement Enclosure Design/Concept and Marks and that his right to use the Proprietary Amusement Enclosure Design/Concept and Marks is derived solely from the Franchise Agreement and is limited to the conduct of business pursuant to and in compliance with the Franchise Agreement and all applicable specifications, standards and operating procedures prescribed by the Company from time to time during the term of the Franchise. Any unauthorized use of the Proprietary Amusement Enclosure Design/Concept and Marks by the undersigned shall constitute an infringement of the rights of the Company and to the Proprietary Amusement Enclosure Design/Concept and Marks.

All provisions of this Agreement applicable to the Proprietary Amusement Enclosure Design/Concept and Marks shall apply to any additional trademarks, service marks, logo forms and commercial symbols hereafter authorized for use pursuant to the Franchise.

(2) Confidential Operating Materials ("Manual"). In order to protect the reputation and goodwill of Franchisor and to maintain high standards of operation under Franchisor's Proprietary Marks and Amusement Enclosure Design/Concept, Franchisee shall conduct its business in accordance with the Manual, one copy of which, when completed, Franchisee will acknowledge having received on loan from Franchisor for the term of this Agreement.

The undersigned shall at all times treat the Manual, any other manuals created for or approved for use in the operation of the Establishment, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. The undersigned shall not at any time copy, duplicate, record or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

(3) Confidential Information. The undersigned shall not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, persons, partnership, association or corporation any confidential information, knowledge or know-how concerning the methods of operation of the business franchised hereunder which may be communicated to the undersigned or of which the undersigned may be apprised by virtue of the Franchisee's operation under the terms of the Franchise Agreement.

The undersigned acknowledges that any failure to comply with the requirements of this Section will cause the Company injury, and agrees that if a dispute arises, the prevailing party shall require the other party to pay all court costs and all pre- and post-litigation attorneys' fees incurred in obtaining specific performance of, or an injunction against violation of, the requirements of this Section.

(4) Covenants.

A. The undersigned specifically acknowledges that, pursuant to the Franchise Agreement, the undersigned will receive valuable specialized training and confidential information, including without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of the Company and the System. The undersigned covenants that during the term of this Agreement, except as otherwise approved in writing by the Company, the undersigned shall not, either directly or indirectly, for himself, or through, on behalf of, or in conjunction with any person, persons, partnership or corporation, Divert or attempt to divert any business or customer of the Establishment to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Company's Proprietary Marks, System, and Designs/Concepts.

B. The undersigned covenants that, except as otherwise approved in writing by the Company, the undersigned shall not, during the term of this Agreement and for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause for termination and continuing for two (2) years thereafter, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any persons, partnership or corporation, own, maintain, operate, engage in, or have any interest in any business which is the same as or similar to the franchised business; provided however, for that period commencing upon expiration or termination of this Agreement, the geographic scope of this covenant shall be limited to the Exhibit H ("Exclusive Territory") and as otherwise defined in the Franchise Agreement. The time period referred to above shall be tolled during any period in which Franchisee is in default hereunder.

C. Section B shall not apply to ownership by the undersigned of less than one (1%) percent beneficial interest in the outstanding equity securities of any publicly-held corporation.

D. The parties agree that each of the foregoing covenants shall be contracted as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, the undersigned expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

E. The undersigned understands and acknowledges that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, without the undersigned's consent, effective immediately upon receipt by the undersigned of written notice thereof; and the undersigned agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of this Agreement.

F. The undersigned expressly agrees that the existence of any claims he may have against the Company, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by the Company of the covenants in this Agreement. Furthermore, if a claim or suit is brought by Company arising out of any the breach or default of any provision of this Agreement, the undersigned agrees to pay all costs and reasonable attorney's fees incurred in connection with said suit, whether or not the suit proceeds to judgment, including but not limited to all reasonable attorney's fees incurred by Company in any garnishment, post-judgment or appellate proceedings.

G. The undersigned acknowledges that the undersigned's violation of the terms of this Agreement would result in injury to the Company for which no adequate remedy at law may be available, and the undersigned accordingly consents to the issuance of an injunction prohibiting any conduct by the undersigned in violation of the terms of this Agreement.

