2018 FRANCHISE DISCLOSURE DOCUMENT

New Orleans Brew, LLC
d/b/a PJ's Coffee of New Orleans
180 New Camellia Boulevard, Suite 100
Covington, Louisiana 70433
Telephone: (985) 792-5776
Facsimile: (985) 792-1201
E-mail: franchise@pjscoffee.com
Website: www.pjsfranchise.com

As a franchisee you will operate a retail business under the name PJ's Coffee of New Orleans featuring gourmet coffees and teas, blended coffee and tea beverages, whole bean and ground coffee, gourmet desserts, sandwiches and salads, and other food products and beverages authorized by Franchisor. In certain areas, Franchisor will authorize the café to offer selected specialty wines and other alcoholic beverages approved by Franchisor.

The total investment necessary to begin operation of a PJ's Unit ranges from $168,900 - $566,000. This total investment estimate includes the initial fee of $10,000 - $30,000 that must be paid to the franchisor or affiliate.

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

You may wish to receive the Franchise's Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Development Director at 180 New Camellia Blvd., Suite 100, Covington, Louisiana 70433 and (985) 792-5776.

The terms of Franchisee's contract will govern Franchisee's franchise relationship. Don't rely on the Disclosure Document alone to understand the Franchisee's contract. Read all of the Franchisee's contract carefully. Show the Franchisee's 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: April 1, 2018. (The issuance date is not the effective date for registration states.)

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 H to this Disclosure Document for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY 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, AND 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 FRANCHISOR BY LITIGATION/ARBTIRATION ONLY IN LOUISIANA. OUT OF STATE LITIGATION/ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE/ARBITRATE WITH FRANCHISOR IN LOUISIANA THAN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT LOUISIANA 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. THE FRANCHISE AGREEMENT DOES NOT PROVIDE THE FRANCHISEE WITH AN EXCLUSIVE TERRITORY.

4. FRANCHISOR MAY ESTABLISH PJ'S UNITS AND OTHER FOOD SERVICE FACILITIES IN MALLS, STADIUMS, SCHOOLS, AIRPORTS, MILITARY BASES, GOVERNMENT FACILITIES, HEALTH CARE FACILITIES, ETC. WITHIN THE GENERAL AREA OF THE FRANCHISE, AND MAY ESTABLISH OTHER CHANNELS OF DISTRIBUTION AND SELL OR DISTRIBUTE ANY PRODUCT OR SERVICE TO THE GENERAL PUBLIC, UNDER THE SAME AND/OR DIFFERENT TRADEMARKS, IN COMPETITION WITH THE FRANCHISE.

5. UPON EARLY TERMINATION OF THE FRANCHISE AGREEMENT, YOU MUST PAY FRANCHISOR AN EARLY TERMINATION FEE BASED ON THE AVERAGE MONTHLY ROYALTY AND SYSTEM FEE OBLIGATIONS FOR THE REMAINING TERM OF THE FRANCHISE AGREEMENT.

6. ALL OWNERS OF ANY ENTITY ENTERING INTO A FRANCHISE AGREEMENT WILL BE REQUIRED TO EXECUTE A PERSONAL GUARNATEE. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE UNIT OWNER(S) AT RISK.

7. PLEASE NOTE, THAT AS OF DECEMBER 31, 2017, 77.7% OF NEW ORLEANS BREW, LLC'S TOTAL ASSETS ARE INTANGIBLE.

8. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Franchisor uses the services of one or more FRANCHISE BROKERS or referrals sources to assist Franchisor in selling its franchise. A franchise broker or referral source represents the Franchisor, not you. Franchisor pays this person a fee for selling our franchise or referring you to Franchisor. You should be sure to do your own investigation of the franchise.

The effective dates of this Franchise Disclosure Document in the states with franchise registration laws in which Franchisor has sought registration to appear on the following page.

STATE EFFECTIVE DATES

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

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise regulation and disclosure laws, with the following effective dates:

STATE	EFFECTIVE DATE
California	May 1, 2017
Florida (exemption)	July 18, 2017
Indiana	July 24, 2017
Maryland	Pending
Michigan	July 24, 2017
New York	December 18, 2017
Texas (exemption)	July 25, 2008
Washington	Pending
Wisconsin	August 18, 2017

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EXHIBITS

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor.

To simplify the language in this Disclosure Document, “we”, “us”, “our”, “PJ’s” or “Franchisor” means New Orleans Brew, LLC d/b/a PJ’s Coffee of New Orleans. “You” or “Franchisee” means the person who buys the franchise, including a corporation, partnership, limited liability company or other legal business entity.

New Orleans Brew, LLC is a Louisiana limited liability company organized on January 23, 2008. Our corporate address is 180 New Camellia Boulevard, Suite 100, Covington, LA, and our telephone number is (985) 792-5776. Franchisor does business under the name “PJ’s Coffee of New Orleans”. Our agents for service of process are disclosed on Exhibit E to this Disclosure Document.

PJ’s USA, Inc. began offering franchises in 1989. On June 17, 2008, our company, New Orleans Brew, LLC, and our affiliate, New Orleans Roast, LLC (collectively “Purchaser”), completed an asset purchase agreement with PJ’s USA, Inc. and PJ’s Wholesale, Inc. (collectively and interchangeably referred to as “Seller” and/or “Predecessor”), for substantially all of the assets of the PJ’s franchise system and coffee roasting business (the “Transaction”). As of the date of this disclosure document, there are 80 PJ’s franchised units in operation.

New Orleans Brew, LLC began offering unit franchises in July 2008. As of April 1, 2018, Franchisor does not own or operate any PJ’s Coffee franchises.

New Orleans Brew, LLC is also an affiliate of WOW Café & Wingery Franchising Account, LLC that offers the WOW Café & Wingery restaurant franchise.

Our Parent, Predecessors and Affiliates.

Franchisor has no parent.

New Orleans Roast, LLC is an affiliate company that will roast and distribute coffee beans, and coffee related products to all PJ’s Coffee franchises and other retail businesses. New Orleans Roast, LLC sells to PJ’s franchisees some of the “Proprietary Products” that are prepared according to specified recipes, standards and procedures, including our proprietary coffee beans that are branded, trademarked, produced and/or packaged exclusively for franchisees (the “PJ’s Products”). New Orleans Roast, LLC does have the same address as New Orleans Brew, LLC, but will not offer or sell any franchises in this or any other line of business.

Franchisor has one affiliate through common ownership that offers the following franchise:

WOW Café & Wingery Franchising Account, LLC, is a Louisiana limited liability company, with its principal place of business at 180 New Camellia Boulevard, Suite 100, Covington, Louisiana, 70433 (“WOW Café”). Paul Ballard, Steven Ballard and John Scott Ballard are all co-owners of this company. The other principals of New Orleans Brew, LLC have no affiliation or decision-making authority with WOW Café. WOW Café offers the opportunity to own franchise units or area developer franchises under the name WOW Café & Wingery. WOW Café offers franchises whose primary business is a restaurant system that allows its customers to enjoy quality food, such as wings, wraps, sandwiches, salads, burgers, drinks and other general food products. As of the date of this disclosure document, there are 61 franchised outlets in operation. WOW Café has not offered franchises for any other line of business. WOW Café has not operated any other type of business.

WOW Café offers franchises using its own Franchise Disclosure Document. Franchisee may face competition from the above concept because this concept may be established in close proximity to your Franchisee's PJ's Unit. This affiliate has total discretion where to permit their franchisees to operate.

Except as described above, Franchisor has no parents, predecessors or affiliates required to be included in this Item.

The Franchise Offered.

Franchisor offers Franchisee a franchise whose primary business is the sale of gourmet coffees and teas, blended coffee and tea beverages, whole bean and ground coffee, gourmet desserts, and other food products and beverages under the name and service mark "PJ's". The type of business that Franchisee will operate will be referred to in this Franchise Disclosure Document as a "PJ's Unit". Franchisor has developed its unique system ("System") which allows its customers to enjoy gourmet coffees and teas, blended coffee and tea beverages, whole bean and ground coffee, gourmet desserts, other beverages, and a food program to satisfy multiple-day parts which are reasonably priced and served within a short period of time.

Franchisor developed and owns a System which Franchisee will utilize in Franchisee's PJ's Unit. The franchise agreement is attached to this Franchise Disclosure Document as Exhibit A. This System includes specialized training, methods of operation, uniform standards, distinctive décor and design, and advertising and promotional programs to assist Franchisee in operating Franchisee's PJ's Unit. Franchisor will also provide Franchisee with certain confidential recipes and formulas, supplier lists, operations and training manuals, and other confidential information and methods for managing Franchisee's PJ's Unit. The PJ's Unit is identified by certain trade names, service marks, trademarks, logos, emblems, and indicia or origin, such as "PJ's", "PJ's Coffee of New Orleans" and "PJ's Coffee & Tea" ("Proprietary Marks").

Under some circumstances, Franchisor may offer PJ's Units that serve wine, beer and/or alcohol. Franchises interested in serving wine, beer and/or alcohol must be approved by Franchisor. Franchisor has the exclusive right to restrict the type of alcohol served.

A typical PJ's Unit occupies approximately 1,000 to 2,200 square feet of space. The space may be either owned by Franchisee or leased from a third party. All PJ's Units are constructed to our specifications. A PJ's Unit may be located in either a freestanding building or an in-line retail plaza space with ample parking, drive-thru facilities, good visibility, and visible signage. A typical PJ's Unit will employ approximately 10 to 16 people.

Franchisee will operate a PJ's Unit as an independent business utilizing Franchisor's business format, procedures, designs, trade dress, standards, specifications, and methods of operation. Franchisee must use the PJ's System at Franchisee's PJ's Unit, which includes, without limitation, the common use and promotion of the name "PJ's" and other service marks, trademarks, trade names, logos, emblems, signs, slogans, insignia and other commercial symbols Franchisor may designate from time to time (collectively, the "Marks"). Franchisee must also use Franchisor's distinctive food products, recipes, quality standards, procedures, training manuals, advertising & promotional programs, and ongoing assistance. Franchisor may from time to time add or delete products and/or services and change specifications, standards, procedures, and methods of operation and Franchisee will be expected to follow suit. Franchisee will offer and provide products and services to the general public, at all times comply with the Franchise Agreement and our confidential operations manual (the “Manual”) that will be loaned to Franchisee at the time of training. Franchisee may only offer services and products with our prior approval.

Market and Competition.

The market for the products sold in a PJ’s Unit is to the general public. The market may be affected by general economic conditions. The specialty coffee market is highly competitive. Franchisee will be competing with other businesses, both national and local, offering similar items. National and local specialty coffee businesses may also develop similar menu items; national and local supermarkets and other retailers may carry some of the same or similar products. If Franchisee’s PJ’s Unit is located in a strip center or local or regional shopping mall, Franchisee will typically have to compete with businesses offering competitive goods or services within the same center or mall.

Franchisee should investigate all general laws in evaluating the franchise. It is Franchisee’s sole responsibility to obtain and keep all necessary permits required by public authorities.

Government Regulation.

Local, state, and federal laws and regulations will apply to the business operations of Franchisee’s PJ’s Unit. Food service, health and sanitation laws and regulations will also directly apply to the preparation of Franchisee’s food and handling of other food related products. In addition, Franchisee must comply with all local, state, and federal laws that apply to Franchisee’s PJ’s Unit including health, sanitation, non-smoking, and EEOC, OSHA, discrimination, employment, and sexual harassment laws. The Americans with Disabilities Act of 1990 requires readily accessible accommodations for disabled people, and, therefore, may affect Franchisee’s building construction, entrance ramps, doors, seating, bathroom, and parking. Franchisee must obtain building permits, other licenses, and operational permits and certifications. Franchisee should consult with Franchisee’s attorney concerning these and other local laws and ordinances that may affect Franchisee’s PJ’s Unit.

ITEM 2

BUSINESS EXPERIENCE

Board of Directors/Principal: John Scott Ballard

Since 2008 to present, John Scott Ballard has served as co-owner of WOW Café & Wingery Franchising Account, LLC in Covington, Louisiana. Mr. Ballard is also a Principal and Member of the Board of Directors for New Orleans Brew, LLC in Covington, Louisiana.

Board of Directors/Principal: Paul Ballard

Since 2008 to present, Paul Ballard has served as co-owner of WOW Café & Wingery Franchising Account, LLC in Covington, Louisiana. Mr. Ballard is also a Principal and Member of the Board of Directors for New Orleans Brew, LLC in Covington, Louisiana.

Board of Directors/Principal: Steven Ballard

Since 2008 to present, Steven Ballard has served as co-owner of WOW Café & Wingery Franchising Account, LLC in Covington, Louisiana. Mr. Ballard is also a Principal and Member of the Board of Directors for New Orleans Brew, LLC in Covington, Louisiana.

Chief Financial Officer: Jeffery Giavotella

Since 2010 to present, Jeffery Giavotella has served as Chief Financial Officer of New Orleans Brew, LLC in Covington, Louisiana.

President: Peter Boylan, III

Since 2010, Peter Boylan, III has served on the Board of Advisors for WOW Café & Wingery Franchising Account, LLC & New Orleans Brew, LLC. Mr. Boylan joined New Orleans Brew, LLC as the Executive Vice President and Chief Development Officer. Since June 2016 to present, Mr. Boylan has served as President of New Orleans Brew, LLC in Covington, Louisiana.

Executive Vice President & Chief Development Officer: David Mesa, Jr., CFE

Since June 2016 to present, David Mesa, Jr. has served as Executive Vice President and Chief Development Officer of New Orleans Brew, LLC in Covington, Louisiana. Mr. Mesa has received the designation of Certified Franchise Executive (CFE) by the International Franchising Association for his work and study in the franchise industry and has maintained that designation to date. Mr. Mesa is also a member of the International Institute for Franchise Education.

Chief Roastmaster: Felton M. Jones, III

Since 2003 to present, Felton Jones, III has served as Chief Roastmaster and Coffee Buyer for New Orleans Brew, LLC in Covington, Louisiana. Mr. Jones is certified by the Specialty Coffee Association of America in green coffee purchasing and contracts.

Vice-President of Operations: Patrick Shaheen

Since 2008 to present, Patrick Shaheen has served as Vice President of Operations for New Orleans Brew, LLC in Covington, Louisiana.

Franchise Development Director: Ryan J. Stansbury, CFE

Since 2010 to present, Ryan Stansbury has served as the Franchise Development Director for New Orleans Brew, LLC. in Covington, LA. Mr. Stansbury received the designation of Certified Franchise Executive (CFE) by the International Franchising Association for his work and study in the franchise industry and has maintained that designation to date.

Marketing Director: Reid Nolte

Since 2008 to present, Reid Nolte has served as the Marketing Director of New Orleans Brew, LLC in Covington, Louisiana.

Location Development Manager: Mark Verges

Since 2009 to September 2017, Mark Verges served as the Franchise Development Director for CC's Coffee Concepts. Since October 2017 to present, Mr. Verges has served as the Location Development Manager of New Orleans Brew, LLC in Covington, Louisiana.

ITEM 3

LITIGATION

Pending Affiliate Actions. None.

ITEM 4

BANKRUPTCY

PJ's Vice President of Operations, Patrick Shaheen, filed a bankruptcy petition under the liquidation provisions of Chapter 7 of the U.S. Bankruptcy Code on February 23, 2011. In re Shaheen, No. 11-10539 (E. D. La. 2011). On April 4, 2011, the bankruptcy court confirmed the trustee's petition of disclaimer and abandonment.

Other than the above, no bankruptcy is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Franchise Fee. The initial franchise fee can range from $10,000 to $30,000 depending on the type of model chosen. The initial franchise fee is payable when Franchisee signs the Franchise Agreement. The initial franchise fee is fully earned and non-refundable when paid, in consideration of the administrative and other expenses incurred by Franchisor entering into the Franchise Agreement, and for Franchisor's lost or deferred opportunity to enter into the Franchise Agreement with others. The initial franchise fee is based on the type of model chosen. Please review the table below to determine Franchisee's initial franchise fee:

Type of Model	Description	Initial Franchise Fee
Full Service Model	Full Service Units generally range between 1,000 – 2,200 square feet.	$30,000
Limited Service Model	Limited Service Units generally range between 500 – 1,000 square feet with a common eating area and possibly a common kitchen—i.e. airports, shopping malls, sports arenas, hotels, university campuses, health care facilities, government & military facilities. Limited Service Units generally feature a condensed food and beverage menu.	$20,000
Special Contracts Full Service Model	Full Service Units range between 1,000 – 2,200 square feet.	$10,000 - $15,000
Special Contracts Limited Service Model	Limited Service Units generally range between 500 – 1,000 square feet with a common eating area and possibly a common kitchen— i.e. airports, shopping malls, sports arenas, hotels, university campuses, health care facilities, government &	$10,000 - $15,000

	military facilities. Limited Service Units generally feature a condensed food and beverage menu.	

Pre-Opening Purchases. Before opening for business, Franchisee must purchase the necessary PJ's Products and proprietary items from Franchisor and/or Franchisor's affiliate, New Orleans Roast, LLC. Franchisor estimates that Franchisee's pre-opening costs for PJ's Products and proprietary items purchased from us and/or our affiliate will range from $2,500 to $5,000 per Unit.

ITEM 6

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Full Service Model Royalty Fee[N1]	5.0% of gross sales	Automatically withdrawn five business days after prior week's end	Payable to PJ's; uniformly imposed; non-refundable
Limited Service Model Royalty Fee [N1]	6.0% of gross sales	Automatically withdrawn five business days after prior week's end	Payable to PJ's; uniformly imposed; non-refundable
Special Contracts Limited Service Model Royalty Fee [N1]	3.0% - 6.0% of gross sales (depending on Franchisee experience). Generally, a Franchisee with more experience operating other PJ's Franchise Units or similar types of units within other systems will have a lower rate than Franchisees with less experience either in terms of time or with this particularly type of business. The Royalty Fee will be determined prior to the franchisee signing the Franchise Agreement.	Automatically withdrawn five business days after prior week's end	Payable to PJ's; uniformly imposed; non-refundable
Full Service Model Marketing Fee (System Fund) [N2]	2.0% of gross sales	Same as royalty fee	Payable to PJ's; uniformly imposed; non-refundable

Type of Fee	Amount	Due Date	Remarks
Limited Service Model Marketing Fee (System Fund) [N2]	2.0% of gross sales	Same as royalty fee	Payable to PJ's; uniformly imposed; non-refundable
Special Contracts- Full Service Model Marketing Fee (System Fund) [N2]	No fee for this model	Not applicable	Not applicable
Special Contracts- Limited Service Model Marketing Fee (System Fund) [N2]	No fee for this model.	Not applicable	Not applicable
Advertising Cooperatives [N3]	1.0% up to 3.0% of gross sales	Established by cooperative	As designated by Franchisee's cooperative
Interest on late payments	Prime plus 2.5% per annum or the maximum rate allowed by the applicable federal and/or state law.	Immediately	Payable to PJ's; non-refundable
Training Fees[N4]	No fee charged for initial training programs. After first training program, additional training sessions may either be requested by the franchisee or mandated by PJ's.	Additional training programs- as incurred before commencement of program.	Additional training programs-payable to PJ's.
Refurbishment Costs [N5]	\$20,000 - \$65,000	After the first three years of opening of the Unit but no more than twice during the initial Term of the Franchise Agreement.	Payable to approved contractor/vendor
Audit Fees [N6]	\$2,500 - \$8,000	After audit and gross sales are determined to be understated by 5% or more	To designated auditor

Type of Fee	Amount	Due Date	Remarks
Transfer Fees[N7]	$12,500	Payable at time of transfer	Payable to PJ's when, and if, Franchisee transfers Franchisee's franchise; uniformly imposed; non-refundable
Renovation/Design Construction Plans [N8]	$1,500 - $10,000	As incurred	Payable to PJ's and/or approved/designated architecture firm
Returned Checks [N9]	$30 for each occurrence	As incurred	Payable to PJ's
Charge for Inspection and Testing of Proposed Suppliers	$0- $1,000	As incurred – See Item 8	Payable to proposed supplier
Point of Sale (POS) System Costs	$1,000 - $2,000 if paid in full. Alternatively, Franchisee may elect to pay $40 to $80 per month for 24 months in lieu of paying in full for the POS System.	As incurred or Monthly	Payable to approved vendor
Point of Sale (POS) Software License, Loyalty Program & Gift Card Program Fee	$215 monthly fee	Monthly	Payable to approved vendor
Labor Management Program Fee	$20 monthly fee	Monthly	Payable to approved vendor
Early Termination Fee	The average monthly Royalty and Marketing Fees during the preceding 12-month period multiplied by the number of months remaining in the term of the franchise agreement.	30 days prior to the early closing of the store.	Franchisee must provide PJ's with 90 days' written notice of the termination of Franchisee's franchise agreement

Type of Fee	Amount	Due Date	Remarks
Annual Convention	$500-$5,000	As incurred	This includes the registration fee, cost of travel and lodging. It does not take into account miscellaneous expenses such as food and entertainment. Travel expenses may vary depending on your point of origin.
Annual Convention Penalty	$500	As incurred	Payable to PJ's

NOTES:

General Comments.

All fees must be payable to Franchisor. Unless otherwise stated, these fees are non-refundable. During the term of the Franchise Agreement, Franchisor and/or its approved vendors may offer additional services not currently contemplated, for which Franchisor and/or its approved vendors may charge a fee. Franchisor will automatically withdraw all fees from Franchisee's bank account on a weekly or monthly basis.

(1) Royalty Fee. Franchisee must pay the appropriate percentage of Franchisee's weekly gross sales to Franchisor beginning the date Franchisee opens for business. This payment or withdrawal will be made within five business days of week's end. The term "gross sales" shall mean the amount of sales of all products and services sold in, on, about, from, or from such other place for Franchisee's PJ's Unit, whether for cash or on a charge, credit or time basis, including the reasonable market value of any goods or services sold or traded in any barter or trade transaction, without reserve or deduction for inability or failure to collect. "Gross Sales" is intended to include income of every kind and nature related to Franchisee's PJ's Unit. Where not prohibited by law, gross sales shall mean and include all net revenue earned as a result of video gaming, including video poker and video bingo. "Gross sales" shall not include the amount of any excise or sales tax levied on retail sales and payable over to the appropriate governmental authority. In computing gross sales, Franchisee may deduct the amount of over-rings, refunds, allowances, or discounts to customers (including coupon sales) if these amounts have been included in gross sales and if Franchisee complies with the requirements, including time limits, established by Franchisor, in writing, regarding reporting and taking credits against gross sales.