(5) <u>Applicable Law</u>

A. This Agreement takes effect upon its acceptance and execution by the Company, and shall be interpreted and construed under the laws of the State of Indiana, which laws shall prevail in the event of any conflict of law.

B. The parties agree that any action brought by either party against the other in any court, whether federal or state, shall be brought within the State of Indiana and do hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

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

ATTESTEE: **Pizza Forum® LLC**

______________________________________ By ____________________

Franchisee / A.C. Karamesines

WITNESS:

(SEAL) ____________________________

Franchissee subscribed and sworn to me before this ________ day of ___________________________

NOTARY PUBLIC ____

My Commission expires ____________________________________

PIZZA FORUM®

ACKNOWLEDGMENT

The Franchisor represents that this registered prospectus does not knowingly omit any material fact or make any untrue statement about a material fact.

Exhibit "G"
(Page 1 of 3)

ACKNOWLEDGMENT OF RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Pizza Forum® offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Pizza Forum® does not deliver this Franchise 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 and the applicable State Administrator listed on Exhibit "I".

Pizza Forum® authorizes Indiana Secretary of State, Securities Division, 201 State House, Indianapolis, Indiana 46204 to receive service of process for Company.

I have received a Pizza Forum® LLC Franchise Disclosure Document dated __________ that included the following Exhibits:

B. Financial Disclosure
C. Franchise Agreement
D. Development Agreement
E. Security Agreement
F. Covenants Agreement
G. Acknowledgment Receipt
H. "Exclusive Territory" Agreement
I. State Franchise Administrator

DATE _______________ PROSPECTIVE FRANCHISEE __________________________

Exhibit "G"
(page 2 of 3)

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G. Acknowledgment Receipt
H. "Exclusive Territory" Agreement
I. State Franchise Administrator

DATE _______________ PROSPECTIVE FRANCHISEE __________________________

Exhibit "G"
(page 3 of 3)

EXHIBIT H
(“Exclusive Territory”)

Except as may otherwise be provided herein or in the Franchise Agreement, the Company shall not establish, nor license anyone other than Franchisee to establish, any business under the System within the Exclusive Territory described below.

Franchisee acknowledges that this franchise is non-exclusive. The grant of this franchise does not imply the grant of rights to any other location or territory. Furthermore, Company reserves for itself the right to sell, within the Exclusive Territory, products and services authorized for Pizza Forum® LLC under the Marks or other trademarks, service marks and commercial symbols through dissimilar channels of distribution and pursuant to such terms as Company deems appropriate.

Franchisee acknowledges that certain, locations, events or market areas within the Exclusive Territory are unique and separate in their character; locations may include the campus of a university or college, a hospital, a public transportation facility, or a government facility (be it federal, state, or other), stadiums or similar sports facilities and amusement parks. The Company and Franchisee agree that **(a)** the Company shall have the sole right to declare by written notice to Franchisee, at any time, that any such location be developed by Franchisee pursuant to Company’s then current form of Franchise Agreement and if the Franchisee fails to or refuses to enter into a Franchise Agreement and pay the then current franchise fees (ex: 2001 initial franchise fee $18,500 + 5% of gross sales) for each additional business site for such location within ninety (90) days of Company's notice to Franchisee (21 days’ notice for local events via food truck service), the Company shall have the right to construct and operate, and have the right to franchise others to construct and operate, a Pizza Forum® establishment or food truck at such site regardless of location within the Exclusive Territory and such shall not constitute a conflict or violation under this Agreement; **(b)** notwithstanding the foregoing, in the event that the development opportunities described in Section I of the Franchise Agreement include additional or similar sites outside the Exclusive Area, the Company shall not be obligated to offer any rights to Franchisee and the Company shall be free to construct and operate or franchise such business to others; and **(c)** If Franchisee does not provide adequate customer service within the Exclusive Territory or inadequate customer service otherwise exists within Franchisee’s Exclusive Territory, other Franchisees shall be free to provide customer service within the Exclusive Territory from their established franchise location located outside the Exclusive Territory.