(2) Marketing Fee (System Fund). Franchisee must pay the appropriate percentage of Franchisee's weekly gross sales to Franchisor beginning the date Franchisee opens for business for a System Fee. This payment or withdrawal will be made within five business days of week's end.

(3) Cooperative Fee. Franchisee shall be required to participate in a marketing and promotional cooperative ("Cooperative") with other PJ's franchisees. Upon becoming a member of a Cooperative, Franchisee must pay the appropriate percentage of Franchisee's weekly gross sales to the Cooperative.

(4) Training Fees. Franchisee must pay all personal expenses incurred by Franchisee or Franchisee's employees in training programs, including costs and expenses of transportation, lodging, meals, wages, and

employee benefits. Franchisor will not charge for the attendance up to three persons representing Franchisee at the initial franchise management training program.

(5) Refurbishment Costs. Franchisor may ask Franchisee to refurbish, remodel or modify Franchisee's PJ's Unit at Franchisee's expense after the first three years of opening of the PJ's Unit but no more than twice during the initial Term of the Franchise Agreement to conform to the then-current building design, trade dress, equipment specifications and color schemes. The cost of each refurbishment depends upon the extent and amount of work performed. These costs are estimated to range between $20,000 and $65,000.

(6) Audit Fees. Franchisor has the right to review the financial statements submitted by Franchisee. If it is determined by an independent certified public accountant that the amount of gross sales was understated by more than 5%, then Franchisee is responsible to pay all accountant's fees incurred by Franchisor. The cost of this audit is estimated to be $2,500-$8,000 but the cost will vary depending on the amount of work performed by the accountant.

(7) Transfer Fee. If the transfer of Franchisee's PJ's Unit results in a transfer of control, Franchisee must pay Franchisor $12,500.

(8) Renovation/Design Construction Plans. Franchisee must pay the fees and costs associated with obtaining the plans necessary to complete the refurbishment described in Note 5 above. The fees and costs associated with the renovation construction plans will vary. Franchisee must use a licensed and insured general contractor for all construction and remodeling on the interior or exterior of the franchised location. Costs are estimated to be $1,500-$10,000.

(9) Returned Checks. Franchisee must pay $30 to Franchisor for each check Franchisee issued to Franchisor that is returned by the bank due to insufficient funds.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR INITIAL INVESTMENT - FULL SERVICE MODEL					
Type of Expenditure	**Low**	**High**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee	$30,000	$30,000	Lump Sum	Upon signing of franchise agreement	Franchisor
Real Estate Lease for Premises[N1]	$0	$12,500	As arranged	As arranged	Landlord
Furniture, Fixtures, and Equipment[N2]	$50,000	$150,000	As arranged	Before Opening	Approved Suppliers
Opening advertising	$5,000	$5,000	As arranged	Within first month of opening	Advertising
Training expenses[N3]	$0	$0	As arranged	As arranged	Franchisor
Travel and living expenses while training [N4]	$3,500	$7,000	As arranged	Before Opening	Airlines, Hotels and Restaurants
Insurance[N5]	$2,400	$5,000	As arranged	Before Opening	Agent/Company of Franchisee’s Choice
Other prepaid expenses, such as deposits, licenses and various permits[N6]	$1,000	$3,500	As arranged	Before Opening	Suppliers and Government Agencies
Opening inventory[N7]	$9,000	$12,000	As arranged	Before Opening	Franchisor and Suppliers
Signage	$4,000	$18,000	As arranged	Before Opening	Approved Suppliers
Leasehold improvements[N8]	$50,000	$270,000	As arranged	Before Opening	Approved General Contractor
Small wares	$3,000	$5,000	As arranged	Before Opening	Approved Suppliers
POS System & Back-office Computer System	$1,500	$5,500	As arranged	Before Opening	Approved Suppliers
Legal, accounting & organizational costs	$2,500	$5,000	As arranged	As arranged	Government, Attorneys, Accountants
Additional funds[N9]	$27,500	$27,500	As arranged	As arranged	Suppliers and Employees
Construction Drawings [N12]	$1,500	$10,000	As arranged	As arranged	Franchisor and/or Approved Suppliers
TOTAL	**$190,900**	**$566,000**			

YOUR INITIAL INVESTMENT - LIMITED SERVICE MODEL					
Type of Expenditure	**Low**	**High**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee	$20,000	$20,000	Lump Sum	Upon signing of franchise agreement	Franchisor
Real Estate Lease for Premises[N1]	$0	$12,500	As arranged	As arranged	Landlord
Furniture, Fixtures, and Equipment[N2]	$50,000	$100,000	As arranged	Before Opening	Approved Suppliers
Opening advertising	$5,000	$5,000	As arranged	Within first month of opening	Advertising
Training expenses[N3]	$0	$0	As arranged	As arranged	Franchisor
Travel and living expenses while training [N4]	$3,500	$7,000	As arranged	Before Opening	Airlines, Hotels and Restaurants
Insurance[N5]	$2,400	$5,000	As arranged	Before Opening	Agent/Company of Franchisee’s Choice
Other prepaid expenses, such as deposits, licenses and various permits[N6]	$1,000	$3,500	As arranged	Before Opening	Suppliers and Government Agencies
Opening inventory[N7]	$7,000	$10,000	As arranged	Before Opening	Franchisor and Suppliers
Signage	$4,000	$7,000	As arranged	Before Opening	Approved Suppliers
Leasehold improvements[N8]	$50,000	$150,000	As arranged	Before Opening	Approved General Contractor
Small wares	$3,000	$5,000	As arranged	Before Opening	Approved Suppliers
POS System & Back-office Computer System	$1,500	$5,500	As arranged	Before Opening	Approved Suppliers
Legal, accounting & organizational costs	$2,500	$5,000	As arranged	As arranged	Government, Attorneys, Accountants
Additional funds[N9]	$27,500	$27,500	As arranged	As arranged	Suppliers and Employees
Construction Drawings [N12]	$1,500	$10,000	As arranged	As arranged	Franchisor and/or Approved Suppliers
TOTAL	**$178,900**	**$373,000**			

YOUR INITIAL INVESTMENT - FULL SERVICE MODEL SPECIAL CONTRACTS					
Type of Expenditure	**Low**	**High**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee	$10,000	$15,000	Lump Sum	Upon signing of franchise agreement	Franchisor
Real Estate Lease for Premises[N1]	$0	$12,500	As arranged	As arranged	Landlord
Furniture, Fixtures, and Equipment[N2]	$50,000	$150,000	As arranged	Before Opening	Approved Suppliers
Opening advertising	$5,000	$5,000	As arranged	Within first month of opening	Advertising
Training expenses[N3]	$0	$0	As arranged	As arranged	Franchisor
Travel and living expenses while training [N4]	$3,500	$7,000	As arranged	Before Opening	Airlines, Hotels and Restaurants
Insurance[N5]	$2,400	$5,000	As arranged	Before Opening	Agent/ Company of Franchisee's Choice
Other prepaid expenses, such as deposits, licenses and various permits[N6]	$1,000	$3,500	As arranged	Before Opening	Suppliers and Government Agencies
Opening inventory[N7]	$9,000	$12,000	As arranged	Before Opening	Franchisor and Suppliers
Signage	$4,000	$18,000	As arranged	Before Opening	Approved Suppliers
Leasehold improvements[N8]	$50,000	$270,000	As arranged	Before Opening	Approved General Contractor
Small wares	$3,000	$5,000	As arranged	Before Opening	Approved Suppliers
POS System & Back-office Computer System	$1,500	$5,500	As arranged	Before Opening	Approved Suppliers
Legal, accounting & organizational costs	$2,500	$5,000	As arranged	As arranged	Government, Attorneys, Accountants
Additional funds[N9]	$27,500	$27,500	As arranged	As arranged	Suppliers and Employees
Construction Drawings [N12]	$1,500	$10,000	As arranged	As arranged	Franchisor and/or Approved Suppliers
TOTAL	**$170,900**	**$551,000**			

YOUR INITIAL INVESTMENT - LIMITED SERVICE MODEL SPECIAL CONTRACTS					
Type of Expenditure	**Low**	**High**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee	$10,000	$15,000	Lump Sum	Upon signing of franchise agreement	Franchisor
Real Estate Lease for Premises[N1]	$0	$12,500	As arranged	As arranged	Landlord
Furniture, Fixtures, and Equipment[N2]	$50,000	$100,000	As arranged	Before Opening	Approved Suppliers
Opening advertising	$5,000	$5,000	As arranged	Within first month of opening	Advertising
Training expenses[N3]	$0	$0	As arranged	As arranged	Franchisor
Travel and living expenses while training [N4]	$3,500	$7,000	As arranged	Before Opening	Airlines, Hotels and Restaurants
Insurance[N5]	$2,400	$5,000	As arranged	Before Opening	Agent/ Company of Franchisee's Choice
Other prepaid expenses, such as deposits, licenses and various permits[N6]	$1,000	$3,500	As arranged	Before Opening	Suppliers and Government Agencies
Opening inventory[N7]	$7,000	$10,000	As arranged	Before Opening	Franchisor and Suppliers
Signage	$4,000	$7,000	As arranged	Before Opening	Approved Suppliers
Leasehold improvements[N8]	$50,000	$150,000	As arranged	Before Opening	Approved General Contractor
Small wares	$3,000	$5,000	As arranged	Before Opening	Approved Suppliers
POS System & Back-office Computer System	$1,500	$5,500	As arranged	Before Opening	Approved Suppliers
Legal, accounting & organizational costs	$2,500	$5,000	As arranged	As arranged	Government, Attorneys, Accountants
Additional funds[N9]	$27,500	$27,500	As arranged	As arranged	Suppliers and Employees
Construction Drawings [N12]	$1,500	$12,000	As arranged	As arranged	Franchisor and/or Approved Suppliers
TOTAL	**$168,900**	**$368,000**			

NOTES:

General Comments. The above figures are estimates of the complete investment in establishing Franchisee's PJ's Unit and it is possible to significantly exceed these costs in any of the areas listed above. Franchisee's actual investment will depend upon many different factors like location, amount of space leased, amount of leasehold improvements, and Franchisee's ability to efficiently manage and coordinate the construction and opening of Franchisee's PJ's Unit. The amounts paid to Franchisor are non-refundable unless otherwise stated. The refund ability of amounts paid to third parties depends upon Franchisee's negotiations with these parties. The following notes are integral to the understanding of the financial commitment required to successfully establish and operate Franchisee's PJ's Unit. Franchisee should review the notes thoroughly.

(1) Real Estate Lease for PJ's Unit. Locations for PJ's Units are typically within shopping strip centers and suburban shopping areas. Typically, Franchisee would lease an existing location in a shopping strip center or other freestanding building and remodel the location to conform to the current design specifications of Franchisor. Franchisee may also lease the land and an existing facility and convert the facility to Franchisee's PJ's Unit or enter into a build-to-suit lease under which lease the landlord agrees to construct a structure which is used as Franchisee's PJ's Unit and lease the land and the building back to Franchisee. Franchisee may also purchase the land and build the facility itself. The cost of land may vary dramatically depending upon a multitude of factors and it varies by city and region. Franchisor has not included costs for land acquisition or construction of a building. Franchisee must perform a thorough investigation in Franchisee's local area concerning land, site, leasehold, and construction costs. These costs may vary significantly from location to location and are dependent upon factors such as the general cost, location, and availability of commercial real estate in Franchisee's market area and the amount of space desired.

Lease payments vary considerably depending upon regional and local factors and the type of lease negotiated by Franchisee. For a typical PJ's Unit, Franchisee must lease approximately 1,000 to 2,200 square feet of space. Lease payments for a typical PJ's Unit usually range from $1,875 to $6,250 per month depending upon the size, location, and market demand for the property. The rate may be higher for regional mall sites or locations in high demand. Franchisor estimates that the range ($0 to $12,500) given will cover a deposit and first month's rent. There is a low-end estimate of "$0" for certain franchised models because some landlords do not require a lease deposit; therefore, an initial investment is not required for the franchisee.

(2) Furniture, Fixtures and Equipment. Franchisor will provide a complete list of furniture, fixtures and equipment needs and specifications. Franchisor estimates that the range given will also be enough to purchase the initial decor package and other miscellaneous equipment. The decor package and equipment must comply exactly with the designer and/or architectural plans specified by Franchisor.

(3) Training expenses. Franchisor provides instructors and instructional materials for up to three managers at no cost. However, Franchisee must arrange for Franchisee's own transportation, lodging, and meals for Franchisee and for any costs incurred by associates. Franchisee or Franchisee's manager must attend approximately five to seven days of management training in the Greater Metro New Orleans, Louisiana market.

(4) Travel and living expenses while training. These costs will depend on the distance Franchisee must travel, the type of accommodations, the number of attendees and any wages paid by Franchisee to the associates attending training. The costs listed include estimates for reasonably priced transportation,

lodging and meals for three people. The costs do not include wages paid for associates or employees attending training, local restaurants or other attractions in the Greater Metro New Orleans, Louisiana area, which can significantly increase Franchisee's costs and affect the quality of Franchisee's training.

(5) Insurance. Franchisee must procure comprehensive liability, property and other types of insurance coverage as provided in Franchisee's Franchise Agreement, Franchisee's lease and as may be required by law. The estimate given in the chart is for the first year's premium for a customary comprehensive general liability policy in the amount of One Million Dollars ($1,000,000.00) per occurrence, business interruption insurance, and One Million Dollars ($1,000,000.00) aggregate with full replacement value of business contents coverage. Franchisee also must list New Orleans Brew, LLC as an additional named insured.

(6) Other prepaid expenses. These costs include installation charges and deposits for a business telephone line, utilities, occupational licensing, health, and other permits, and, in some areas, zoning or impact fees.

(7) Opening inventory. Franchisor estimates that the range given will be sufficient to cover a supply of food and beverages, menus, uniforms, and other supplies for the opening of Franchisee's PJ's Unit.

(8) Leasehold improvements. The cost of the leasehold improvements typically ranges from $50,000 to $270,000 depending upon the requirements of the city and/or state in which Franchisee is building. The cost of the improvements will vary depending upon the condition and type of building leased and the willingness of the lessor or owner to contribute to the construction or remodeling of Franchisee's PJ's Unit Costs could exceed the estimates provided if remodeling is extensive and the lessor or owner does not contribute significantly to the costs of remodeling Franchisee's PJ's Unit. Franchisor will provide a complete list of improvements and design and decor criteria for Franchisee's PJ's Unit. Franchisee must use a licensed and insured General Contractor for all construction and remodeling on the interior and exterior of the franchised location.

(9) Additional funds. This amount reflects the minimum suggested amount of added funds Franchisee will need for the first three months Franchisee operates Franchisee's PJ's Unit. This amount includes the following items: salaries and wages, payroll taxes, advertising, product purchases, payment of royalties, uniforms, utility bills, ongoing professional fees, freight, and other miscellaneous administrative and operating expenses.

(10) Total investment. Franchisor relied on its prior experience in this business to compile these estimates.

(11) Financing. Franchisor does not offer, either directly or indirectly, financing to Franchisee for any items.

(12) Construction Drawings. Franchisee must obtain construction drawings and make certain improvements and modifications to the particular building Franchisee leases to conform to the decor and design of other PJ's Units. The cost of the construction drawings typically ranges from $1,500 to $10,000, depending upon the project scope, size of the project and requirements of the city and/or state in which Franchisee is building. The construction drawings fees do not include civil or environmental engineering drawings as these are not typically required for a PJ's Unit. Franchisor may offer the service of preparing pre-construction drawings to aid the preparation of the complete construction drawing set. The pre-construction drawings may include existing and proposed floor plan, reflected ceiling plan, equipment, and

furniture plan, finishes and details and typical elevations plan. The fee for the pre-construction drawings prepared by Franchisor ranges from $500 to $2,500.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Designated Suppliers and Specifications.

To maintain the reputation, goodwill, high standards, quality and uniformity of our System, Franchisee must purchase services, products and supplies which meet certain specifications. These specifications may include minimum standards for building size, leasehold improvements, zoning, lease provisions, location criteria, qualifications of architects or contractors, signs, equipment, quality, quantity, delivery, performance, design, appearance, durability, style, and other related restrictions. Franchisee must also use only the standard forms approved by Franchisor and use the display sales, marketing and promotional material provided in the manner and for the time periods designated by Franchisor. Franchisee must ensure that all items and printed materials used in Franchisee's PJ's Unit bears the Proprietary Marks in the manner required by Franchisor. Franchisor considers these specifications to be of critical importance to the success of the System. These specifications are listed in the Manuals or are otherwise provided to Franchisee in writing. These specifications may be revised by Franchisor. If a supplier does not meet our specifications stated in the Manuals or as provided to Franchisee in other written materials, Franchisor may require Franchisee to stop using that supplier.

Purchases from Designated and/or Approved Suppliers or Distributors.

Franchisee must purchase or lease all equipment, inventory, supplies, products, and materials required for the operation of Franchisee's PJ's Unit in accordance with specifications set by Franchisor and from approved suppliers, except for general office supplies & equipment and other general business items. These items must be purchased from the designated and/or approved suppliers as listed in the Manuals. Franchisee must purchase the designated proprietary items manufactured for Franchisor from New Orleans Roast, LLC ("Roast") or other companies designated by Franchisor. Roast is Franchisor's authorized roasting facility and production company that allows for the distribution of uniform specialty coffee products throughout the System. Roast is an affiliate of Franchisor. Our principals/owners, Paul Ballard, Steven Ballard, and Scott Ballard, own an interest in Roast.

Designated suppliers and vendors allow for the ability to obtain discounts on volume purchasing from manufacturer sources. Franchisor considers Franchisee's use of the designated products essential to the success of the System. Franchisor may, at any time, change the source of these designated products. Franchisor estimates that Franchisee's purchases from approved suppliers will be approximately 76% of Franchisee's total investment and 45% of Franchisee's ongoing expenses in the operation of Franchisee's PJ's Unit. For Franchisee's benefit, Franchisor negotiates purchase arrangements, including favorable pricing and/or terms, with designated or approved suppliers. Franchisee does not receive material benefits from Franchisor if Franchisee uses designated or approved suppliers. However, purchasing or leasing from unapproved suppliers or using products that do not meet Franchisor's specifications is a default of Franchisee's Franchise Agreement, and Franchisor may terminate Franchisee's Franchise Agreement and/or pursue its other remedies available to it under the Franchise Agreement. A default under Franchisee's Franchise Agreement may also be cause for Franchisor to not renew Franchisee's Franchise Agreement or disqualify Franchisee from opening additional franchises. Franchisor estimates that Roast's revenue from sales of required purchases by franchisees under the System will be approximately 25% of Roast's total revenue in 2018.

Franchisee should be aware that there might be price increases in any or all the items Franchisee must purchase from our suppliers or distributors. Costs of goods from designated or approved suppliers may fluctuate from month to month. The volume of purchases, usage, vendor minimums, inventory turns, market demand and other similar factors determines prices charged to Franchisee. Additionally, freight charges may not be uniform for all locations. Freight charges will depend upon the location of Franchisee's PJ's Unit from supplier or distributor's warehouse and the number of other PJ's Units in Franchisee's area. When entering new markets Franchisee should be aware that Franchisee's freight costs may be higher than costs for PJ's Units in other markets and should adjust Franchisee's cost projections accordingly. Franchisor does not know of any pending price increases, but Franchisor cannot guarantee that increases will not occur.

Approval of Alternative Suppliers/Compliance with Specifications.

If Franchisee desires to purchase any items from an unapproved supplier that Franchisee believes meets the specifications of Franchisor, Franchisee and the supplier must submit to Franchisor a written request for approval. Franchisor must advise Franchisee within 90 days whether these items meet its specifications. The time for approval may vary depending upon the amount of research, testing, cooperation from suppliers and other factors involved in approving the items. Franchisor's approval shall not be unreasonably withheld. Franchisor may require that its representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered to Franchisor or its designee for inspection. Franchisor reserves the right to re-inspect the facilities and products of any previously approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's standards and specifications.

If Franchisee obtains services from third-party providers, Franchisor will have the right to review the terms and conditions of Franchisee's arrangements and require additional information about the business background and qualifications of the providers, including personal interviews with individuals providing the services. If any third party obtains access to confidential information, Franchisor may require, as a condition of approval of the provider, the signing of confidentiality and non-competition agreements in a form satisfactory to Franchisor. Franchisor may disapprove any provider, upon written notice to Franchisee, which does not demonstrate an ability to comply with the standards established for the System and to meet our needs promptly and reliably. Franchisor considers the following general criteria in determining whether a supplier will be approved: ability to produce or deliver the products, services, supplies or equipment in accordance with Franchisor's standards and specifications for quality and uniformity; production and delivery capabilities and ability to meet supply commitments; integrity of ownership (to ensure that the supplier's association with Franchisor would not be inconsistent with Franchisor's image or damage Franchisor's goodwill); financial stability; meets minimum standards of licensing, insurance and regulatory requirements; and the negotiation of a mutually satisfactory agreement to protect Franchisor's intellectual property. Franchisor's criteria for specific types of suppliers are either made available to Franchisee in the Manuals or will be made available to Franchisee upon written request.

Franchisor maintains a written list of approved supplies (generally identified by brand name) and suppliers, which is updated and issued to Franchisee on a regular basis. Franchisor does not provide confidential specifications to Franchisee or suppliers, except on a limited basis; however, if a product, equipment, or other item does not meet Franchisor's specifications, Franchisor will provide a written explanation within a reasonable amount of time, depending upon the testing involved as described above, as to why the product or equipment does not meet Franchisor's specifications. Franchisor formulates and modifies specifications and standards by periodically performing tests on its products and equipment in relation to new products and equipment.

Revenues from Franchisee Purchases.

Franchisor expects to receive either directly or indirectly, revenue from suppliers based on purchases by Franchisees to cover Franchisor's expenses, overhead and profit. The revenue may be based on volume or per unit sales for purchases of coffee beans, teas, coffee products, syrups, paper products, or other products ("Rebate Products"). During Franchisor's last fiscal year that ended on December 31, 2017, Franchisor's revenue from suppliers based on purchases of Rebate Products by PJ's Units was approximately $42,921 or 2.95% of Franchisor's total revenue of approximately $1,453,195 based on Franchisor's audited financial statements of Franchisor's last fiscal year.

Cooperatives.
Franchisor does not have any purchasing or distribution cooperatives.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists Franchisee's principal obligations under the Franchise Agreement and other agreements. It will help Franchisee find more detailed information about Franchisee's obligations in these agreements and in other items of this Disclosure Document.

Obligation	Section in Franchise Agreement or Addendum	Disclosure Document Item
a. Site selection and acquisition/lease	Articles 1.2, 1.3 and 1.4	Item 11
b. Pre-opening purchases/leases	Articles 6.4, 8.2, and 8.4	Items 6, 7 and 8
c. Site development and other pre-opening requirements	Articles 2, 3.2, 16.1 and 16.2	Items 6, 7, 8 and 11
d. Initial and ongoing training	Articles 3 and 13.2	Items 6, 7 and 11
e. Opening	Articles 1.2, 2, and 6.4	Items 7, 8 and 11
f. Fees	Articles 6 and 9.1	Items 5, 6, and 7
g. Compliance with standards and policies/Operating Manual	Articles 4 and 5.2	Items 8, 9, 16 and 17
h. Trademarks and proprietary information	Article 7	Items 13 and 14
i. Restrictions on products/services offered	Articles 4.5, 4.6, 5.1 and 5.2	Items 8 and 16
j. Warranty and customer service requirements	Articles 4.5 and 5.2	Not Applicable
k. Territorial development and sales quotas	Article 1	Item 12
l. Ongoing product/service purchases	Article 8	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Articles 4.4 and 5.4	Items 6, 8 and 11
n. Insurance	Article 16	Items 6 and 7
o. Advertising	Article 6	Items 6 and 11
p. Indemnification	Articles 7.4 and 19.1	Items 6 and 13
q. Owner's participation/management/staffing	Article 3.2	Item 15
r. Records and reports	Article 9.2	Items 8 and 17

Obligation	Section in Franchise Agreement or Addendum	Disclosure Document Item
s. Inspections and audits	Articles 4.7, 5.6, 9.2 and 18	Items 6 and 11
t. Transfer	Article 13	Item 17
u. Renewal	Article 14	Item 17
v. Post-termination obligations	Article 15	Item 17
w. Non-competition covenants	Articles 1.1 and 10	Item 17
x. Dispute resolution	Article 20	Item 17
y. Personal Guaranty of all obligations of agreement	Articles 1.1, 14.1 and Attachment A	Item 15

ITEM 10

FINANCING

Franchisor does not offer direct or indirect financing. Franchisor does not guarantee Franchisee's note, lease, or obligation.

ITEM 11

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

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

Pre-Opening Obligations.

Before Franchisee opens Franchisee's PJ's Unit, Franchisor will provide:

Site Location Assistance and Approval. Franchisor will provide Franchisee with general site selection criteria and guidance in the selection of an acceptable site. Franchisor does not own any of the location premises currently leased and has no present intention to do so.

The franchise is granted for a location to be approved by Franchisor. Franchisee alone must locate a site for Franchisee's PJ's Unit which site must be accepted by Franchisor. Franchisor will evaluate and accept the location of Franchisee's PJ's Unit if it meets Franchisor's minimum site and lease requirements. (Franchise Agreement-Article 1.4). Franchisor's acceptance will not be unreasonably withheld. Franchisor does not warrant or guarantee the success of a particular location. Franchisor will evaluate Franchisee's proposed locations as soon as reasonably possible in accordance with the procedures in the PJ's Manual or as may be provided in other writings by Franchisor. Factors considered by Franchisor in reviewing and accepting proposed sites include population density, demographics, size of the premises, rent, available parking, traffic count and patterns, ease of access, economic and population growth trends, PJ's market penetration and proximity to other businesses, including other PJ's Units. Franchisor also considers whether the lessor will agree to the Franchisor's permitted use language and other required lease provisions.

Franchisor must approve or disapprove the proposed site within 30 days after Franchisee submits a written summary of the lease terms and other information available for the proposed site. If Franchisor determines that the location is not acceptable at that time or is too close to another PJ's Unit, the site will not be accepted, and Franchisee must locate a new site for Franchisee's PJ's Unit. Failure to acquire a site acceptable to Franchisor for Franchisee's PJ's Unit and open the PJ's Unit within one year of the Effective Date of Franchisee's Franchise Agreement will be considered a default of Franchisee's Franchise Agreement and is grounds for termination. (Franchise Agreement-Articles 1.3, 1.4).

Review of Lease. Franchisor will review the lease for the proposed location of Franchisee's PJ's Unit to ensure that provisions required by Franchisor are included in the lease and that the terms of the lease are generally acceptable to Franchisor. Franchisee alone must negotiate the business and financial terms of Franchisee's lease. (Franchise Agreement-Article 1.4). Franchisor recommends that Franchisee have Franchisee's own legal counsel review Franchisee's lease.

Approved Plans and Specifications. Franchisor will provide Franchisee with the specifications and layouts for the structures, equipment, furnishings, decor, and signs identified with PJ's Units and approved suppliers and specifications for products and supplies. (Franchise Agreement-Articles 8, 18.1). Franchisor may provide or deliver some of these items directly to Franchisee. Franchisee must hire an architect approved by Franchisor for the preparation of Franchisee's construction plans and specifications.

Review of Final Site and Construction Plans. Franchisor will review Franchisee's final site plans and approve the decor and layout for conformity to the construction standards and specifications of the System. (Franchise Agreement-Articles 1.4, 17.1).

Manuals. Franchisor will loan Franchisee one copy of the PJ's Confidential Operations Manual and other manuals that Franchisor makes available to all franchisees. (Franchise Agreement-Article 17.1).

Training. Franchisor will train Franchisee's personnel to operate Franchisee's PJ's Unit. (Franchise Agreement-Articles 3, 18.1). This training is described in detail later in this Item.

Post-Opening Obligations.

During the operation of Franchisee's PJ's Unit, Franchisor will provide:

On-Site Assistance. Franchisor will provide Franchisee with on-site assistance upon the opening of Franchisee's PJ's Unit. During the opening of Franchisee's PJ's Unit Franchisor, at Franchisor's expense, will provide at least one Franchisor representative to Franchisee at Franchisee's PJ's Unit to facilitate the opening of Franchisee's PJ's Unit. The number of days of this on-site visit may vary, but a Franchisor representative will normally be on-site five to ten days. (Franchise Agreement-Article 17.1).

Marketing and Advertising Guidance and Approval. Franchisor will provide Franchisee with materials and advice to support Franchisee's marketing and advertising efforts. (Franchise Agreement-Articles 5.3, 6). Franchisor will also approve or disapprove all advertising and promotional materials Franchisee proposes to use. Franchisor shall respond to any request for approval or disapproval of advertising and promotional materials within 30 days of its receipt. Marketing and advertising is explained in more detail below.

Guidance. Franchisee may contact Franchisor's representatives on a periodic or as-needed basis to receive guidance concerning the operation of Franchisee's PJ's Unit. (Franchise Agreement-Article 18.1). Franchisor will also provide information to Franchisee about changes and modifications to the System and Manuals, advertising & marketing activities and provide Franchisee with forms for required reports Franchisee must submit to Franchisor. (Franchise Agreement-Articles 4.2, 18.1). Franchisor will periodically, as it considers necessary, inspect Franchisee's supplies, merchandise, methods of service and merchandising and speak with Franchisee and Franchisee's employees to ensure Franchisee is complying with Franchisee's agreements, Manuals and the standards established for the System. (Franchise Agreement-Article 4.7). Franchisor will not provide any legal or accounting services or advice at any time.

Additional Training. Franchisor will periodically, as it considers necessary, provide Franchisee with advanced training in operating Franchisee's PJ's Unit. (Franchise Agreement-Article 3).

New Products and Services. Franchisor will evaluate and consider for approval the products or services Franchisee submits for approval for use in Franchisee's PJ's Unit. (Franchise Agreement-Articles 8.2, 8.3).

Marketing.

System Funds. Franchisee must pay 2% of Franchisee's weekly gross sales to Franchisor's system fund ("System Fund"). (Franchise Agreement-Article 6.1). If Franchisee becomes part of a Franchisor approved regional marketing cooperative ("Cooperative"), Franchisee must pay additional 1% to 3% of Franchisee's weekly gross sales to the Cooperative. (Franchise Agreement-Article 6.2). If Franchisee are not part of a Cooperative, Franchisee must dedicate and spend 1% to 3% of Franchisee's weekly gross sales on local advertising. (Franchise Agreement-Article 6.3). Franchisee must contribute the required amount to the System Fund and the Cooperative. Because of market conditions and location, certain franchise and license agreements with major beverage & food service organizations or atypical locations may or may not require a contribution or the same amount of contribution to the System Fund. Outside vendors and suppliers may contribute to the System Fund or a Cooperative in exchange for promoting their products or using their services. These agreements are negotiated on an individual basis as the opportunity arises by Franchisor or a representative of the System Fund or Cooperative.

(i) The System Fund. The System Fund will be maintained and administered by Franchisor or a third party designated by Franchisor. Franchisor will direct all advertising, promotional and marketing programs with sole discretion over the concepts, materials and media used in the related programs and their placement allocation media purchases. PJ's may create a Franchise Advisory Board ("Board") made up of franchisees elected by the franchisee community. The Board will serve in an advisory capacity role only to provide input on advertising programs and policies and other new and existing programs of Franchisor. Franchisor will have the authority to change or dissolve the Board at any time without reason. The funds collected are intended to maximize general public recognition and acceptance of the Proprietary Marks and the overall PJ's Brand Awareness for the benefit of all Franchisees, and Franchisor is not obligated in administering the funds to make expenditures for Franchisee which is equivalent or proportionate to Franchisee's contribution or to ensure that Franchisee or any particular franchisee or Cooperative benefits directly or is prorated from expenditures by the System Fund. Franchisor does not have to spend any amount on advertising in Franchisee's area.

The System Fund will be used to meet costs of administering and preparing sales, advertising, promotional and marketing activities. These costs may include creating, producing, placing, and conducting television, radio, and print advertising campaigns; creating, producing, and distributing promotional materials for use in the PJ's Unit, like signs and posters, direct mail, promotional brochures, and outdoor billboard advertising; marketing surveys and research; public relations activities; and employing advertising agencies and consultants. The coverage of the media is local, regional, and national in scope. Franchisor will engage outside marketing, advertising, and graphic design companies to perform and coordinate most of the marketing and advertising activities listed above for PJ's. All funds not spent will be kept for use the following year. Franchisor estimates the System Fund will annually spend approximately 75% of its funds on the production of advertisements and other promotional materials, and 25% for general cost, administrative cost, and overhead expenses.

All sums paid by Franchisee into the System Fund shall be kept in accounts separate from the other monies of Franchisor and shall be used to defray reasonable general cost, administrative costs and overhead as Franchisor may incur in activities reasonably included in the administration and direction of the System Fund and advertising programs for Franchisee and the System. Franchisor or its designees shall maintain separate bookkeeping accounts for the System Fund.

A statement of the operations of the System Fund as shown on its books will be prepared annually and will be made available to Franchisee upon written request. An audited statement will not be prepared.

Although the System Fund is intended to be of perpetual duration, Franchisor maintains the right to terminate the System Fund. The System Fund will not be terminated until all monies in the System Fund have been expended for the purpose described above or returned to contributors on a prorated basis of their contributions. Currently, there are no Franchisor-owned PJ's Units. If Franchisor owns PJ's Units in the future, all Franchisor-owned PJ's Units will contribute to the System Fund on the same basis as other Franchisees.

In the 2017 fiscal year, the actual expenditures broke down as follows:

Product Marketing	25%
Mass Media	7.5%
Menu Boards	7.5%
Photography	0.5%
Public Relations	8%
Social Media	9%
Sponsorships	17%
Website	4.5%
Loyalty Program	6%
Misc./Design	7%
Donations	3%
Labor/Admin Expenses	5%

Zero percent (0%) of System Fund expenditures was dedicated to soliciting new franchise sales.

(ii) Local Advertising Cooperatives. Franchisor may, in its sole discretion, establish local marketing cooperatives for the common benefit of all PJ's franchisees. Franchisor has the right, in its sole discretion, to designate any geographical area for purposes of establishing a regional marketing and promotional cooperative ("Cooperative"), and to determine whether Franchisee must participate in a Cooperative. If a Cooperative has been established applicable to Franchisee's PJ's Unit at the time Franchisee begins operating, Franchisee must immediately become a member of that Cooperative. If a Cooperative applicable to Franchisee's PJ's Unit is established at any time during the term of Franchisee's Franchise Agreement, Franchisee must become a member of that Cooperative no later than 30 days after the date on which the Cooperative begins operation. If the PJ's Unit is within 50 miles of more than one Cooperative, Franchisee is required to be a member of only one such Cooperative. The following provisions will apply to each Cooperative:

a) Each member of the Cooperative must contribute 1% up to 3% of its weekly gross sales for each and every week of its operations to the Cooperative ("Cooperative Fee");

b) Each Cooperative will be organized and governed in a form and manner, and will commence operation on a date, approved in advance by Franchisor;

c) Each Cooperative will be organized for the exclusive purpose of administering regional marketing and advertising programs and developing, subject to Franchisor's approval, standardized marketing materials for use by the members in local marking;

d) All activities and contributions to the Cooperative shall be determined by a majority vote of the members in the Cooperatives; and

e) No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without PJ's prior written approval. All such plans and materials shall be submitted to: PJ's Marketing Department, Attention: Director of Marketing, 180 New Camellia Blvd, Suite 100, Covington, LA 70433.

Franchisor may elect to pay all or a portion of the System Fund to a Cooperative. If Franchisor elects to do so and if one of the following events occurs and is not resolved by the Cooperative, then Franchisor reserves the right to exercise sole decision-making power over the System funds: (i) if a Cooperative ceases functioning; or (ii) an impasse arises because of the inability or failure of the Cooperative members to resolve any issue affecting the establishment or effective functioning of an individual Cooperative; or (iii) a Cooperative fails to function in a productive or harmonious manner; or (iv) a Cooperative is unable to approve any advertising program within a reasonable time not to exceed 30 days.

Affiliates of Franchisor that operate PJ's Units must contribute to the Cooperative on the same basis as other members. Because of market conditions and location, certain franchise and license agreements with franchisees or licensees with major food service organizations or atypical locations may or may not require a contribution or the same amount of contribution to the Cooperative.

It is anticipated that all contributions to and earnings of the System Fund and Cooperatives will be expending during the taxable year in which the contributions and earnings are received. If excess amounts remain in the System Fund or any Cooperative at the end of the taxable year, all expenditures in the following taxable year shall be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions. (Franchise Agreement-Article 6.3).

Local Advertising. For the grand opening of Franchisee's PJ's Unit, Franchisee must spend a minimum of $5,000 in local advertising, marketing, and brand building. (Franchise Agreement-Article 6.5).

All advertising, promotional and marketing activities conducted by Franchisee in Franchisee's local market area will be subject to the prior approval of Franchisor. Franchisee must submit to Franchisor (by personal delivery or certified mail, return receipt requested) all local advertising, promotional and marketing plans and samples of all local advertising materials not prepared or previously approved by Franchisor. If Franchisee does not receive written disapproval within 15 business days after the date of receipt by Franchisor, Franchisee's plans and materials will be deemed approved. If any plans or materials previously approved by Franchisor are later disapproved, Franchisee must discontinue their use promptly upon notice from Franchisor.

Gift Cards and Promotional Programs.

Franchisee must participate in Franchisor program for gift cards and gift certificates ("Gift Cards"). Franchisee must offer Gift Cards to Franchisee's customers and honor all Gift Cards presented to Franchisee as payment for products, regardless of whether the Gift Card was issued by Franchisee's or another PJ's Unit. Franchisee must sell, issue, and redeem Gift Cards in the manner described in the Manual or otherwise in writing by a third-party service provider.

Unless otherwise provided by state law, upon the expiration of any Gift Card all unused funds shall become the property of Franchisor and at the Franchisors discretion, unused funds may be distributed to participating Franchisees.

Franchisee must pay the monthly fees that may be required by the vendor of the Gift Card system. The current fees are described in Item 6 and may be periodically revised. Franchisee may not sell, issue, or redeem gift certificates other than gift cards approved by Franchisor in writing.

Customer Loyalty Program(s).

Franchisee must participate in Franchisor customer loyalty program(s) designated by the Franchisor. Franchisee must pay fees associated with the loyalty program(s).

Computer Systems.

Computer Hardware & Software. Franchisee must purchase the POS system currently approved by PJ's, or other POS system that Franchisor may require in the future. (Franchise Agreement-Article 18.4). The POS system must be purchased from a Franchisor's approved supplier. Various manufacturers provide reasonably equivalent POS systems that perform the same functions; however, the use of any other POS system must be approved in advance by Franchisor. The POS System and network must be secure and PCI compliant to protect customer credit card information. Optional equipment and/or software upgrades are also available for additional fees. Units with a drive-thru must have two POS systems. Franchisor will have unlimited independent access to Franchisee's POS system data, including receipts, reports, and sales information. (Franchise Agreement-Article 11.3). Franchisee will be provided with specifications and initial training in Franchisee's POS system, but Franchisor is under no obligation to assist Franchisee in obtaining the above items. If the POS system must be upgraded or updated, Franchisee agrees to pay all reasonable and necessary expenses, fees, and costs. (Franchise Agreement-Article 18.4). The estimated cost for upgrades or updates to the POS system is $1,000 - $2,000. Franchisee must purchase or lease all equipment necessary to accept designated credit or debit cards. The estimated cost for a full-service register system is $1,000 - $2,000. This price may decrease or increase depending on the model chosen. POS system training is mandatory and is included in the system price. Franchisee may be required to purchase a back-office computer system including a network switch and laser printer. The estimate for the back-office computer system is $500 - $1,000. Franchisee may elect to purchase a video monitoring system. The estimated cost of the video monitoring system is $1,000 - $2,500.

Electronic Funds Transfer. Franchisees are required to pay all fees due under the Franchise Agreement by automated bank draft. Franchisee must sign the Direct Debit Authorization form (Exhibit D) before opening for PJ's Unit. This form allows Franchisor to draft royalty payments, System Fees, training fees or other fees due under Franchisee's Franchise Agreement directly from Franchisee's bank account.

Manuals.

Franchisor will loan Franchisee a copy of our Operating Manual and any other publications ("Manuals") that contain mandatory and suggested specifications, standards, and procedures. These Manuals are confidential and remain our property. Franchisor will modify the Manuals, but the modifications will not alter Franchisee's status and rights under the Franchise Agreement. (Franchise Agreement-Article 4.2). The tables of contents of all Franchisor's Manuals are attached to this Disclosure Document as Exhibit G.

Training Program.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-job Training	Location
Management Training	15 - 15	25 - 41	Greater Metro New Orleans, Louisiana
Field Training	5 - 8	35 - 72	Franchisee's PJ's Unit
Additional Training (Management and Field)	10 - 20	10 - 20	Franchisee's State or Greater Metro New Orleans, Louisiana

Our training programs are under the direction of Mr. Patrick Shaheen. Mr. Shaheen has over 20 years of operations training experience. Mr. Shaheen's employment background is described in Item 2 of this Disclosure Document.

The instructional materials for our training programs include videos, handouts, the Operations Manual, on-line computer training, and test that Franchisor may require Franchisee and Franchisee's managers and employees to take.

Initial Management Training. Franchisee must attend and complete, to Franchisor exclusive satisfaction, PJ's initial management-training program in Greater Metro New Orleans, Louisiana, before Franchisee opens Franchisee's PJ's Unit. (Franchise Agreement-Articles 3.1, 3.2). Franchisor initial management training program is mandatory and conducted monthly or bi-monthly, depending upon the number of attendees, at Franchisor headquarters in Greater Metro New Orleans, Louisiana. Franchisee will be scheduled to attend the program after Franchisee complete site selection and within a reasonable time before Franchisee's scheduled opening date. The initial management training is approximately five to seven days, depending on the size of the class and rate of material covered, consisting of hands-on training and classes averaging eight hours per day plus additional homework assignments. Instructional materials include written training modules, the PJ's Confidential Operations Manual and actual products, books, and equipment.

Field Training. Franchisor will send one Franchisor's representative to Franchisee's PJ's Unit, at no cost to Franchisee, for on-site training and assistance when Franchisee opens Franchisee's PJ's Unit. (Franchise Agreement-Articles 3.5, 17.1). The length of time the representative is on-site may vary, but it is expected to be five to ten days. On-site training and assistance includes additional food preparation training, consultation and training on hiring of personnel, training of personnel, purchasing, and inventory management, product promotion and merchandising, bookkeeping and report management, analysis of sales and products, and other matters necessary to the opening and operation of Franchisee's PJ's Unit.

Franchisor may require any of Franchisee's principals or employees who become actively involved in the management of Franchisee's PJ's Unit to attend and satisfactorily complete the required training programs. (Franchise Agreement-Article 3.2).

Franchisor also offers additional optional management and field training programs, including both advanced and refresher training, for Franchisee and Franchisee's employees. Franchisor may designate certain additional management and field training courses for Franchisee or Franchisee's employees as mandatory either in franchisee's state or in Greater Metro New Orleans, Louisiana. Franchisor may not mandate more than two additional training sessions in a 12-month period. Additional training sessions shall not extend beyond five days. (Franchise Agreement-Article 3.5).

As discussed in Item 6, Franchisee must pay all personal expenses incurred by Franchisee or Franchisee's employees attending training programs, including costs and expenses of transportation, lodging, meals, wages and employee benefits and any training materials (other than those materials provided by Franchisor). (Franchise Agreement-Article 3). This applies for both mandatory and optional training programs. At the present time, PJ's provides the materials and there is no fee for any mandatory or optional training program, except as described in the Franchise Agreement. However, PJ's reserves the right to charge a reasonable fee in the future for training courses offered after Franchisee's PJ's Unit opens.