The Company shall not unreasonably withhold Franchisee relocation of an ongoing operation within the boundaries identified the “Exclusive Territory.” The “Exclusive Territory” boundaries will remain unchanged where an ongoing operation is relocated within the defined territory boundaries.

If the Company does not have a Company-owned unit or training facility within the Franchisee’s State, the Company may offer an option to Franchisee to permit Franchisor to utilize Franchisee’s location as a training facility and credit Franchisee 3% of Franchisee’s weekly gross sales from one location (See Franchise Agreement Section V., Articles B & E). This credit, if granted, will only apply so long as or to states where there are no Company-owned units or other training facilities. Upon Company approval, such Franchisee shall have the option to move such training facility from one site to another if so desired. The Company may elect not to frequent a training facility/approved location and may revoke this option upon 30 days written notice.

“Exclusive Territory” is ____
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Athanasios (Chris) Karamesines ____________ ____________________________
Pizza Forum⁷ LLC **Franchisee Seal**

Franchisee subscribed and sworn to me before this ________ day of __________________________

NOTARY PUBLIC ____

My Commission expires _______________________________________

EXHIBIT I

(STATE FRANCHISE ADMINISTRATORS)

State	State Agency	Agent for Service of Corporations
California	Franchise Division Department of Corporations 1515 K Street Sacramento, CA 95814 (916) 445-7205	Commissioner Department of Business Oversight 1515 K Street Sacramento, CA 95814 (866) 275-2677
Hawaii	Franchise & Securities Division State Department of Commerce P.O. Box 40 Honolulu, HA 96813 (808) 586-2722	Commissioner of Securities Dept. of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-4465
Illinois	Franchise Division Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465
Indiana	Franchise Division Office of Secretary of State 302 W. Washington Street Room E111 Indianapolis, IN 46204 (317) 232-6681	Office of Secretary of State 302 W. Washington Street Room E111 Indianapolis, IN 46204 (317) 232-6681
Maryland	Franchise Division Division of Securities 200 St. Paul Place – 20th Floor Baltimore, MD 21202 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place – 20th Floor Baltimore, MD 21202 (410) 576-6360
Minnesota	Franchise Division Department of Commerce 133 East Seventh St. St. Paul, MN 55101 (651) 296-6328	Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1500
New York	Franchise & Securities Division State Department of Law 120 Broadway 23rd Floor New York, NY 10271 (212) 416-8211	Attention: New York Secretary of State Department of State Division of Corporations One Commerce Plaza, 6th Floor 99 Washington Avenue Albany, NY 12231 (518) 473-2492

North Dakota	Franchise Division Office of Securities Commission 600 East Boulevard Ave., 5th Floor Bismarck, ND 58505 (701) 328-2910	North Dakota Securities Commissioner 600 East Boulevard Ave., State Capitol, 5th Floor Bismarck, ND 58505 (701) 328-4712
Rhode Island	Franchise Division Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903 (401) 222-3048	Director of Dept. of Business Regulation Securities Division Bldg. 69, 1st Floor, John O. Pastore Center 1511 Pontiac Avenue Cranston, RI 02920 (401) 462-9527
South Dakota	Franchise Division Division of Securities 910 E. Sioux Avenue Pierre, SD 57501 (605) 773-4013	Department of Labor and Regulation Director of the Division of Securities 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823
Virginia	Franchise Division State Corporation Commission 1300 E. Main Street Richmond, VA 23319 (804) 317-9276	Clerk of State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, VA 23319 (804) 371-9733
Washington	The Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 (360) 902-8760	Director of Dept. of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S.W. Tumwater, WA 98501 (360) 902-8760
Wisconsin	Franchise Office Wisconsin Securities Commission P.O. Box 1768 Madison, WI 53701 (608) 266-3364	Commissioner of Securities Wisconsin Department of Financial Institutions 201 West Washington Avenue Suite 300 Madison, WI 53703 (608) 261-9555
All Other States	None	Pizza Forum®, LLC P.O. Box 111 Muncie, IN 47308 (765) 284-5655