ITEM 12

TERRITORY

Franchisee will not receive an exclusive territory. Franchisee may face competition from other Franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Franchisor retains the right, in our sole discretion, and without compensating Franchisee or seeking Franchisee's approval, to: (i) own, acquire, establish and/or operate, and license others to establish and operate, businesses using the Proprietary Marks, the System or any variation of the Proprietary Marks and the System, at any location other than Franchisee's PJ's Unit on any terms and conditions that Franchisor deems appropriate; (ii) sell or distribute, at retail or wholesale, directly or indirectly, or license others to sell or distribute, at any location, any products which bear any proprietary marks, through any distribution channel or venue Franchisor deems appropriate; and (iii) to take any other action that Franchisor is not expressly prohibited from taking under the Franchise Agreement.

Franchisee shall operate Franchisee's PJ's Unit only from a specified location approved by Franchisor. Franchisor will designate a general geographic area, such as a city or sector of a city ("General Area") solely for the purpose of limiting the area within which Franchisee may seek a site location for Franchisee's PJ's Unit. Under the Franchise Agreement, Franchisee may sell proprietary products and services to retail customers who live anywhere but who choose to use Franchisee's PJ's Unit. Without prior approval by Franchisor, Franchisee may not engage in any promotional activities or sell proprietary products or similar products or services, whether directly or indirectly, through or on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system; through catalogs or other mail order devices sent or directed to customers or prospective customers located anywhere; or by telecopy or other telephonic or electronic communications, directed to or received from customers or prospective customers located anywhere. Franchisee must obtain the prior approval of Franchisor for all advertising, promotional and marketing activities conducted by Franchisee in Franchisee's local market area.

Franchisor also reserves the right to negotiate options, rights of first refusal, and other similar rights to acquire additional franchises upon request by a franchisee. If Franchisee desires to obtain expansion rights to an area, Franchisee should consider applying to Franchisor for the rights to that area. Franchisor will consider a Franchisee's request for the establishment of additional franchised outlets as long as franchisee is not in default of its current Franchise Agreement and Franchisor determines that it is in Franchisor's best interest to do so.

Relocation of Franchisee's PJ's Unit requires the prior written approval of Franchisor. Franchisor will approve the relocation of Franchisee's PJ's Unit only if Franchisee lose the right to do business at Franchisee's PJ's Unit through no fault of Franchisee's own or Franchisor determines that it is in its best interest to allow the PJ's Unit to be relocated. Franchisee must enter into a new franchise agreement to establish additional PJ's Units.

ITEM 13

TRADEMARKS

Franchisor identifies its System by means of certain trade names, service marks, trademarks, and logos ("Proprietary Marks"). The Franchise Agreement grants Franchisee the non-exclusive right to use the Proprietary Marks and any other Proprietary Marks that we may use during the term of the Franchise Agreement in operation of the System. Franchisee's use of the Proprietary Marks is limited solely to the operation of the PJ's Unit at its approved location and only in accordance with the System. The following principal Marks are registered on the Principal Register of the U.S. Patent and Trademark Office ("USPTO"):

Mark	Registration No. Serial No.	Class of Mark	Date of Registration
PJ's	3750970 76696503	IC 014. US 002 027 028 050.	2/23/2010
Santa's Blend	3641635 76693767	IC 030. US 046.	6/23/2009
PJ's Coffee of New Orleans	3335066 78927350	IC 035. US 100 101 102.	11/13/2007
PJ's Coffee of New Orleans	5415856 87420031	IC 043. US 100 101.	3/6/2018
PJ's Coffee and Wine	2925436 78371392	IC 035. US 100 101 102.	2/8/2005
PJ's Coffee	2925437 78371394	IC 035. US 100 101 102.	2/8/2005
PJ's Coffee and Wine Bar	2925438 78371396	IC 035. US 100 101 102.	2/8/2005

The Coffee New Orleans Loves	2726985 76440215	IC 043. US 100 101.	6/17/2003
Southern Wedding Cake	4072294 76707439	IC 030. US 046.	12/20/2011
New Orleans Roast	4092651 76707437	IC 030. US 046.	1/31/2012
PJ's Coffee & Tea of New Orleans	87050955 5127699	IC 30. US 100 101.	1/24/2017
PJ's Velvet Ice	87051015 5127705	IC 30. US 046.	1/24/2017
PJ's Carnival Blend	4608794 86160329	IC 30. US 046.	9/23/2014

All required affidavits have been filed for the Proprietary Marks.

The following Proprietary Marks have been renewed: "PJ's Coffee of New Orleans" (Reg. No. 3335066); "PJ's Coffee and Wine" (Reg. No. 29254360); "PJ's Coffee and Wine Bar" (Reg. No. 2925438); "PJ's Coffee" (Reg. No. 2925437); and "The Coffee New Orleans Loves" (Reg. No. 2726985).

Franchisor also claims common law rights to all of its Proprietary Marks on the basis that these marks have been used in interstate commerce.

There are currently no effective material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, or the Trademark Administrator of any state or any court. There is currently one cancellation proceeding pending at the Trademark Trial and Appeal Board (Cancellation No. 92065327) regarding "New Orleans Roast" (Registration No. 4092651). However, there is no pending material litigation involving the Proprietary Marks listed in this Item which are relevant to their use in Franchisee's PJ's Unit.

There are currently no agreements in effect, which significantly limit the rights of Franchisor to use or license the use of its Proprietary Marks in any manner material to Franchisee's PJ's Unit.

Franchisor will defend and hold Franchisee harmless from any claims of trademark infringement for the use of the Proprietary Marks if Franchisee promptly gives written notice to Franchisor and tenders the full defense of the claims against Franchisee to Franchisor. Franchisor shall have complete control of the legal action and may settle the claims at any time without providing notice to Franchisee. Franchisor has taken and will take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks. Franchisee must sign any documents deemed necessary by Franchisor or its counsel to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability. Franchisee may not contest the validity or ownership of the Proprietary Marks. If litigation involving the Proprietary Marks is instituted or threatened against Franchisee, Franchisee must promptly notify Franchisor and must cooperate fully with Franchisor in defending or settling the litigation.

Franchisor does not warrant or guarantee that it has the exclusive right to use the mark Franchisor or any other of its Proprietary Marks. If for any reason it becomes necessary or desirable for Franchisor to quit using the Proprietary Marks, Franchisor may substitute different proprietary marks. Franchisor and

Franchisee may then operate under these other Proprietary Marks. Franchisor is not obligated to provide Franchisee with any other remedy.

Franchisor does not actually know of any superior prior rights or of any infringing uses that could materially affect Franchisee's use of the Proprietary Marks.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or copyrights are material to the franchise.

Franchisee does not receive the right to use an item covered by a patent or copyright, but Franchisee can use the proprietary information in PJ's Manuals. The table of contents of all PJ's Manuals are attached to this Disclosure Document as Exhibit G. Although Franchisor has not filed an application for a copyright registration for the Manuals, Franchisor claims a copyright and the information is proprietary.

Franchisee must not, during or after the term of the Franchise Agreement, communicate, divulge, or use for the benefit of anyone else any confidential information, knowledge or know-how concerning our method of operation of a PJ's Unit or the System that may be communicated to Franchisee or of which Franchisee may have knowledge through performance of the System. All confidential information, information, matters, knowledge, know-how and techniques which Franchisor designates as confidential will be deemed confidential for the purposes of the franchise, unless and until Franchisee demonstrates that the information has become public knowledge.

Franchisee and any employee having access to confidential information must sign a confidentiality agreement, that will maintain the confidentially of information received during the term of the Franchise Agreement and/or the term of employment. A copy of the Confidentiality Agreement is attached to this Franchise Disclosure Document as Exhibit B.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Participation in Business. As an owner of Franchisee's PJ's Unit, Franchisee does not have to conduct on-premises supervision or to personally participate in the direct operation of Franchisee's PJ's Unit. However, Franchisor recommends that Franchisee is actively involved in the operation of Franchisee's PJ's Unit. Franchisee or Franchisee's designated manager must devote full-time to the development of Franchisee's PJ's Unit, unless otherwise approved in writing by Franchisor. Franchisee's PJ's Unit must at all times be under the direct, full-time, on-location supervision of Franchisee or a trained and competent employee acting as a full-time manager who has satisfactorily completed Franchisor initial management training program. Franchisee's manager must sign a confidentiality agreement to maintain the confidentiality of the information described in Item 14 and may have to sign an agreement that conforms to the covenants not to compete described in Item 17.

Other Written Agreement. If Franchisee is a business entity, each individual holding in excess of 15% of the total voting power of Franchisee's ownership interests (including each individual holding in excess of 20% of the total voting power of any business entity having a controlling interest in Franchisee) must personally guarantee Franchisee's obligations under Franchisee's Franchise Agreement. If Franchisee has personally signed the Franchise Agreement and wishes to transfer Franchisee's Franchise Agreement to a business entity, Franchisee must enter into a personal guaranty agreement regardless of Franchisee's ownership interest in the business entity. The Guaranty Agreement is attached to this disclosure document as Exhibit C. Any person holding an ownership interest in Franchisee's business entity will have to sign a confidentiality agreement and non-compete as described in Items 14 and 17. The Confidentiality Agreement is attached to this disclosure document as Exhibit B.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Franchisee must offer and sell only those products and services that Franchisor has approved.

Franchisee must offer all product and services at retail that Franchisor designates as required for all PJ's Units, including new products or services that Franchisor develops in the future. There are no limits on Franchisor's right to change the types of products and services or add new products and services. Franchisee may not offer or sell any other products or services without the prior written consent of Franchisor. Franchisee must discontinue offering any products or services, whether or not previously authorized by Franchisor, promptly upon written notice from Franchisor. Franchisee must provide for equipment or other items reasonably necessary to support new products or services introduced to enhance the value of the System. Franchisees are not restricted as to customers to whom Franchisee may offer goods and services; however, Franchisee must abide by all local, state, and federal laws governing the consumption of alcohol.

All PJ's Units must offer Franchisor-approved products and services as designated in the Manuals or in other writings.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. Franchisee should read these provisions in the agreements attached to this disclosure document.

Provision	Section in Franchise or Other Agreement	Summary
a. Length of the term of the Franchise	Article 14.1	Ten years from date the PJ's Unit opens.
b. Renewal or extension of the term	Article 14.1	Franchisee's renewal rights permit Franchisee to remain as a franchise after the initial term of Franchisee's Franchise Agreement expires. If Franchisee wishes to renew and Franchisee satisfies the required pre-

Provision	Section in Franchise or Other Agreement	Summary
		conditions to renew, Franchisor will offer Franchisee the option to renew the Franchise Agreement for two additional terms of ten years each. Franchisee must sign our then-current Franchise Agreement for the renewal term and this new agreement may have different terms and conditions (including higher royalty and/or advertising fees) from the agreement that covered Franchisee's original term.
c. Requirements for Franchisee to renew or extend	Article 14.1	Franchisee must have a good record of compliance with the Manuals and be in compliance with the Franchise Agreement; satisfy all monetary obligations to Franchisor; give written notice; remodel PJ's Unit; attend training; sign release; and sign new Franchise Agreement. Franchisee will be required to sign a new Franchise Agreement that may have materially different terms and conditions from the original contract.
d. Termination by Franchisee	None	Not Applicable.
e. Termination by Franchisor without cause	None	Not Applicable.
f. Termination by Franchisor with cause	Article 14	Franchisor can terminate for cause only if Franchisee defaults.
g. "Cause" defined-curable defaults	Article 14.3	Curable defaults: failure, refusal or neglect to promptly pay any monies owed to Franchisor; failure to submit financial or other information as required to Franchisor; failure to maintain standards specified by Franchisor or manuals; failure, refusal or neglect to obtain required prior written approval or consent; misuse or unauthorized use of Proprietary Marks or other impairment of the goodwill associated therewith, or Franchisor's rights therein; commencement or conducting of any business operation, or marketing of any product, under a name or mark which, in Franchisor's reasonable opinion, is confusingly similar to Franchisor's Marks; default, without cure after the applicable grace period, under any lease, sublease, sub-sublease, mortgage or deed of trust covering the location; failure to procure or maintain insurance required under the Franchise Agreement; default in the performance of any term, condition or obligation in payment of indebtedness to landlord or sublandlord, distributors or suppliers, or others, arising

Provision	Section in Franchise or Other Agreement	Summary
		out of the purchase of inventory, supplies or purchase of lease of equipment, and if any default is not cured within 30 days after written notice from Franchisor.
h. "Cause" defined-non-curable defaults	Article 14.2	Non-curable defaults: Franchisee knowingly or intentionally maintains false books or records, or submits any false report or payment to Franchisor; Franchisee's conduct is so contrary to the agreement and the Manuals as to constitute an imminent danger to the public health; selling unauthorized products to the public after notice of default and continuing to sell these products, whether or not Franchisee has cured the default after one or more notices; the conviction of a felony, or a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in the sole reasonable opinion of Franchisor, to have an adverse effect on the System, Proprietary Marks, or the goodwill associated with Franchisor's interest in each of them by Franchisee, or Franchisee's controlling or operating shareholders or members, if Franchisee is a limited liability company; intentional disclosure or use of the contents of the Manuals, trade secrets or confidential or proprietary information, excluding acts of independent employees or others not under Franchisee's control; repeatedly committing defaults under any provisions of this Agreement three or more occasions in any 12-month period, or six or more occasions in any consecutive 24-month period, even if Franchisee cured each prior default, and even if Franchisee would otherwise be given an opportunity to cure the current default; ceasing to operate or otherwise abandoning Franchisee's PJ's Unit without consent or, upon destruction of Franchisee's PJ's Unit, failure to rebuild and resume operation within a reasonable time, unless excused in Agreement.
i. Franchisee's obligations on termination/non-renewal	Article 15	Obligations include: immediately ceasing to operate as a Franchisee's PJ's Unit; discontinue use of Proprietary Marks; return Manuals, other materials, and confidential information; assign telephone numbers, if requested; payment of amounts due Franchisor; assign lease if requested; de-identify PJ's Unit; maintain confidentiality of information.
j. Assignment of contract by Franchisor	Article 13.1	No restriction on Franchisor's right to assign.

Provision	Section in Franchise or Other Agreement	Summary
k. “Transfer” by Franchisee- defined	Article 13.1	Includes transfer of contract, assets, or ownership interest.
l. Franchisor approval of transfer by Franchisee	Article 13.1	Franchisor has the right to approve all transfers, except a transfer to an heir or beneficiary after Franchisee’s death or mental incapacity, but will not unreasonably withhold approval, as long as certain conditions are satisfied.
m. Conditions for Franchisor approval of transfer	Articles 13.1 and 13.2	Franchisee may transfer Franchisee’s interest to a corporation or other legal entity as long as Franchisee retains ownership of a majority of the total voting power. Franchisee may transfer to a third party if: Franchisor does not exercise its right of first refusal five days before each direct or indirect transfer of an interest in this Agreement; or if Franchisee, upon Franchisor’s request, furnishes Franchisor with an estoppel agreement indicating all causes of action, if any, that Franchisee may have against Franchisor, or if none exist, a list of all shareholders or partners having an interest in this Agreement or in Franchisee’s PJ’s Unit, the percentage interest of each shareholder or partner, and a list of all officers and directors; Franchisee is not in default; all of Franchisee’s then-due monetary obligations have been paid in full and other obligations met; Franchisee and Franchisee’s shareholders or members have executed a general release under seal of all claims against Franchisor; Franchisee satisfies all of Franchisor’s then-current requirements for new Franchisees or holders of an interest in a Franchise; Franchisee has assumed the Agreement in a written assumption agreement approved by Franchisor, or has agreed to at closing; Franchisee, Franchisee’s manager or other employees responsible for the operation of the Franchise have satisfactorily completed Franchisor’s training program; Franchisee executes other documents as Franchisor may require, including Franchise Agreement.
n. Franchisor’s right of first refusal to acquire Franchisee’s PJ’s Unit	Article 13.2	Franchisor can match any offer for Franchisee’s PJ’s Unit less 5%.
o. Franchisor’s option to purchase Franchisee’s PJ’s Unit	Not Applicable.	Not Applicable.

Provision	Section in Franchise or Other Agreement	Summary
p. Death or disability of Franchisee	Article 10	Franchisee's estate may transfer Franchisee's interest to Franchisee's heirs or beneficiaries, or a third party approved by Franchisor.
q. Non-competition covenants during the term of the Franchise	Articles 10 and 11	No involvement in similar business anywhere; cannot divert business to a competitor; Franchisee shall not employ or seek to employ, directly or indirectly, any person serving in an executive, managerial or operational position who is at the time or was at any time during the prior six months employed by Franchisor, without Franchisor's prior written consent.
r. Non-competition covenants after the Franchise is terminated or expires	Article 10	No involvement in similar business for 24 months at a site within a radius of 50 miles of any of Franchisee's former PJ's Units or within 20 miles of any other PJ's Units or Distribution Points then existing, unless Franchisor gives its prior written consent; no competing with or soliciting customers of PJ's or other PJ's Units.
s. Modification of the agreement	Article 22	No modifications generally but standards, specifications, Manuals, products and services, Proprietary Marks and other items specified in the Franchise Agreement are subject to change.
t. Integration/merger clause	Article 22	Only the terms of Franchisee's Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Article 20	Franchisee and Franchisor resolve disputes or disagreements in a non-judicial alternative dispute resolution format through arbitration.
v. Choice of forum	Article 20	Arbitration must be in Louisiana, unless individual state law directs otherwise.
w. Choice of law	Article 20	Louisiana law applies, unless individual state law directs otherwise.

ITEM 18

PUBLIC FIGURES

Franchisor does not use any public figures to promote our franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet Franchisee is 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.

New Orleans Brew, LLC does not have any company-owned Units as of January 1, 2018.

Historical Financial Performance Representation about PJ's Existing Units.

PJ's Unit Criteria – Average Gross Revenue.

The PJ's Unit must have: (1) opened on or before January 1, 2017; and must have (2) reported gross revenue for the entire one year period ending December 31, 2017. The Financial Performance Representation includes domestic locations only.

PJ's Unit Results.

As of January 1, 2018, PJ's Coffee had a total of 76 PJ's Units in the United States and two PJ's Units in Vietnam. Of the total 78 PJ's Units, 63 were open for a full 12 months or greater and reported gross revenue for the entire 12-month period. The remaining PJ's Units consist of 15 PJ's Units that were either not open for 12 months or did not report gross revenue for the entire 12-month period. If a PJ's Unit did not report gross revenue for the entire 12-month period, the PJ's Unit ceased operations and no longer reported gross revenue.

We compiled the annual gross revenues for the top tier representing 21 of the 63 PJ's Units, the middle tier representing 21 of the 63 locations and the bottom tier representing 21 of the 63 PJ's Units. All 63 were franchised PJ's Units for the calendar year 2017. The 63 franchised PJ's Units reflect all four types of franchised units (e.g., Full Service Models, Limited Service Models, Special Contracts Full Service Models, and Special Contracts Limited Service Models).

The top tier of franchised PJ's Units had average gross revenues of $645,194 for the calendar year 2017. This group consisted of 21 franchised PJ's Units. The PJ's Unit with the highest gross revenue for the top tier is $1,222,543. The PJ's Unit with the lowest gross revenue for the top tier is $503,120.

The middle tier of franchised PJ's Units had average gross revenues of $400,940 for the calendar year 2017. This group consisted of 21 franchised PJ's Units. The PJ's Unit with the highest gross revenue for the middle tier is $498,882. The PJ's Unit with the lowest gross revenue for the middle tier is $344,982.

The bottom tier of franchised PJ's Units had average gross revenues of $204,082 for the calendar year 2017. This group consisted of 21 franchised PJ's Units. The PJ's Unit with the highest gross revenue for the bottom tier is $336,444. The PJ's Unit with the lowest gross revenue for the bottom tier is $76,698.

The average gross revenue for all 63 franchised PJ's Units was $416,739 for the calendar year 2017. The median for the top tier of franchise PJ's Units was $605,896 for the calendar year 2017. The median for the middle tier of franchise PJ's Units was $398,390 for the calendar year 2017. The median for the bottom tier of franchise PJ's Units was $175,526 for the calendar year 2017.

In the top tier of franchised PJ's Units, eight PJ's Units, or 38%, attained or surpassed the average gross revenue for that group. In the middle tier of franchised PJ's Units, nine PJ's Units, or 43%, attained or surpassed the average gross revenue for that group. In the bottom tier of franchised PJ's Units, ten PJ's Units, or 48%, attained or surpassed the average gross revenue for that group.

The gross revenues were obtained from the information from sales reports submitted by the Franchisee and/or PJ's franchisees' point of sale software, which gathers PJ's Units gross revenues and other data. These gross revenues are used to compute the royalties owed to Franchisor. Franchisor makes no claims as to its Franchisee's cost of sales or operating expenses. Prospective Franchisees are required to perform his or her own due diligence.

<u>PJ's Unit Criteria – Historic Same Store Sales Growth</u>.

The PJ's Unit must have: (1) opened on or before January 1, 2016; and must have (2) reported gross revenue for the entire two year period ending December 31, 2017. The Financial Performance Representation includes domestic locations only.

The same store sales growth figures below compare the gross revenue generated by PJ's Units over the course of a calendar year with the gross revenue generated by the same PJ's Units during the prior calendar year. The figures below were calculated using the information from sales reports submitted by the Franchisee and/or information obtained from PJ's franchisees' point of sale software, which gathers PJ's Units gross revenues and other data.

<u>PJ's Unit Results</u>.

Period of Analysis	Same Store Sales Growth over Prior Year	Total Number of Units Measured in SSS Analysis	Number of Units that Attained or Exceed Average SSS Increase
2013 - 2014	10.0%	49	10
2014 - 2015	9.4%	54	19
2015 - 2016	8.8%	55	9
2016 - 2017	6.6%	60	28

All the PJ's Units whose data were used in the table above were open for at least 24 months during the measured period.

<u>General Comments</u>.

The PJ's Units represented herein operate in the following states: Arkansas, Louisiana, Mississippi, South Carolina, and Texas.

Franchisor urges Franchisee to contact our existing Franchisees to make Franchisee's own evaluation of Franchisee's potential PJ's Unit's success. Exhibit J to this franchise disclosure document contains the names of all of our Franchisees and the address and telephone numbers of all Franchisees.

Some outlets have earned this amount. Franchisee's individual results may differ. There is no assurance of the Franchisee's individual performance.

Franchisee is responsible for developing Franchisees own business plan for Franchisee's PJ's Unit, including capital budgets, financial statements, projections, and other elements appropriate to Franchisee's particular circumstances. Franchisor encourages Franchisee to consult with Franchisee's own accounting, business, and legal advisors in doing so. In developing the business plan, Franchisee is cautioned to make necessary allowance for changes in financial results to income, expenses, or both, that may result from operation of Franchisee's PJ's Unit in different geographic areas or new market areas, or during periods of, or in areas suffering from, economic downturns, inflation, unemployment, or other negative economic influences. In addition, historical costs do not necessarily correspond to future costs because of factors such as inflation, changes in minimum wage laws, location, financing, real estate-related costs, and other variables. Finally, prospective Franchisees must bear in mind that a newly opened business cannot be expected to achieve sales volumes or maintain expenses similar to those of an established business.

Other than the preceding financial representation, Franchisor does not make any representations about a Franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. Franchisor also does not authorize our employees or representatives to make any such representations either orally or in writing. If Franchisee is purchasing an existing outlet, however, Franchisor may provide Franchisee with the actual records of that outlet. If Franchisee receives any other financial performance information or projections of Franchisee's future income, Franchisee should report it to Franchisor's management by contacting David Mesa, Jr., Chief Development Officer, 180 New Camellia Boulevard, Suite 100, Covington, LA 70433, (985) 792-5776, the Federal Trade Commission, and the appropriate state regulatory agencies.

Franchisee's ultimate success will be a function of the following: (i) Franchisee's skill and experience; (ii) the effort that Franchisee devotes to Franchisee's PJ's Unit; (iii) Franchisee's business acumen; (iv) whether Franchisee's PJ's Unit is in a rural versus urban setting; (v) prices Franchisee charges for products and services; (vi) the number and skill of the sales agents Franchisee uses; (vii) the amount Franchisee expends on advertising and promotions; (viii) general economic conditions; (ix) the growth or shrinkage of the population in Franchisee's market; (x) the enthusiasm of the population in Franchisee's market towards coffee and coffee related beverages; (xi) the relative affluence of the population in Franchisee's market; (xii) other factors affecting supply and demand; and (xiii) other factors affecting profitability, like Franchisee's operating expenses, general and administrative expenses and other variables.

Written substantiation for the financial performance representation will be made available to the prospective Franchisee upon reasonable request.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary for Years 2015 To 2017

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2015	66	72	+6
	2016	72	77	+5
	2017	77	78	+1
Company-Owned	2015	0	0	0
	2016	0	0	0
	2017	0	0	0
Total Outlets	2015	66	72	+6
	2016	72	77	+5
	2017	77	78	+1

Explanatory Notes.

Note 1. The numbers in this table are as of December 31, 2017.

Table No. 2

Transfers of Outlets from Franchisees to New Owners (Other Than the Franchisor)

For Years 2015 To 2017

State	Year	Number of Transfers
Georgia	2015	0
	2016	0
	2017	0
Louisiana	2015	5
	2016	1
	2017	1
Mississippi	2015	0
	2016	0

	2017	0
Totals	2015	5
	2016	1
	2017	1

Explanatory Notes.

Note 1. The numbers in this table are as of December 31, 2017.

Table No. 3

Status of Franchised Outlets for Years 2015 To 2017

State	Year	Outlets at Start Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Arkansas	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Louisiana	2015	60	6	0	0	0	1	65
	2016	65	2	0	0	0	1	66
	2017	66	4	0	0	0	2	68
Mississippi	2015	5	0	0	0	0	0	5
	2016	5	0	0	0	0	0	5
	2017	5	0	0	0	0	0	5
Texas	2015	0	1	0	0	0	0	1
	2016	1	2	0	0	0	0	3
	2017	3	0	0	0	0	1	2
Vietnam	2015	0	0	0	0	0	0	0
	2016	0	2	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Totals	2015	66	7	0	0	0	1	72
	2016	72	6	0	0	0	1	77
	2017	77	4	0	0	0	3	78

Explanatory Notes.

Note 1. The numbers in this table are as of December 31, 2017.

Note 2. The name, business address, and business telephone number of each current Franchisee as of December 31, 2017, and the name, last known address, and telephone number of every Franchisee who had a PJ's Unit terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recent completed fiscal year or has not communicated with Franchisor within ten weeks of December 31, 2017 is attached is Exhibit J.

If Franchisee buys this Franchise, Franchisee's contact information may be disclosed to other buyers when Franchisee leaves the franchise system.

Note 3. In some instances, current and former Franchisees sign provisions restricting their ability to speak openly about their experience with Franchisor. Franchisee may wish to speak with current and former Franchisees but beware that not all Franchisees will be able to communicate with Franchisee.

Table No. 4

Status of Company-Owned Outlets for Years 2015 To 2017

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Totals	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
	2017	0	0	0	0	0	0

Explanatory Notes.

Note 1. The numbers in this table are as of December 31, 2017.

Our fiscal year end is December 31, 2017.

Table No. 5

Projected Openings as of December 31, 2017

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	1	0
Arizona	0	0	0
Arkansas	0	0	0
Colorado	1	1	0
Florida	0	0	0
Georgia	0	1	0
Louisiana	7	8	0
Mississippi	2	2	0
South Carolina	1	1	0
Tennessee	1	1	0
Texas	2	3	0
Virginia	1	2	0
Kuwait	2	2	0
TOTALS	17	22	0

(1) No trademark-specific franchisee organization has been created, sponsored, or endorsed by franchisor. No other trademark-specific franchisee organization has been otherwise organized under state law and has requested inclusion in the franchisor's disclosure document.

ITEM 21

FINANCIAL STATEMENTS

The audited financial statements for the periods ending December 27, 2015, December 25, 2016 and December 31, 2017 are attached to the disclosure document as Exhibit F, together with the auditor's consent and reports.

ITEM 22

CONTRACTS

The following agreements are attached as exhibits to this disclosure document:

Exhibit A – Franchise Agreement
Exhibit B – Confidentiality Agreement
Exhibit C – Guaranty Agreement
Exhibit D – Direct Deposit Authorization Form
Exhibit E – Agents for Process of Services
Exhibit F – Financial Statements
Exhibit G – Operations Manual Table of Contents
Exhibit H – State Administrators
Exhibit I – Franchise Disclosure Acknowledgement Statement
Exhibit J – List of Franchisees
Exhibit K – General Release Agreement
Exhibit L – Contingent Assignment of Lease
Exhibit M – State Specific Addenda
Exhibit N – Receipts

ITEM 23

RECEIPT

THE LAST PAGE OF THE DISCLOSURE DOCUMENT IS A DETACHABLE DOCUMENT ACKNOWLEDGING RECEIPT OF THE DISCLOSURE DOCUMENT BY YOU.

EXHIBIT A

FRANCHISE AGREEMENT

PJ'S COFFEE FRANCHISE AGREEMENT DATA SHEET

1. Name of Franchisee: ____

2. Guarantor Name: ____

   SSN: __________________ Driver's License State/Number: ____________________

3. Guarantor Name: ____

   SSN: __________________ Driver's License State/Number: ____________________

4. Franchisee's Address: ____

5. Franchisee's Telephone Number: ____

6. Franchisee's Email Address: ____

7. Franchisee's Initial Franchise Fee: ____

8. Franchisee's Royalty Fee: ____

9. Franchisee's System Fund Fee: ____

10. Agreement Effective Date: ____

11. Franchise Licensing Representative: ____

12. Exceptions to the Agreement: ____

    ____

The information contained in the Data Sheet is incorporated by reference into the PJ's Coffee Franchise Agreement.

FRANCHISEE:	**FRANCHISOR:**
______________________________	______________________________
Print Name:	Print Name:
______________________________	______________________________
Title	Title
______________________________	______________________________
Date	Date

PJ'S COFFEE FRANCHISE AGREEMENT

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PJ'S COFFEE FRANCHISE AGREEMENT

THIS AGREEMENT made this ___ day of __________, 20__, by and between New Orleans Brew, LLC, a Louisiana limited liability company d/b/a PJ's Coffee of New Orleans, located at: 180 New Camellia Blvd., Suite 100, Covington, Louisiana 70433 (the "Franchisor"), and ____ (the "Franchisee"):

DEFINITIONS:

In this Agreement the following capitalized terms shall have the meanings set forth below, unless the context otherwise requires:

(i) A PJ's Branded Product is any product now existing or developed in the future that bears Franchisor's Marks and is sold by some or all PJ's franchisees or Franchisor or other entities such as supermarkets, grocery stores or convenience stores.

(ii) A PJ's Distribution Point or Distribution Point is any location other than a PJ's Unit, where Authorized PJ's Branded Products using Franchisor's Marks are sold, such as carts, kiosks, vending machines or other product distribution units developed now or in the future and authorized by Franchisor.

(iii) A PJ's Coffee Unit or PJ's Unit is a cafe or other outlet that specializes in the sale of Authorized PJ's Products, as defined below, is operated under Franchisor's Marks, as defined below, and is authorized by a Franchise or License Agreement made or approved by Franchisor.

(iv) Authorized Products or PJ's Authorized Products are products approved or authorized by Franchisor in accordance with Article 5 or 8 of this Agreement.

(v) Location shall mean a location accepted by Franchisor in accordance with Section 1.4 of this Agreement.

RECITALS:

WHEREAS, Franchisor is the owner of certain marks and other intellectual property, which have been filed and or registered with the United States Patent and Trademark Office of the United States of America, and may, in the future become the owner, licensee and or authorized distributor for other trademarks, including logos and designs, related or unrelated to Franchisor's Marks (referred to in this Agreement as "Franchisor's Marks"); and

WHEREAS, Franchisor has developed and continues to develop a system for merchandising PJ's Authorized Products, and which system includes distinctive signs, coffee beans, beverages, proprietary packaging, uniforms, various trade secrets & other confidential information, and in some cases also includes architectural designs, equipment specifications, layout plans, inventory, record-keeping and marketing techniques (the "System") which are materially reflected in Franchisor's Operations Manual and any other future manuals developed by Franchisor (collectively, the "Manuals"). Franchisor identifies the System by Franchisor's Marks, and such other Trademarks, service marks, trade names, logos and designs as may be designated by Franchisor in writing as being authorized for use in the System. Franchisor's Marks identify for the public the source of the services rendered in accordance with the standards and specifications established by Franchisor; and

WHEREAS, the System as used in existing PJ's Units and PJ's Distribution Points have established or will establish a reputation for quality, cleanliness, appearance and service, and through such operations and continued marketing and advertising efforts, have created demand and goodwill for the authorized PJ's coffee products sold as a result of which the System has acquired valuable goodwill and a favorable reputation; and

WHEREAS, Franchisee desires to enjoy the benefits of: (i) operating under the PJ's System and using Franchisor's Marks; and (ii) being authorized and licensed to operate one PJ's Unit as set forth below within the System in strict accordance with the standards and specifications established by Franchisor; and

WHEREAS, Franchisor is willing to grant Franchisee a license under Franchisor's Marks and the System, subject to Franchisee's strict compliance with the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1. FRANCHISE RIGHT GRANTED, LOCATION.

1.1. GRANT.

In consideration of the issuance of the franchise granted herein, Franchisee shall pay to Franchisor the non-refundable sum of the appropriate amount as stated on the Data Sheet of the Franchise Agreement (the "Initial Fee"). In exchange, Franchisor hereby awards Franchisee the right to open and operate, under the terms of this Agreement, one PJ's Unit specializing in selling high quality proprietary coffee beans, beverages, mixes, syrups and food products and/or (ii) branded, trademarked, produced and/or packaged exclusively for Franchisor and/or its affiliates (the "PJ's Products") items as specified by Franchisor in Franchisor's Operations Manual, or subsequently added in accordance with Operations Manual amendments. The Initial Fee shall be deemed fully earned by Franchisor upon the execution of this Agreement by Franchisor and Franchisee and shall not be refunded, in whole or in part, upon any termination of this Agreement, or at any other time or under any other circumstances. If Franchisee is a business entity, each individual holding in excess of 15% of the total voting power of Franchisee's ownership interest (including each individual holding in excess of 20% of the total voting power of any business entity having a controlling interest in Franchisee) must execute the Guaranty Agreement and Confidentiality Agreement attached as Attachment A and Attachment B respectively.

1.2. LICENSE.

Franchisor hereby grants and awards to Franchisee, for the term set forth in this Agreement, and any renewal term, beginning on the date of this Agreement, the right and license, and Franchisee hereby undertakes the obligation, to operate the PJ's Unit described in this Agreement under Franchisor's Marks and such other of Franchisor's Marks as may be designated by Franchisor, to operate such PJ's Unit solely in accordance with the System and this Agreement, and only at the specific location to be agreed upon by Franchisor and Franchisee in writing (the "Location").

1.3. LOCATION.

With Franchisor's acceptance, Franchisee will locate, lease and open, within a 12-month period, a PJ's Unit in ______________________________ (the "General Area"). The General Area is described solely for the purpose of limiting the area within which Franchisee may seek a site location for the PJ's Unit. If Franchisee is unable to secure an approved site and open a PJ's Unit in the General Area within this 12-month period, Franchisee must notify Franchisor in writing within 60 days prior to the expiration of the aforementioned period. Upon receipt of any such notice, Franchisor may, in its sole discretion, (i) cancel this Agreement or (ii) extend the 12-month period mentioned in this Section 1.3 for an additional 90 days. In the event that Franchisor elects to extend the initial 12 month period, Franchisee shall secure and open a PJ's Unit within said 90-day extension or this Agreement shall be cancelled without any further action on the part of Franchisor. In the event Franchisor elects not to extend the previously mentioned 90-day period and to cancel this Agreement, it shall be entitled to the fee paid in accordance with Section 1.1 hereof.

Franchisor may establish, operate, or grant a franchise or license to others to operate a PJ's Coffee or any other business using the Marks, the System or any variation of the Marks and the System, in any location other than Franchisee's PJ's Unit on any terms and conditions that Franchisor deems appropriate. Additionally, Franchisor may license or sell, at both wholesale and retail, produce or service lines that are being sold in PJ's Units, including Franchisee's PJ's Unit, under the same or similar Proprietary Marks or any other proprietary marks, at any location or distribution point without providing any rights to Franchisee.

1.4. LOCATION SELECTION AND ACCEPTANCE.

In order to obtain Franchisor's acceptance of a Location from which Franchisee is authorized to operate its PJ's Unit, he/she/they must first:

(i) Submit for Franchisor's evaluation a summary of the lease terms available for each site. Franchisee must also give any proposed landlord a copy of the then current Contingent Assignment of Lease or any other Lease Rider then being used by Franchisor in connection with its site approval for a PJ's Unit and obtain written verification that each landlord is willing to include the provisions of the Contingent Assignment or any other Rider's provisions in its Lease. After Franchisee provides the required documentation, Franchisor will evaluate and critique the information on each site and lease summary in consultation with Franchisee. Franchisor may, but will not be required to, visit, and inspect the sites that Franchisee proposes.

(ii) If and when Franchisor is satisfied with any one of the sites and the lease summaries are reasonably acceptable, Franchisor will give Franchisee verbal authorization to proceed with preliminary lease negotiations. Franchisor's authorization to negotiate a lease will not be unreasonably withheld. Franchisor reserves the right to reject any site or lease proposal Franchisee submits and to require that Franchisee obtain information on alternative sites.

(iii) After receiving Franchisor's authorization to negotiate, Franchisee must negotiate the lease to Franchisor's satisfaction and submit a final, unsigned copy of the lease to Franchisor for its verification that the Contingent Assignment (or other then used Lease Rider) is included. Franchisor may withhold authorization for Franchisee to sign a lease that omits Franchisor's Contingent Assignment (or other then used Lease Rider) in substantially the same form in use by Franchisor at the time the lease is executed or contains provisions Franchisor considers excessively onerous or restrictive.

(iv) FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR WILL HAVE NO RESPONSIBILITY FOR EVALUATING OR ADVISING FRANCHISEE WITH RESPECT TO ANY BUSINESS OR LEGAL ASPECTS OF THE LEASE, AND THAT FRANCHISOR EXPRESSLY ADVISES FRANCHISEE TO OBTAIN INDEPENDENT ADVICE OF COUNSEL WITH REGARD TO ANY LEASE TERMS. FRANCHISEE FURTHER ACKNOWLEDGES THAT FRANCHISOR'S ACCEPTANCE OF A LOCATION IS IN NO WAY A WARRANTY OR REPRESENTATION BY FRANCHISOR THAT FRANCHISEE'S PJ'S UNIT WILL BE PROFITABLE OR SUCCESSFUL FROM THAT LOCATION.

FRANCHISEE'S ACKNOWLEDGMENT: INITIALS____________

(v) When Franchisor is satisfied with the lease, Franchisor will give Franchisee written authorization to sign it. After receiving Franchisor's authorization to sign the lease, Franchisee must sign and furnish Franchisor a photocopy of the executed lease, including all exhibits, attachments, and addenda. When Franchisor verifies that the executed lease contains no variances from the form Franchisor accepted, it will notify Franchisee that the location is finally accepted pursuant to the terms of this Agreement.

ARTICLE 2. INSTALLATION AND COMMENCEMENT OF BUSINESS.

Franchisee, at its own expense, shall: (i) renovate the Location into a PJ's Unit; (ii) obtain all necessary governmental permits and licenses prior to beginning the renovation of its Location into a PJ's Unit and Franchisee shall fully complete the renovation, construction and equipping within a reasonable time thereafter. Franchisee shall commence operation of each PJ's Unit no later than 30 days following substantial completion of the renovation and equipment installation at the Location and shall give Franchisor 10 days' written notice prior to commencing operations. Franchisee must employ an architect approved by the Franchisor, in Franchisor's sole discretion, for the preparation of all construction plans and specifications. Franchisee must use a licensed and insured general contractor for all construction and remodeling on the interior or exterior of the franchised location. In no event shall Franchisee construct or remodel the interior or exterior of any PJ's Unit or make any improvements which vary from the then-current standards, plans, and specifications approved by Franchisor, without first obtaining Franchisor's prior written approval. Franchisee, at its own expense, shall obtain all municipal and state licenses necessary to operate Franchisee's PJ's Unit prior to commencing business at its PJ's Unit and shall maintain all licenses in full force and effect during the term of this Agreement.

ARTICLE 3. TRAINING.

3.1. Franchisee will designate individuals (up to three persons) as trainee(s) to attend Franchisor's training school in Greater Metro New Orleans, Louisiana (the "Training School") or at another training location selected by Franchisor. Franchisor will offer initial training programs for Franchisee and its management employees at times selected by Franchisor. Franchisor will bear the costs of providing training programs, including the overhead costs of training, staff salaries, materials, and all technical training tools. Franchisee shall pay all traveling, living, compensation, and other expenses incurred by Franchisee and/or Franchisee's employees in connection with attendance at training programs. The training program and manner of conducting such program shall be at Franchisor's sole discretion and control.

3.2. Franchisee will not allow any PJ's Unit to be opened or managed by any person who has not attended and successfully completed the management training course designated by Franchisor. If Franchisee is an individual, and does not manage its PJ's Unit on a day-to-day basis, and in the event its designated unit manager resigns or is terminated, Franchisee must arrange to have the successor unit manager: (i) begin the required training course within 45 days of first assuming the duties of a unit manager; and (ii) successfully complete the course. Provided Franchisee successfully completes the training program, the required training course conducted at Franchisor's facilities will not extend beyond two weeks.

3.3. If at any time the trainee voluntarily withdraws from, or is unable to complete its training, or fails to demonstrate an aptitude, spirit or ability to comprehend and carry out the course of study to the reasonable satisfaction of Franchisor, then Franchisor shall have the right to require Franchisee's trainee to attend other training class(es) or to perform additional operational training until Franchisor is reasonably satisfied that Franchisee's trainee has satisfactorily completed the training course. Franchisee may not open its PJ's Unit until training is completed to Franchisor's reasonable satisfaction.

3.4. In the event of a sale to a third party of Franchisee's PJ's Unit after opening, the transferee must be trained in the Training School as a condition of Franchisor's consent to such transfer. All tuition costs for such training shall be deemed paid upon receipt by Franchisor of the $12,500 fee due in accordance with Article 13 herein. In the event of an approved non-sale management transfer to a third party of Franchisee's PJ's Unit, the transferee shall attend the Training School and pay to Franchisor the training fee, which fee shall not exceed $8,000. No PJ's Unit shall open or re-open until the Training School certifies that the transferee is approved to operate the respective PJ's Unit.

3.5. Franchisee will provide training at Franchisee's PJ's Unit at the time of its opening. Additional training sessions are available at Franchisee's request and expense, and at Franchisor's request, at Franchisee's expense, except for the initial training course itself. Franchisee's attendance at additional training sessions is mandatory if requested by the Franchisor or if they are scheduled in Franchisee's state. Franchisor may not mandate more than two additional training sessions in a 12-month period. For this additional training, Franchisor will provide the instructors and instructional materials, but Franchisee must arrange for transportation, lodging and food for itself and or its manager. Additional training sessions shall not extend beyond five days. Additionally, Franchisee must attend regional meetings when and if established by Franchisor.

3.6 Franchisee must attend all PJ's Annual Conventions unless exigent circumstances exist, and Franchisee receives Franchisor's prior approval not to attend. All costs related to the Annual Convention, including but not limited to, registration fee(s), travel expenses, lodging, food, and entertainment shall be Franchisee's sole responsibility. Franchisee's failure to register for the Annual Convention a minimum of four weeks prior to the start date of the Annual Convention will result in a $500.00 penalty payable to the Franchisor by Franchisee.

ARTICLE 4. MANUALS AND STANDARDS OF FRANCHISEE QUALITY, CLEANLINESS, AND SERVICE.

4.1. STANDARDS.

In order to promote the value and goodwill of Franchisor's Marks and the PJ's System and to protect Franchisor's Marks and the other PJ's Franchisees who comprise the franchise System, Franchisee agrees to conduct its business in accordance with the standards promulgated by Franchisor as follows:

4.2. MANUALS.

(i) In the Manuals and other publications, Franchisor will list authorized products to be sold by Franchisee, and promulgate standards of operation for a PJ's Unit, including standards of quality, cleanliness, and service for all food, beverages, furnishings, interior and exterior decor, supplies, fixtures, and equipment used in connection with each PJ's Unit. Franchisee agrees to operate its PJ's Unit in accordance with the standards, specifications and procedures set forth in the Manuals, this Agreement, and the lease for the Location. Franchisee further agrees that changes in the menu, or the standards, specifications and procedures may become necessary from time to time and agrees to accept as reasonable all modifications, revisions and additions to the Manuals as authorized by Franchisor. The sale of any product or service at the Franchisee's Location, without Franchisor's prior written approval shall constitute a material violation of this Agreement.

(ii) The Manuals and all amendments to the Manuals (and copies thereof) are copyrighted and remain Franchisor's property. They are loaned to Franchisee for the term of the Agreement and must be returned to Franchisor upon the Agreement's termination, expiration or nonrenewal. The Manuals are highly confidential documents which contain certain trade secrets of Franchisor, and Franchisee shall never reveal, and shall take all reasonable precautions, both during and after the term of this Agreement, to assure that its employees or any other party under Franchisee's control, shall never reveal any of the contents of the Manuals or any other publication, recipe or secret provided by Franchisor, except as is necessary for the operation of Franchisee's PJ's Unit. If Franchisee is not involved in the management of Franchisee's PJ's Unit, the manager must execute a Confidentiality Agreement, a copy of which is attached hereto as Attachment B.

4.3. HOURS.

Franchisor and Franchisee agree that the hours of operation of Franchisee's PJ's Unit are at a minimum, 6:00 a.m. to 10:00 p.m. on weekdays and 6:00 a.m. to 10:00 p.m. on weekends. Franchisee agrees to operate its PJ's Unit during such hours. If the Location is in a mall or shopping center, the hours of the mall or shopping center shall control. Franchisee shall diligently and efficiently exercise its best efforts to achieve the maximum gross sales possible from its location and will be open for business not less than 12 hours per day, seven days per week, unless additional opening hours are reasonably required to maximize operations and sales. If such hours are incorrect in relation to the sales potential of Franchisee's PJ's Unit, then Franchisor and Franchisee shall reasonably adjust such hours by jointly establishing new hours of operation. It is acknowledged that the hours of other Franchisees will vary in relation to each respective location, and local legal restrictions, if any.

4.4. APPEARANCE.

From time to time, Franchisee's PJ's Unit may need a cosmetic improvement or equipment change or addition in order to comply with the Manuals and or to maintain proper operations and an aesthetic appearance and professional image. Accordingly, Franchisor may require remodeling and renovation, and modifications to existing equipment and improvements as is reasonably necessary. Franchisor shall not require any such work at a particular Unit less than three years after the opening of the Unit except: (i) for additional equipment if new food and beverage preparation methods or products are developed and authorized by Franchisor; (ii) if repairs or repainting are necessary to maintain the appearance of the interior and exterior of the Location in a clean and orderly condition satisfactory to Franchisor; or (iii) upon the sale of the Franchisee's PJ's Unit. Within 90 days after receipt of written notice, Franchisee shall fully implement and complete such changes to its Unit operating under this Agreement.

4.5. PRODUCT LINE AND SERVICE.

Franchisee agrees to only serve the specified proprietary coffee items and other approved food and beverage products specified by Franchisor in this Agreement or in the Manuals and to follow all specifications and formulas of Franchisor as to specifications, contents, portion size and quality of products served to its customers from Franchisee's PJ's Unit.

4.6. CONTAINERS, FIXTURES AND OTHER GOODS.

(i) Franchisee agrees that all beverage and food items will be served in containers bearing accurate reproductions of Franchisor's Marks. All cups, containers, napkins, menus and other packaging and like articles used in connection with Franchisee's PJ's Unit shall conform to Franchisor's specifications, shall be imprinted with Franchisor's Marks, and shall be purchased by Franchisee from a distributor or manufacturer approved in writing by Franchisor, as provided in Article 7, which approval will not be unreasonably withheld.

(ii) No item of merchandise, furnishings, interior and exterior decor items, supplies, fixtures, equipment, or utensils bearing any of Franchisor's Marks shall be used in or upon any Unit unless the same shall have been first submitted to and approved in writing by Franchisor.

4.7 INSPECTION.

Franchisee agrees to be subject to inspections conducted by Franchisor to insure Franchisee is conducting business in accordance with the standards promulgated by Franchisor.

ARTICLE 5. MENU, UNIFORMS, INSPECTIONS, SIGNS.

5.1. MENU.

(i) Franchisee shall not manufacture, advertise for sale, sell, or give away any product unless such product has been approved in the Manuals as an authorized product for sale in Franchisee's PJ's Unit and not thereafter disapproved in writing by Franchisor. All approved products shall be distributed under the specific name designated by Franchisor. Franchisee shall establish all menu prices in its sole discretion. Franchisee shall offer for sale in its Unit only the proprietary coffee products and other food & beverage products that Franchisor designates as "approved and authorized" or which Franchisor has made available as a "regionalized" menu or has otherwise specifically approved in writing (each, "Authorized Product"). No standard product will be removed from the menu unless Franchisee is so instructed by Franchisor.

(ii) Such "Authorized Products" shall be marketed by approved menu formats to be utilized in Franchisee's PJ's Unit. The approved and authorized menu and menu format(s) may include, in Franchisor's discretion, requirements concerning organization, graphics, product descriptions, illustrations, and any other matters (except prices) related to the menu, whether or not similar to those listed. In Franchisor's discretion, the menu and or menu format(s) may vary depending upon region, market size, and other factors. Franchisor may change the menu and or menu format(s) from time to time or region to region or authorize tests from region to region or authorize non-uniform regions or non-uniform PJ's Unit(s) within regions, in which case Franchisee will be given a reasonable time (not longer than 30 days) to discontinue use of any old menu format(s) and implement use of the new menu format(s).

(iii) Franchisee shall, upon receipt of notice from Franchisor, add any Authorized Product to its menu according to the instructions contained in the notice. Franchisee shall have a minimum of 30 days after receipt of written notice in which to fully implement any such change. Franchisee shall cease selling any previously approved product within 30 days after receipt of notice that the product is no longer approved.

(iv) The Authorized Products sold by Franchisee shall be of the highest quality, and the ingredients, composition, specifications, and preparation of such food products shall comply with the instructions and recipes provided by Franchisor or contained in Franchisor's Operations Manual, and with the further requirements of Franchisor as they are communicated to Franchisee from time to time.

5.2. COMPLIANCE.

Franchisee shall operate its PJ's Unit as a clean, orderly, legal, and respectable place of business in accordance with Franchisor's business standards and merchandising policies, and shall comply with all applicable ordinances, laws, statutes, and regulations governing the operation of such premises, including all disability, food and drug laws and regulations. Franchisee shall not allow any Location or part of a Location to be used for any immoral or illegal purpose.

5.3. SIGNS, DESIGNS AND FORMS OF PUBLICITY.

(i) Franchisee shall maintain suitable signs or awnings at, on, or near the front of the Location, identifying the Location as a "PJ's Coffee". Such signs and awnings shall conform in all respects to Franchisor's requirements and in accordance with the layout and design plan approved for the Location, except to the extent prohibited by local legal restrictions, and shall be purchased from an approved supplier.

(ii) No exterior or interior sign or any design, advertisement, internet address, "web page" (including, but not limited to, social network mediums) or world wide web home page, sign, or form of publicity, including form, color, number, location, and size, shall be used by Franchisee or any Association (as defined below) unless first submitted to Franchisor and approved in writing (except with respect to prices). Any request by Franchisee for such approval shall be properly submitted in duplicate to: (i) Franchisor's Location Development Department, Attention: Location Development Manager, 180 New Camellia Boulevard, Suite 100, Covington, Louisiana 70433; and (ii) Franchisor's Franchise Development Director 180 New Camellia Boulevard, Suite 100, Covington, Louisiana 70433. Franchisor shall respond to such request within 30 days of its receipt; otherwise, such request shall be deemed not approved. Whenever Franchisee elects to utilize, in the form supplied, advertising supplied by Franchisor or any promotional item specifically approved by Franchisor, no further approval for use of such material is required. Upon written notice from Franchisor, Franchisee shall discontinue and or remove any objectionable advertising materials or any other materials not suitable for display, in Franchisor's sole discretion.

5.4. UNIFORMS AND EMPLOYEE APPEARANCE.

Franchisee shall cause all employees, while working in the PJ's Unit, to: (i) wear uniforms of such color, design, and other specifications as Franchisor may designate from time to time; and (ii) present a neat and clean appearance. If the type of uniform utilized by Franchisee is removed from the list of approved uniforms, Franchisee shall have 60 days from receipt of written notice of such removal to discontinue use of its existing inventory of uniforms and implement the approved type of uniform.

5.5. VENDING OR OTHER MACHINES.

Franchisee shall not permit vending, video gaming devices or game machines or any other mechanical device to be installed or maintained in its Location without Franchisor's prior written approval. Franchisee agrees to purchase, install, and maintain a continuous music unit, approved by Franchisor, in its Location. The music selections may be controlled by Franchisor.

5.6. INSPECTION.

(i) Franchisor's authorized representatives shall have the right to enter upon the entire main floor and basement of Franchisee's PJ's Unit during business hours, without disrupting Franchisee's business operations, for the purposes of examining same, conferring with Franchisee's employees, inspecting and checking operations, food, beverages, furnishings, interior and exterior decor, supplies, fixtures, and equipment, and determining whether the business is being conducted in accordance with this Agreement and the PJ's Unit and the Manuals.

(ii) In the event any such inspection indicates any deficiency or unsatisfactory condition with respect to any matter required under this Agreement or the Manuals, including but not limited to quality, cleanliness, service, health and authorized product line, Franchisor will notify Franchisee in writing of Franchisee's non-compliance with the Manuals, the PJ's Unit, or this Agreement. Franchisee shall have 24 hours after receipt of such notice, or such other greater time period as Franchisor in its sole discretion may provide, to correct or repair such deficiency or unsatisfactory condition, if it can be corrected or repaired within such period of time. If not, Franchisee shall within such time period commence such correction or repair and thereafter diligently pursue it to completion.

ARTICLE 6. ADVERTISING AND FRANCHISEE CO-OPERATIVES.

6.1. Franchisee and Franchisor acknowledge the value of advertising and marketing. Franchisor agrees to provide Franchisee with materials and advice to support Franchisee's marketing efforts. Franchisee agrees to pay appropriate percentage as stated on the Data Sheet of the Franchise Agreement of its gross sales for each and every week of its operations to Franchisor (the "System Fee" or "System Fund"). These funds will be deposited, at Franchisor's sole discretion, into a segregated System account (with other advertising collections) controlled by Franchisor. System payments will then be spent for advertising and marketing to benefit Franchisee and/or all regional Franchisees of PJ's Units. The System Fee shall be paid in accordance with the procedure described in Article 9.

6.2. Franchisor, in its sole discretion, may spend the collected fees directly, or may authorize payment of the advertising collections for media time, production of media materials, whether for radio, television, newspapers, social, web or store level materials such as flyers, or posters, or for any other type of advertising or marketing use. Franchisor is not, under any circumstances, obligated to contribute to any national or local advertising fund, program, cooperative, or other organization any advertising fees or contributions.

6.3. Franchisor may, in its sole discretion, establish local marketing cooperatives for the common benefit of all PJ's franchisees. Franchisor has the right, in its sole discretion, to designate any geographical area for purposes of establishing a regional marketing and promotions cooperative ("Cooperative"), and to determine whether Franchisee must participate in a Cooperative. If a Cooperative has been established applicable to the PJ's Unit at the time Franchisee begins operating under this Agreement, Franchisee must immediately become a member of such Cooperative. If a Cooperative applicable to the PJ's Unit is established at any time during the term of this Agreement, Franchisee must become a member of such Cooperative no later than 30 days after the date on which the Cooperative begins operation. Franchisor has the right to change, combine or dissolve cooperatives. If the PJ's Unit is within 50 miles of more than one Cooperative, Franchisee is required to be a member of only one such Cooperative. The following provisions will apply to each Cooperative:

(i) Each member of the Cooperative must contribute 1% up to 3% of its weekly gross sales for each and every week of its operations to the Cooperative ("Cooperative Fee");

(ii) Each Cooperative will be organized and governed in a form and manner, and will commence operation on a date, approved in advance by Franchisor;

(iii) Each Cooperative will be organized for the exclusive purpose of administering regional marketing and advertising programs and developing, subject to Franchisor's approval, standardized marketing materials for use by the members in local marking;

(iv) All activities and contributions to the Cooperative shall be determined by a majority vote of the members in the Cooperatives; and

(v) No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without Franchisor's prior written approval. All such plans and materials shall be submitted to: Franchisor's Marketing Department, Attention: Director of Marketing, 180 New Camellia Blvd, Suite 100, Covington, LA 70433.

6.4. If Franchisor elects to pay all or a portion of the System Fund to a Cooperative and if one of the following events occurs and is not resolved by the Cooperative, then Franchisor reserves the right to exercise sole decision-making power over the advertising funds: (i) if a Cooperative ceases functioning; or (ii) an impasse arises because of the inability or failure of the Cooperative members to resolve any issue affecting the establishment or effective functioning of an individual Cooperative; or (iii) a Cooperative fails to function in a productive or harmonious manner; or (iv) a Cooperative is unable to approve any advertising program within a reasonable time not to exceed 30 days.

6.5. In addition to the System Fee and Cooperative Fee, Franchisee agrees to spend a minimum of $5,000 for its "Grand Opening" promotion as designated by Franchisor. The "Grand Opening" event is required for all Franchisees and functions to introduce Franchisee's Unit to the public. The application and use of the "Grand Opening" funds shall be controlled by Franchisor's marketing department.

6.6. Franchisee shall sell or otherwise issue gift cards or certificates (together "Gift Cards") that have been prepared utilizing the standard form of Gift Card provided or designated by Franchisor, and only in the manner specified by Franchisor in the Manual or otherwise in writing. Franchisee shall fully honor all Gift Cards that are in the form provided or approved by Franchisor regardless of whether a Gift Card was issued by Franchisee or another PJ's franchisee. Franchisee shall sell, issue, and redeem Gift Cards in accordance with procedures and policies specified by Franchisor in the Manual or otherwise in writing by a third-party service provider.

Franchisee shall pay the monthly fees that may be required by the vendor of the Gift Card system. Franchisee shall not sell, issue, or redeem gift certificates other than gift cards approved by Franchisor in writing.

Unless otherwise directed by certain state law, Franchisee acknowledges and understands that upon the expiration of any Gift Card all unused funds shall become the property of Franchisor and at the Franchisors discretion, unused funds may be distributed to participating Franchisees.

6.7. Franchisee shall participate in PJ's customer loyalty program(s) designated by the Franchisor. Franchise shall pay fees associated with the loyalty program(s).

ARTICLE 7. COMPANY MARKS AND ADDITIONAL MARKS.

7.1. The license and related rights to use the System, the Manuals, Franchisor's Marks, and any other proprietary products granted by this Agreement are applicable only with respect to Franchisee's Unit at the Location, and not elsewhere, except in the event of a relocation approved in writing by Franchisor. This Agreement does not authorize the use of mobile vending vehicles, carts, kiosks or any other non-traditional delivery units.

7.2. Franchisee shall not interfere in any manner with, or attempt to prohibit, the use of Franchisor's Marks by any other Franchisee of Franchisor or in connection with other PJ's Units, distribution points or any other Unit used to distribute PJ's authorized or branded products.

7.3. Franchisor may, from time to time, in Franchisor's sole discretion, obtain additional trademark and or service mark rights in words and or designs. In the event of any of these occurrences, Franchisor may license Franchisee to use those trademarks or service marks by giving written notification to Franchisee that such marks now form part of Franchisor's Marks. The term of such license will be coextensive with the term of this Agreement or as otherwise established by Franchisor, and will be subject to all restrictions with respect to the use of those rights as set forth in this Agreement and in the notice granting Franchisee the license.

7.4 In the event that litigation involving the Franchisor's Marks is instituted or threatened against Franchisee, who is still in good standing with Franchisor and is still authorized to use the Franchisor's Marks, Franchisee shall promptly notify Franchisor and shall cooperate fully with Franchisor in defending or settling such litigation. Franchisor shall defend and hold Franchisee harmless from any claims of trademark infringement for the use of the Franchisor's Marks, provided that Franchisee promptly gives written notice to Franchisor and tenders the full defense of such claim to Franchisor. Franchisor shall have the complete control and direction of any such legal action, including the settlement thereof, without providing notice to Franchisee and shall bear all cost of defense of any such claim or suit.

ARTICLE 8. DISTRIBUTION AND PURCHASE OF EQUIPMENT, SUPPLIES, AND OTHER PRODUCTS.

Franchisee agrees to use and sell only the PJ's proprietary and approved products that are (i) prepared according to specified recipes, standards and procedures, including Franchisor's and/or its affiliates' proprietary coffee beans, beverages, mixes, syrups and food products and/or (ii) branded, trademarked, produced and/or packaged exclusively for Franchisor and/or its affiliates (the "PJ's Products"):

8.1. DEFINITIONS.

For the purpose of this Agreement, "distributor" is defined as any entity, except a manufacturer, that directly or indirectly delivers raw materials to the Franchisee. A "manufacturer" is defined as the entity that manufactures and or sells the Raw Materials to a distributor. Raw Materials mean all of the products purchased from distributors, and or manufactured or sold by manufacturers or production entities which are used in the creation of Authorized Products. Raw Materials include, but are not limited to beans, printed paper goods, bakery products, dairy products, produce, and clothing (collectively, the "Raw Materials"). "Authorized" means approved by Franchisor in accordance with the procedures established in this Agreement.

8.2. DISTRIBUTORS.

(i) Franchisee acknowledges that it is generally unrealistic from a cost and service basis to have more than one distributor in the market area of Franchisee's Unit, and that to obtain the lowest distribution costs, all regional Franchisees should only purchase from one authorized PJ's distributor. Franchisee agrees to only purchase all equipment, supplies, Raw Materials and other products and materials necessary for the operation of its Unit solely from Authorized distributors, and other authorized sources who demonstrate, to the continuing reasonable satisfaction of Franchisor, the ability to meet Franchisor's then-current standards and specifications for such items; who possess adequate quality controls and capacity to supply Franchisee and all other Unit Franchisees needs promptly and reliably; who demonstrate the ability and willingness to work with Franchisor to provide the assistance needed by the those Franchisees in the region and all other Unit Franchisees; who agree to distribute all authorized PJ's products; who comply with Franchisor's reasonable requirements; and who have been approved in writing by Franchisor and not thereafter disapproved.

(ii) If Franchisee desires to purchase any items from an unapproved distributor, whom Franchisee desires to become an Authorized distributor, Franchisee shall first submit a written request for such approval to Franchisor, addressed to: Vice President of Operations, 180 New Camellia Boulevard, Suite 100, Covington, Louisiana 70433; accompanied by a similar written request for approval from the proposed distributor. Franchisor shall have the right to require that the proposed distributor provide reasonable financial, operational and economic information regarding its business and that Franchisor's representatives be permitted to inspect the proposed distributor's facilities and establish economic terms, delivery, service and other requirements consistent with other distribution relationships for other PJ's Units. The proposed distributor shall pay to Franchisor in advance all of Franchisor's reasonable costs in review of the application of the distributor to service the Franchisee as well as all current and future reasonable costs related to inspecting and reinspecting the distributor's facilities, equipment, Raw Materials in the distributor's possession at any time. Franchisor may revoke its approval upon the distributor's failure to continue to meet any of Franchisor's criteria. Nothing in this article shall require Franchisor to approve any distributor. Upon the receipt by Franchisor of Franchisee and the proposed distributor's request for approval in full compliance of this article, Franchisor will notify Franchisee of its decision within 90 days after completion of such application and inspection. In the event an alternate approved distributor to the recommended distributor is used by Franchisee, as a condition thereof Franchisee and all other Franchisees shall authorize the alternate distributor to provide to Franchisor duplicate purchase invoices for Franchisor's records and inspection purposes and to otherwise comply with Franchisor's reasonable requests.

8.3. MANUFACTURERS.

(i) The parties agree that Franchisor's product specifications and portion control system are highly confidential information and are trade secrets of Franchisor. In order to, (a) achieve appropriate pricing; (b) obtain the specially formulated PJ's authorized materials for Franchisee and all of Franchisor's system units; and (c) establish consistent uniformity of PJ's products, Franchisee acknowledges that purchasing by all Unit or regional Franchisees from approved manufacturers is a necessity. Because of the importance of quality and uniformity of product and the significance of product specifications and portion control in the preparation of Authorized Products to achieve and maintain such quality and uniformity, it is to the mutual benefit of the parties that Franchisor closely control the production and distribution of the Materials used to produce authorized products sold by Franchisee. Similar considerations may also apply to other products which Franchisor may develop in the future. Franchisee therefore agrees to purchase only Raw Materials manufactured in accordance with Franchisor's specifications and quality standards by approved manufacturers who demonstrate, to the continuing reasonable satisfaction of Franchisor, the ability to meet Franchisor's then-current standards and specifications for such items; who possess adequate quality controls and capacity to meet the needs of Franchisee and all other PJ's franchisees in a given region promptly and reliably; who demonstrate the ability and willingness to work with Franchisor and to provide the assistance needed by the PJ's Unit and who have been approved in writing by Franchisor and not thereafter disapproved.

(ii) If Franchisee desires to purchase any items from an unapproved manufacturer, who Franchisee desires to become an Authorized manufacturer, Franchisee shall first submit a written request for such approval to Franchisor, addressed to: Vice President of Operations, 180 New Camellia Boulevard, Suite 100, Covington, Louisiana 70433; accompanied by a similar written request for approval from the proposed manufacturer. Franchisor shall have the right to require that the proposed manufacturer provide reasonable financial, operational and economic information regarding its business and that Franchisor's representatives be permitted to inspect the proposed distributor's facilities and establish economic terms, delivery, service and other requirements consistent with other with other manufacturing relationships for other system units. The proposed manufacturer shall pay to Franchisor in advance all of Franchisor's reasonable costs in review of the application of the manufacturer to service the Franchisee as well as all current and future reasonable costs related to inspecting and reinspecting the manufacturer's facilities, equipment and Raw Materials at any time. Franchisor may revoke its approval upon the manufacturer's failure to continue to meet any of Franchisor's criteria. Nothing in this article shall require Franchisor to approve any manufacturer. Upon the receipt by Franchisor of Franchisee and the proposed manufacturer's request for approval in full compliance of this article and the completion of all of the inspections needed by Franchisor to evaluate the manufacturer, Franchisor will notify Franchisee of its decision within 90 days after completion of such application and inspections. If an alternate approved manufacturer to the recommended manufacturer is used by Franchisee, as a condition thereof Franchisee and all other Franchisees shall authorize the alternate manufacturer to provide to Franchisor duplicate purchase invoices for Franchisor's records and inspection purposes and to otherwise comply with Franchisor's reasonable requests.

8.4. PURCHASE OBLIGATIONS.

Franchisee agrees to purchase the following items from the Franchisor or an approved distributor and manufacturer designated by Franchisor:

(i) All Branded PJ's Products that bear Franchisor's Mark; Franchisor has a long term strategic plan to create another profit center for Franchisee and itself by the sale of PJ's branded products in Units, supermarkets, grocery stores, etc. To accomplish this goal, Franchisor intends to develop such products. To effectuate this long-term strategy, Franchisee agrees to cooperate with Franchisor with respect to the purchase, display and sale of any Branded Products authorized for sale by Franchisor. Franchisee consents to the receipt by Franchisor of licensing fees from manufacturers who manufacture Branded Products which will compensate Franchisor for such use of Franchisor's Marks.

(ii) Certain PJ's standard exterior and interior signs; these signs require the prior fabrication of sign molds or advance production in quantity to be either affordable or promptly available. If Franchisor has entered into an agreement with approved sign manufacturer(s), granting rights to use Franchisor's Marks in connection with the signs and to sell such signs to PJ's franchisees, Franchisee agrees to purchase its signs from the authorized sign manufacturer(s).

(iii) Franchisee agrees that at such times that Franchisor establishes a regional or national purchasing program for any of the Raw Materials, which may benefit Franchisee by reduced price, lower labor costs, production of improved Authorized Product(s), increased reliability in supply, improved distribution, Raw Material cost control (establishment of consistent pricing for reasonable periods to avoid market fluctuations), improved operations by Franchisee or other tangible benefits to Franchisee,

Franchisee will participate in such purchasing program in accordance with the terms of such program.

(iv) PJ's may elect to prepare pre-construction drawings which are designed to aid an architectural / engineering firm in the preparation of the complete construction drawing set for the PJ's Unit. The pre-construction drawings may include the following: existing and proposed floor plan, reflected ceiling plan, equipment and furniture plan, finishes and details, and typical elevations plan. Should Franchisor elect to offer this service, Franchisee agrees to purchase pre-construction drawings from Franchisor. The fee for the pre-construction drawings will vary depending on the project scope and size of the PJ's Unit. Said fee can range from $500 to $2,500 per PJ's Unit.

ARTICLE 9. CONTINUING FRANCHISE FEES, REPORTS, BOOKS AND RECORDS.

9.1. CONTINUING ROYALTY FEES.

(i) Franchisee shall pay to Franchisor weekly during the term of this Agreement and any renewals or extensions thereof, appropriate percentage as stated on the Data Sheet of the Franchise Agreement of the weekly gross sales of Franchisee's Unit ("Royalty Fee"). For the purposes of this Agreement, "gross sales," means gross revenues (excluding price discounts and allowances) received by Franchisee as payment, whether in cash or for credit (and, if for credit, whether or not payment is received therefor), for all beverages, food, and other goods, services, and supplies including all sales from approved co-brands as described in Article 22 sold in or from each of Franchisee's PJ's Unit, and gross revenues received by Franchisee from any other business (including, but not limited to, all revenues from any mechanical or other device, such as vending, video gaming or game machines installed at the Location) operated at the Location, excluding sales taxes.

(ii) At Franchisor's request, Franchisee shall promptly execute or re-execute within five days after Franchisor's request, and deliver to Franchisor appropriate pre-authorized check forms or such other instruments or drafts required by Franchisor's bank, payable against Franchisee's bank account, to enable Franchisor to electronically (draft on Franchisee's account by electronic withdrawal), collect the continuing Royalty Fee (see Article 9.1(i)) and System Fee (see Article 6) of gross sales payable under the terms of this Agreement. At Franchisor's request, Franchisee shall, within five days from such request, promptly perform such acts as to enable Franchisor or its designee to connect its computers to Franchisee's computer(s) or Franchisee's POS System so that Franchisor or its designee may electronically obtain statistical information regarding Franchisee's PJ's Unit activities that Franchisor may in its sole discretion request. Franchisee agrees to not disconnect Franchisor or its designee from such connection or phone line at any time, for any reason, without Franchisor's prior written approval. Franchisee specifically authorizes Franchisor to either "upload" or "download" information in and from or to its computers, cash registers or other such devices as allowed by law, as it relates to the Unit Operation by internet, intranet, and other networks or other means as they become available.

(iii) Franchisee shall report its gross sales by the designated computer system within two days after the end of each business week (currently Tuesday) or at such other times as are established by Franchisor in its sole discretion. Franchisee shall submit written weekly summaries showing results of its operations by the following Saturday. If Franchisee fails to report its sales on a timely basis, Franchisor may estimate the amount of Franchisee's sales. Franchisor will then deposit or transfer the reported, or in the absence of a report, the estimated, amounts due into its own account, using the Unit Franchisee's pre-authorized checks or other instruments. If any draft, electronic or otherwise, is unpaid because of insufficient funds or otherwise, then Franchisee shall pay Franchisor interest on the unpaid sum at a rate of prime plus 2.5% per annum or the maximum rate allowed by the applicable Federal and/or state law, in addition to Franchisor's expenses arising from such non-payment, including bank fees, hourly staff charges arising from such default, and any other related expenses incurred by Franchisor. By the fifth day of each month Franchisee shall pay to Franchisor any sums unpaid for the prior month to adjust for sales owed for any partial week or sales that were unpaid, improperly recorded or not credited on Franchisees books and records. Franchisee hereby agrees to pay any sales, use or other tax now or hereinafter imposed on franchise fees, advertising fees or any additional rental collected under the sublease for the Location, imposed by any Federal, state or local governmental authorities. Franchisor, at its sole discretion, may collect the taxes in the same manner as franchise fees are collected herein and if Franchisor collects such taxes, Franchisor shall promptly pay the tax collections to the appropriate governmental authority.

9.2. REPORTS AND INSPECTION OF RECORDS.

(i) Franchisee shall submit to Franchisor a quarterly Profit and Loss Statement, signed and certified by Franchisee, and shall provide Franchisee's sales, expenses and financial status with respect to Franchisee's Unit. In addition, Franchisee shall submit to Franchisor an annual Profit and Loss Statement prepared by a Certified Public Accountant, in accordance with generally accepted accounting principles. Franchisee shall also provide Franchisor with copies of signed original sales and use tax forms contemporaneously with their filing with the appropriate state or local authority. Franchisor reserves the right to require such further information concerning Franchisee's Unit as Franchisor may from time to time reasonably request.

(ii) Upon 10 days' prior written notice, Franchisor, its agents or representatives may audit Franchisee's books and records in accordance with generally accepted standards established by certified public accountants. In connection with such audit(s) or other operational visits, Franchisee agrees to keep its reports, cash receipts records, weekly and monthly control forms, accounts payable records including all payments to Franchisee's suppliers in its PJ's Unit or at its business office for three years after their due date, which records shall be available for examination by Franchisor or its representative(s), at Franchisor's request. Without any prior written notice, Franchisor, its agents or representatives may inspect Franchisee's entire Unit and Franchisee's daily, weekly and monthly statistical information. Franchisee shall make such information available for such inspections in recognition that an operational inspection cannot succeed without review of essential statistical information.

(iii) If any audit or other investigation reveals an under-reporting or under-recording error of 5% or more, then in addition to any other sums due, the expenses of the audit/inspection shall be borne and paid by Franchisee upon billing by Franchisor, plus interest at the highest compound rate authorized by the state in which the Unit is located.

(iv) Franchisee acknowledges that Franchisor's Operations Department regularly reviews ongoing operations at PJ's Units to ensure consistency of products and service and compliance with the Manuals and this Agreement. Franchisee therefore agrees to promptly complete and submit all forms requested by Franchisor's Operations Department, whether on a daily, weekly or monthly basis. Non-compliance with this obligation constitutes a material violation of this Agreement.

ARTICLE 10. COVENANT REGARDING OTHER BUSINESS INTERESTS.

10.1. For purposes of this Article only, "Franchisee" shall mean and include the individual Franchisee; Franchisee's spouse and minor children; Franchisee's shareholders, officers, and directors, if Franchisee is a corporation; and any one or more partners or participants in Franchisee, if Franchisee is a partnership or joint venture, or members, if Franchisee is an LLC.

10.2. Franchisee acknowledges that the PJ's System is unique and distinctive and has been developed by Franchisor at great effort, time, and expense, and that Franchisee has regular and continuing access to valuable and confidential information, training, and trade secrets regarding the PJ's System. Franchisee recognizes its obligations to keep confidential such information as set forth herein. Franchisee therefore agrees as follows:

(i) During the term of this Agreement, except with Franchisor's prior written consent, Franchisee shall not, in any capacity whatsoever, either directly or indirectly, individually or as a member of any business organization, engage in the production or sale at retail or wholesale of any coffee beans, coffee products, specialty coffee beverages, mixes, syrups and coffee house-type food products now or in the future approved by Franchisor for use in Franchisee's PJ's Unit, or have any employment or interest in any firm engaged in the production or sale of such products.

(ii) Upon the termination, expiration or nonrenewal of this Agreement, or if Franchisee assigns or transfers its interest herein to any person or business entity, or if any person identified in the first paragraph of this Article terminates its relationship with Franchisee, then for a period of 24 months thereafter such Franchisee shall not, in any capacity whatsoever, either directly or indirectly, individually or as a member of any business organization, engage in the production or sale at retail of any coffee beans, coffee products, specialty coffee beverages, mixes, syrups and coffee house-type food products, or have any employment or interest in any firm engaged in the production or sale at retail or wholesale of any such products, at a site within a radius of 50 miles of any of Franchisee's former Unit or within 20 miles of any other PJ's Unit or Distribution Point then existing, unless Franchisor gives its prior written consent. If Franchisee violates the terms of this paragraph, Franchisee shall pay to Franchisor, as liquidated damages, an amount equal to $1,500 per month for each month this covenant is violated, plus 7% of the gross sales achieved at the site during the continuation of such violation.

(iii) In the event any portion of the above covenants violates laws affecting Franchisee or is held invalid or unenforceable in a final judgment to which Franchisor and Franchisee are parties, then the maximum legally allowable restriction permitted by law shall control and bind Franchisee. Franchisor may at any time unilaterally reduce the scope of any part of the above covenants, and Franchisee shall comply with any such reduced covenant upon receipt of written notice.

10.3. The provisions of this Article shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Franchisor for any infringement of, violation of, or interference with, this Agreement, or Franchisor's Marks, System, trade secrets, or any other proprietary aspects of Franchisor's business.

ARTICLE 11. INTERFERENCE WITH EMPLOYMENT RELATIONS.

Without Franchisor's prior written consent, during the term of this Agreement, Franchisee shall not employ or seek to employ, directly or indirectly, any person serving in an executive, managerial or operational position who is at the time or was at any time during the prior six months employed by Franchisor. Request for Franchisor's consent shall be sent in duplicate and addressed in writing to Franchisor's Vice-President of Operations, 180 New Camellia Blvd, Suite 100, Covington.

ARTICLE 12. SUBFRANCHISORS, SALESMEN.

Inasmuch as this Agreement has not been executed by the Franchisee at the office of Franchisor,

Franchisor requires certain assurances that this Agreement has been sold in accordance with applicable laws, rules and regulations. Accordingly, in order to induce Franchisor to execute this Agreement, Franchisee agrees to execute a Franchise Disclosure Acknowledgement Statement to this Agreement that acknowledges that Franchisor is relying upon the acknowledgments, representations and commitments of Franchisee that no other salesman, staff member, entity, or associate of Franchisor has met Franchisee regarding this franchise sale or the offer and acceptance thereof other than those set forth therein. The statement shall identify all sales persons involved in the sales, negotiation and execution of this Agreement and shall identify any subfranchisor. Franchisor shall be entitled to rely on the Franchise Disclosure Acknowledgement Statement, and Franchisee shall be bound by its contents.

ARTICLE 13. NATURE OF INTEREST, AND TRANSFER.

13.1. GENERAL PROVISIONS.

(i) This Agreement shall inure to the benefit of the successors and assigns of Franchisor. Franchisor shall have the right to transfer or assign this Agreement to any person or legal entity who assumes its terms and agrees to comply with Franchisor's obligations contained herein. Franchisor shall have no liability for the performance of any obligations contained in this Agreement after the effective date of such transfer or assignment.

(ii) The rights and duties created by this Agreement are personal to Franchisee. Accordingly, except as otherwise permitted herein, neither Franchisee nor any person with an interest in Franchisee shall, without Franchisor's prior written consent, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any direct or indirect interest in this Agreement or, if Franchisee is a partnership, joint venture, LLC or corporation, any direct or indirect interest in Franchisee. Any such purported assignment occurring by operation of law or otherwise without Franchisor's prior written consent shall constitute a default of this Agreement by Franchisee and shall be null and void. Except in the instance of Franchisee advertising to sell its Unit pursuant to the terms hereof, Franchisee shall not, without Franchisor's prior written consent, offer for sale or transfer at public or private auction or advertise publicly for sale or transfer, the furnishings, interior and exterior decor items, supplies, fixtures, equipment, Franchisee's sublease or the real or personal property used in connection with Franchisee's Unit.

(iii) Upon immediate completion of Franchisee's sale transaction, Franchisee shall pay to Franchisor an administrative/transfer fee of $12,500 to cover Franchisor's training expenses and additional cost associated with the transfer. This administrative transfer fee will not be due with respect to any transfer that (together with all other related previous, simultaneous, or proposed transfers) does not result in the transfer of control of Franchisee.

(iv) Franchisee's rights may pass to Franchisee's next of kin or legatee if they assume Franchisee's obligations and attend and complete Franchisor's training program. Upon Franchisee's disability, Franchisee may sell the franchise or keep it, if operated by trained personnel.

(v) Franchisor's consent to a transfer shall not constitute a waiver of any claims it may have against the transferring party arising out of this Agreement or otherwise.

(vi) If Franchisee is an individual, Franchisor hereby consents to the assignment of this Agreement and any and all obligations referable thereto without any fee charged by Franchisor to a corporation, or other entity, principally owned by Franchisee within 90 days from the date hereof. Upon such assignment and assumption by the corporation, or other entity, along with delivery of executed originals of same to Franchisor, Franchisee/Transferee must enter into a Personal Guarantee, attached hereto as Attachment A, regardless of Franchisee's ownership in the business entity.

13.2. CONSENT TO TRANSFER.

For all proposed transfers or assignments of this Agreement, and transfers of more than 51% of the outstanding and issued stock of Franchisee by one or more transfers or any transfer which, directly or indirectly, effectively changes management control of Franchisee, Franchisor will not unreasonably withhold its consent to any transfer or assignment which is subject to the restrictions of this Article, provided however, Franchisor shall not be required to give its consent unless all of the following conditions are met prior to the effective date of assignment:

(i) Upon the execution of this Agreement and upon each direct or indirect transfer of an interest in this Agreement or in Franchisee and at any other time upon Franchisor's request, Franchisee shall, within five days prior to such transfer or at any other time at Franchisor's request, furnish Franchisor with an estoppel agreement indicating any and all causes of action, if any, that Franchisee may have against Franchisor or if none exist and a list of all shareholders or partners having an interest in this Agreement or in Franchisee, the percentage interest of each shareholder or partner, and a list of all officers and directors, in such form as Franchisor may require.

(ii) Franchisee's written request for transfer of either a partial or whole interest in this Agreement or Franchisee's Unit must be accompanied by an offer to Franchisor of a right of first refusal at the same price offered by any bona fide buyer less 5% Franchisor shall have the right and option, exercisable within 15 days after receipt of such written notification, to send written notice to Franchisee or such person that Franchisor or its third-party designee, intends to purchase the interest which is proposed to be transferred, on the same terms and conditions offered by the third party. If Franchisor accepts such offer, the transfer/administrative fee due by Franchisee shall be waived by Franchisor. Any material change in the terms of an offer prior to closing shall cause it to be deemed a new offer, subject to the same right of first refusal by Franchisor, or its third-party designee, as in the case of the initial offer. Franchisor's failure to exercise such option shall not constitute a waiver of any other provision of this Agreement, including any of the requirements of this Article with respect to the proposed transfer.

(iii) The Franchisee is not in default under the terms of this Agreement or any other agreement with Franchisor, the Manuals or any other obligations owed Franchisor, and all of its then-due monetary obligations to Franchisor have been paid in full.

(iv) The Franchisee and its shareholders or members, if the Franchisee is a corporation or limited liability company, have executed a general release under seal, in a form prescribed by Franchisor, of any and all claims against Franchisor, its shareholders, directors, officers, subfranchisors, and employees.

(v) The transferee/assignee has demonstrated to Franchisor's satisfaction that it meets all of Franchisor's then-current requirements for new Franchisees or for holders of an interest in a franchise, including, without limitation, possession of good moral character and reputation, satisfactory credit ratings, acceptable business qualifications, and the ability to fully comply with the terms of this Agreement.

(vi) The transferee/assignee, its manager or other employees responsible for the operation of the PJ's Unit have satisfactorily completed Franchisor's training program.

(vii) The transferee/assignee executes such other documents as Franchisor may require. This will include a replacement franchise agreement on the then-current franchise agreement and any other forms used by Franchisor.

ARTICLE 14. TERM, DEFAULT AND TERMINATION.

14.1. TERM.

(i) Provided Franchisee is not in default of the terms and conditions contained in its Location lease and this Agreement, this Agreement shall continue for a period of 10 years commencing upon the Franchisee opening the PJ's Unit.

(ii) Franchisee may renew the rights granted by this Agreement for two additional terms of 10 years each, subject to the following conditions:

(a) Franchisee gives Franchisor written notice of Franchisee's election to renew not less than six and not more than 24 months before the end of the then current term;

(b) Franchisee is not in default of any provision of this Agreement or any amendments to this Agreement, the Location lease, the Manuals or any monetary obligation owed to Franchisor; and

(c) At Franchisor's request, Franchisee shall undertake and complete the reasonable renovation or modernization of its PJ's Unit.

(d) Franchisee shall execute Franchisor's then-current franchise agreement and related agreements. Notwithstanding the execution of the Franchisor's then-current franchise agreement upon renewal under this Section, Franchisee shall not be required to pay the initial franchise fee called for therein.

14.2. DEFAULTS WITHOUT OPPORTUNITY TO CURE.

Franchisee shall be in default and Franchisor may, at its option, upon 30 days' written notice to Franchisee, terminate this Agreement and all rights granted by it, without affording Franchisee any opportunity to cure the default, upon the occurrence of any of the following events:

(i) Franchisee's knowingly or intentionally maintaining false books or records, or submitting any false report or payment to Franchisor;

(ii) Franchisee's conduct of the PJ's Unit licensed pursuant to this Agreement is so contrary to this Agreement, the System and the Manuals as to constitute an imminent danger to the public health (for example, selling spoiled food knowing that the food products are spoiled or allowing a dangerous condition arising from a lack of security for customers to continue despite Franchisee's knowledge of such condition), or selling regularly unauthorized products to the public after notice of default and continuing to sell such products whether or not Franchisee has cured the default after one or more notices;

(iii) The conviction of a felony, or a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in the sole reasonable opinion of Franchisor, to adversely affect the Unit, Franchisor's Marks; the goodwill associated with the System or Franchisor's interest in each of them by Franchisee's, or its controlling or operating shareholders or members if Franchisee is a limited liability company;

(iv) Franchisee's intentional disclosure or use of the contents of the Manual, trade secrets or confidential or proprietary information provided to Franchisee by Franchisor in violation of this Agreement, excluding acts of independent employees or others not under Franchisee's control; or

(v) If Franchisee repeatedly commits defaults under any provisions of this Agreement or any other agreement with Franchisor on three or more occasions in any 12-month period, or six or more occasions in any consecutive 24-month period, even if Franchisee cured each such prior default, and even if Franchisee would otherwise be given an opportunity to cure the current default.

(vi) Franchisee, without Franchisor's consent, ceasing to operate or otherwise abandoning its PJ's Unit or any other PJ's Units or upon destruction of its PJ's Unit, failure to rebuild and resume operation within a reasonable time. Cessation of the business shall not constitute a default under this Agreement if caused by condemnation, expiration of a Location lease pursuant to its terms at execution, natural, governmental or supplier related causes out of Franchisee's control, or when failure to rebuild following destruction of the Unit is prohibited by law or the Location lease. In the event of termination pursuant to this subsection, the written notice period shall commence five days from the date Franchisor sends written notice to Franchisee. At the expiration of this time period, this Agreement shall be deemed terminated. For purposes of this article, ceasing to operate or otherwise abandoning its Unit shall be defined as Franchisee's failure to open its PJ's Unit for business for five consecutive days.

14.3. DEFAULTS WITH OPPORTUNITY TO CURE.

(i) Except as otherwise provided in this Agreement, Franchisee shall have 10 days after Franchisor's written notice of default within which to remedy any default under this Section 14.3, and to provide evidence of such remedy to Franchisor. If any such default is not cured within that time period, or such longer time period as applicable law may require, Franchisor may, at its option, terminate this Agreement and all rights granted by it, by sending a five day written notice of cancellation of this Agreement to Franchisee. Upon the expiration of such five day period, this Agreement shall end and expire as if it were the day fixed for termination of this Agreement.

(ii) Franchisee shall be in material default under this Article for any failure to comply with any of the requirements imposed by this Agreement. Such material defaults shall include, without limitation, the occurrence of any of the following events:

(a) Franchisee's failure, refusal, or neglect to promptly pay any monies owed to Franchisor when due, or to submit the financial or other information required by Franchisor under this Agreement.

(b) Franchisee's failure to maintain the standards specified by Franchisor in the Manual or otherwise.

(c) Franchisee's failure, refusal or neglect to obtain Franchisor's prior written approval or consent as required by this Agreement.

(d) Franchisee's misuse or unauthorized use of Franchisor's Marks or other material impairment of the goodwill associated therewith or Franchisor's rights therein.

(e) Franchisee's commencement or conducting of any business operation, or marketing of any product, under a name or mark which, in Franchisor's reasonable opinion, is confusingly similar to Franchisor's Marks.

(f) Franchisee's default, without cure after the applicable grace period, under any lease, sublease, sub-sublease, mortgage, or deed of trust covering the Location.

(g) Franchisee's failure to procure or maintain the insurance required by this Agreement or in the lease and sublease for the Location.

(h) Franchisee's default in the performance of any term, condition or obligation in payment of any indebtedness to its landlord or sublandlord, distributors or suppliers or others arising out of the purchase of inventory, supplies or purchase or lease of equipment for operation of its Unit, and if any such default is not cured within 30 days after written notice by Franchisor to Franchisee, unless Franchisee is determined by a court of competent jurisdiction to be not in default.

14.4. In the event of a default by Franchisee, all of Franchisor's costs and expenses arising from such default, including reasonable legal fees and reasonable hourly charges of Franchisor's administrative employees shall be paid to Franchisor by Franchisee within five days after cure.

14.5. Notwithstanding the obligations of Franchisee and Franchisor to arbitrate all disputes and other conflicts, Franchisee and Franchisor acknowledge that certain defaults require immediate action to protect the appropriate party. Accordingly, Franchisor and Franchisee each hereby consent to and authorize the other party to apply to any court of competent jurisdiction for judicial assistance in restraining and enjoining violations of this Agreement. Both Franchisor and Franchisee are entitled to an injunction restraining Franchisor or Franchisee from committing or continuing to commit any default, breach or threatened breach of this Agreement, without showing or proving any actual damage sustained by the party seeking such relief.

14.6. Non-enforcement by Franchisor of any violation of the terms of this Agreement by Franchisee shall not constitute a waiver of such violation by Franchisor nor shall Franchisor be deemed to have waived any of its rights to enforce compliance by Franchisee of such breach or any other breach of this Agreement.

14.7. EARLY TERMINATION.

In addition, If Franchisee ceases to operate or otherwise abandons its PJ's Unit before this Agreement expires without Franchisor's prior written consent, Franchisee must pay Franchisor an early termination fee ("Early Termination Fee") for breaching this Agreement. The amount of the Early Termination Fee is calculated as follows:

(i) Compute the average monthly Royalty and System Fees paid during the 12-month period immediately preceding the date Franchisor receives notification of the closure, or, if the store has been open for less than 12 months, the average monthly Royalty and System Fees paid since the opening of the PJ's Unit; and

(ii) Multiply the average monthly Royalty and System Fees calculated in (i) above by the number of months remaining in the term of the Franchise Agreement.

For example purposes only: If the average monthly Royalty and System Fees were $1,000 and there were five years (60 months) remaining in the term of the Franchise Agreement, the Early Termination Fee would be $60,000, calculated as follows: $1,000 x 60 months = $60,000.

If Franchisee unilaterally terminates this Agreement prior to the end of the term of this Agreement, Franchisee must give Franchisor 90 days' prior written notice of the early termination (the "Early Termination Notice"). Within 10 days of Franchisor's receipt of Franchisee's Early Termination Notice, Franchisor will calculate the Early Termination Fee, which will be due and payable 30 days prior to the closure of the PJ's Unit covered by this Agreement. In the event that Franchisee does not (i) provide Franchisor with the Early Termination Notice at least 90 days prior to the early termination of the PJ's Unit and this Agreement; (ii) remain open for at least 90 days after providing Franchisor with the Early Termination Notice; and (iii) pay the Early Termination Fee in full at least 30 days prior to closing the PJ's Unit covered by this Agreement, the Early Termination Fee due will be increased as follows: it will be calculated by multiplying the average monthly Royalty and System Fees by the number of months remaining in the term of the this Agreement, and the Early Termination Fee will increase by 10%.

If Franchisee has not paid its Royalty and System Fees for any period(s) within the 12 months prior to notifying Franchisor of its early termination, or if Franchisee has not reported its Gross Sales for any period(s) within the 12 months prior to notifying Franchisor of Franchisee's intended early termination, Franchisor will estimate the Royalty and System Fees based upon prior reports to calculate the average monthly Royalty and System Fees.

ARTICLE 15. RIGHTS AND OBLIGATIONS UPON TERMINATION.

Upon the termination of Franchisee's rights granted under this Agreement, (whether during the term of the Agreement or at its conclusion) the following shall apply:

15.1. Upon termination of this Agreement by lapse of time or by default, Franchisee's right to use Franchisor's Marks, or any other mark distributed by Franchisor or insignia or slogan used in connection therewith, or any confusingly similar trademark, service mark, trade name or insignia shall cease. Franchisee shall immediately discontinue use of Franchisor's Marks, System, and color scheme. Franchisee shall at its own cost, make cosmetic changes to Franchisee's Unit from Franchisor's proprietary designs including, but not limited to, the removal of all PJ's identifying materials and distinctive PJ's cosmetic finishes, tile walls, interior wall coverings and colors, exterior finishes and colors, signage and PJ's counter equipment (which shall be deemed proprietary to Franchisor) from the Location as Franchisor may reasonably direct.

15.2. Franchisor may retain all fees paid pursuant to this Agreement.

15.3. Any and all obligations of Franchisor to Franchisee under this Agreement shall immediately cease and terminate.

15.4. Any and all rights of Franchisee under this Agreement shall immediately cease and terminate.

15.5. In no event shall a termination or expiration of this Agreement affect Franchisee's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which constitute post-termination covenants and agreements including the obligation of

Franchisor and Franchisee to arbitrate any and all disputes shall survive the termination or expiration of this Agreement.

15.6. Franchisee acknowledges and agrees that rights in and to Franchisor's Marks and the use thereof shall be and remain the property of Franchisor.

15.7. If Franchisee has registered any of Franchisor's Marks or the name "PJ's Coffee" as part of Franchisee's assumed, fictitious or corporate name, Franchisee shall promptly amend such registration to delete Franchisor's Marks therefrom.

15.8. In addition to the Early Termination Fee set forth in Article 14, Franchisee shall immediately pay any and all amounts owing to Franchisor.

15.9. Franchisor shall have the option, exercisable by written notice within 30 days after the termination of this Agreement, to take an assignment of all telephone numbers (and associated listings) for Franchisee's Unit. Franchisee is not entitled to any compensation from Franchisor if Franchisor exercises this option.

ARTICLE 16. INSURANCE.

16.1. Franchisee shall obtain and maintain insurance coverage which shall in each instance designate Franchisor as an additional named insured, with an insurance company approved by Franchisor, which approval shall not be unreasonably withheld as follows:

(i) Comprehensive general liability insurance (including products liability and sexual harassment coverage) with coverage of at least $1,000,000 per occurrence, and $1,000,000 aggregate with full replacement value of business contents property coverage. New Orleans Brew, LLC must be listed as an additional insured.

(ii) Business interruption insurance, including Location rentals and Additional Rentals for 12 months after casualty, in amounts equal to at least $100,000. The business interruption insurance shall include an endorsement providing coverage for off-premise power failure or utility interruption caused by any covered cause of loss as stated in the policy, if available.

(iii) Workers' compensation insurance as required by applicable law.

(iv) Fire, and extended coverage insurance, insuring the construction of improvements and completed PJ's Unit operated by Franchisee, for the full replacement value thereof.

(v) If Franchisee establishes a delivery service for Authorized Products, Franchisee shall obtain separate non-owned auto coverage insurance. Franchisee may not directly or indirectly deliver any Authorized Products until such insurance is obtained and Franchisor named as additional insured therein.

16.2. In the event of damage to the Unit covered by insurance, the proceeds of any such insurance shall be used to restore the Unit to its original condition as soon as possible, unless such restoration is prohibited by the Location lease or Franchisor has otherwise consented to in writing. Upon obtaining such insurance, Franchisee shall promptly provide to Franchisor proof of such insurance coverage and or at such other times upon the request of Franchisor.

16.3. Franchisee shall, prior to opening its Unit, file with Franchisor, certificates of such insurance and shall promptly pay all premiums on the policies as they become due. In addition, the policies shall contain a provision requiring 30 days' prior written notice to Franchisor of any proposed cancellation, modification, or termination of insurance. If Franchisee fails to obtain and maintain the required insurance, Franchisor may, at its option, in addition to any other rights it may have, procure such insurance for Franchisee without notice and Franchisee shall pay, upon demand, the premiums and Franchisor's costs in taking such action.

ARTICLE 17. SOLE OBLIGATIONS OF FRANCHISOR.

17.1. As described in Franchisor's Franchise Disclosure Document (the "FDD"), received by Franchisee at least 14 business days prior to the execution, unless otherwise directed by certain state law, of this Agreement, Franchisor has obligated itself to provide specific services to Franchisee. Franchisor also provides other voluntary services at its sole discretion. Franchisor and Franchisee agree that the following are the only required obligations of Franchisor:

(i) To reasonably assist Franchisee with any operational or financial problem encountered by Franchisee, provide notice to Franchisor, Attention: Vice President of Operations, 180 New Camellia Boulevard, Suite 100, Covington, Louisiana 70433, by certified mail (return receipt requested) or at any subsequent addresses established by Franchisor, of Franchisee's problem and the type of assistance needed. At no time shall reasonable assistance be interpreted to require Franchisor to pay any money to Franchisee. Franchisor, in its sole discretion, may provide any assistance at Franchisor's designated office or where Franchisee is located, at a time to be determined by Franchisor.

(ii) To reasonably administer the advertising program. Franchisee acknowledges that pursuant to the advice of advertising and marketing professionals, advertising collections will at times be aggregated until sufficient revenues are accumulated to commence or complete an advertising or marketing program. Reasonable administration shall be deemed to be good faith attempts to utilize the advertising funds in accordance with the advice and suggestions of the advertising and marketing staff or outside advertising and or marketing companies, consultants or other entities retained for such purpose.

(iii) To assist Franchisee in arranging for the initial financing of its Unit, if feasible and necessary (Franchisor is not directly or indirectly responsible for the failure of Franchisee to meet the qualifying standards of such independent financing sources).

(iv) To supply to Franchisee a set of standard decor and layout plans and to thereafter approve the initial decor and layout of Franchisee's Unit, upon Franchisee meeting all criteria with regard to same.

(v) To loan Franchisee a copy of its Operations Manual or computer diskette thereof which manual contains mandatory and suggested specifications, standards and procedures, as well as any other Manuals produced by Franchisor. These Manuals are confidential and remain Franchisor's property.

(vi) To train Franchisee in accordance with this Agreement, and to provide Franchisee with assistance in opening the Unit.

17.2. Franchisor shall not and cannot be held in breach of this Agreement until (i) Franchisor has received notice of any alleged breach from Franchisee in duplicate, by registered mail, sent to the parties set forth in sub-section (i) of this Article; and (ii) Franchisor has failed to remedy the breach within a reasonable period of time after such notice, which period shall not be less than 60 days. This is a material term of this Agreement and may not be modified or changed by any arbitrator in an arbitration proceeding or otherwise in any court of competent jurisdiction.

ARTICLE 18. POINT OF SALE SYSTEM, COLLECTION OF DATA.

18.1. This Agreement and the Manuals require the submission of weekly statistical control forms as well as other financial, operational and statistical information required by Franchisee and Franchisor to: (i) assist Franchisee in the operation of its Unit in accordance with the System; (ii) allow Franchisor to monitor the Franchisee's gross sales, purchases, costs and expenses; (iii) enable Franchisor to develop system wide statistics which may improve bulk purchasing; (iv) assist Franchisor in the development of new authorized products or the removal of existing unsuccessful Authorized Products; (v) enable Franchisor to refine existing Authorized Products; (vi) generally improve system wide understanding of the Unit; and (vii) obtain new types of information unknown at this time (collectively, the "Information"). To achieve these results, cash collection and data processing systems are necessary.

18.2. Franchisee agrees to purchase and use the point of sale cash collection and data processing system (the "POS System") and only the specified software authorized by Franchisor, as specified in the Manuals or otherwise by Franchisor in writing. The POS System and network must be secure and PCI compliant to protect customer credit card information. Optional equipment upgrades are also available for additional fees. Units with a drive-thru must have two POS systems. Franchisee also agrees to accept all forms of payment as directed by Franchisor, including certain designated credit and/or debit cards and to purchase or lease all necessary equipment to accept such payment. Franchisee may be required to purchase a back-office computer system including a network switch and laser printer.

18.3. Franchisee agrees to: (i) connect the POS Unit to the internet; (ii) maintain it in good working order; and (iii) not disconnect any POS System connection from the internet at any time, for any reason, without prior written approval. Franchisee agrees, at Franchisor's request, to maintain membership in a designated third-party network for the purpose of implementing, transmitting, collecting and maintaining any Information or data exchange system. Franchisee specifically authorizes Franchisor to either "upload" or "download" information in and from or to its computers, cash registers or other such devices as allowed by law, as it relates to the system operation by internet, intranet, and other networks or other means as they become available.

18.4. Franchisee agrees to pay all reasonable and necessary expenses, fees and costs for support service for the POS System software during the term of its franchise and any renewals. Franchisee shall identify and deal with third party software support suppliers who will provide telephone support and annual maintenance for any upgrades and enhancements that they make to the required POS System software. Franchisor may revise the POS System specifications. Franchisee may be required to upgrade or update its POS System recording system. On Franchisor's request, Franchisee must apply for and maintain debit card, credit card or other non-cash payment systems to enable customers to purchase products through these procedures. There is no contractual limitation on Franchisor's right to receive information through the POS System.

ARTICLE 19. RELATIONSHIP OF PARTIES, DISCLOSURE.

19.1. Franchisor and Franchisee are not and shall not be considered joint ventures, partners, or agents of each other, or anything other than Franchisor and Franchisee, and neither shall have the power to bind or obligate the other except specifically as set forth in this Agreement. Franchisor and Franchisee agree that the relationship created by this Agreement is not a fiduciary relationship. Franchisee shall not, under any circumstances, act or hold itself out as an agent or representative of Franchisor. Franchisee agrees to defend and indemnify and hold Franchisor harmless from any claims, demands, liabilities, actions, suits or proceedings asserted by third parties arising out of the operation of Franchisee's Unit or Franchisee's breach of any of the terms of this Agreement. Franchisor reserves the right and Franchisee recognizes the right of Franchisor to select counsel for any such defense.

19.2. As set forth in the Franchise Disclosure Document delivered to Franchisee as described above, Franchisee acknowledges that Franchisor may have entered into certain subfranchise agreements with subfranchisors, area developers and/or master franchisees in certain areas and territories. Pursuant to these contracts, the subfranchisors of Franchisor are obligated to provide certain sales, operational and support services for Franchisor. Franchisee acknowledges that the relationship between Franchisor and all of its subfranchisors and or area developers is strictly contractual and that no subfranchisor and or area developer is an agent of Franchisor. Accordingly, Franchisee acknowledges and agrees that any past, current or future subfranchisor is not the actual, express or implied agent of Franchisor, and has no power or authority to: (i) act on Franchisor's behalf; (ii) enter into or execute any agreement on Franchisor's behalf; (iii) make any representation or promise on Franchisor's behalf; or (iv) bind Franchisor in any way. Unless otherwise specifically agreed to in writing, Franchisor expressly disavows any acts by others, including subfranchisors that purport to bind Franchisor in any way. Franchisee agrees to waive any claim or defense in any litigation or arbitration proceeding that a subfranchisor is the express or implied agent of Franchisor. Franchisee agrees that any attempt to raise, assert or justify such claim or defense in any proceeding constitutes a material default of this Agreement.

ARTICLE 20. DISPUTE RESOLUTION: ARBITRATION AND LEGAL PROCEEDINGS

20.1. Franchisor and Franchisee acknowledge that disputes or disagreements may arise during the term of this Agreement and any renewals thereto. Franchisor and Franchisee have elected to resolve such disputes or disagreements in a non-judicial alternative dispute resolution format ("ADR"). An ADR format minimizes the expense of dispute resolution and generally can be accomplished in a more expeditious and effective manner. By agreeing to an ADR format, both Franchisee and Franchisor are also waiving a number of rights, remedies and privileges which may arise in a judicial resolution format. In view, however, of the continuing relationship between Franchisee and Franchisor over the original and renewal terms of this Agreement, both Franchisee and Franchisor agree that an ADR format is the most economical, efficient and practical way to resolve disputes and disagreements.

20.2. Accordingly, except as otherwise provided in this Agreement, in the event of any dispute or disagreement between Franchisor and Franchisee with respect to any issue arising out of or relating to this Agreement, the negotiations or dealings leading up to it, its breach, its interpretation or any other disagreement between Franchisee and Franchisor, such dispute or disagreement shall be resolved by arbitration within the jurisdiction, as set forth in Exhibit I of the Franchise Disclosure Document. In the event of any dispute or disagreement, Franchisee and Franchisor both agree to submit the dispute to arbitration in accordance with the least expensive procedure of the American Arbitration Association ("AAA"), and the application for such arbitration shall be filed in the AAA's office in New Orleans, Louisiana. Franchisor and Franchisee agree that the hearing(s) shall be held in New Orleans, Louisiana, under the rules of the American Arbitration Association. This paragraph shall not apply to any monetary defaults of Franchisee, including Franchisee's obligation to pay franchise and advertising fees to Franchisor, as to which Franchisor shall be free to utilize any right or remedy it may have at law or equity.

20.3. Franchisor and Franchisee agree that this Agreement evidences a transaction involving interstate commerce and that the enforcement of this arbitration provision and the confirmation of any award issued to either party by reason of an arbitration conducted pursuant to this arbitration provision is governed by the Federal Arbitration Act, 9 U.S.C.A. §§ 1 *et seq*.

20.4. Punitive or exemplary damages or attorney's fees may not be awarded by the arbitrator(s), and any such award shall not be enforceable or enforced by any court. Except as otherwise provided, each party shall bear its own attorney's fees, expert witness fees, and other court costs incurred in connection with any legal action or arbitration between Franchisor and Franchisee. If the waiver of punitive or exemplary damages or legal fees and related costs are in violation of the laws of the state where the Franchisee's Unit is located, such claims may be awarded by the arbitrator(s), and any such award shall be enforceable or enforced in any court of appropriate jurisdiction. This agreement shall be strictly construed in the arbitration hearing. In no event can the material provisions of this Agreement including, but not limited to the method of operation, Authorized Product line or monetary obligations specified in this Agreement, amendments to this Agreement or in the Manuals be modified or changed by the arbitrator at the arbitration hearing.

20.5. This Agreement shall be interpreted and construed under the laws of the State of Louisiana, which laws shall prevail in the event of any conflicts.

20.6. Except for injunctive relief (including temporary restraining orders, preliminary injunctions and injunctions or similar relief which must be brought in an appropriate local forum), the parties agree that any action brought by either party against the other in any court shall be brought in the 22nd Judicial District Court for the Parish of St. Tammany, State of Louisiana and the parties do hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Franchisee agrees that mailing to its last known address by certified mail of any process shall constitute lawful and valid process. In all cases, Franchisee and Franchisor each waives any right to a trial by jury. Notwithstanding the foregoing, if the laws of the state where Franchisee's Unit is located requires jurisdiction of the courts of that state or control by the laws of that state, then this Agreement shall be deemed modified to comply with the applicable laws thereto.

20.7. The terms of this article shall survive termination, expiration or cancellation of this Agreement.

ARTICLE 21. EXECUTION, REQUESTS, CONSENTS AND WAIVERS.

21.1. This Agreement takes effect upon its acceptance and execution by Franchisee and Franchisor and shall be governed by and construed in accordance with the laws of the State of Louisiana. Franchisee agrees that Franchisor is not required to act uniformly with respect to any request for waivers, requests and consents by its franchisees as each request will be considered on a case by case basis, and nothing shall be construed to require Franchisor to grant any such request. Any waiver granted by Franchisor shall be without prejudice to any other rights Franchisor may have, will be subject to continuing review by Franchisor, and may be revoked, in Franchisor's sole discretion, at any time and for any reason, effective upon 10 days' prior written notice to Franchisee. Franchisor makes no warranties or guarantees upon which Franchisee may rely and assumes no liability or obligation to Franchisee by providing any waiver, approval, consent, assistance, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request.

21.2. Unless otherwise provided, whenever this Agreement requires Franchisee to obtain Franchisor's prior written consent, Franchisee shall timely address its written request for such to: Vice President of Operations, 180 New Camellia Blvd, Suite 100, Covington, Louisiana 70433 or such other persons as Franchisor may designate in writing. Neither Franchisee nor Franchisor shall be deemed to have waived or impaired any right, power or option reserved by this Agreement, including, without limitation, its right to demand strict compliance with every term, condition, and covenant herein, or to declare any breach thereof 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; by any forbearance, delay, failure, or omission to exercise any right, power, or option, whether of the same, similar, or different nature, against Franchisor, Franchisee, or any other Franchisee; or by the acceptance of any payments due after any breach of this Agreement.

ARTICLE 22. MISCELLANEOUS PROVISIONS.

22.1. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, but such counterparts together shall constitute but one and the same instrument.

22.2. This Agreement and all exhibits, attachments, or addendums constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that we furnished to Franchisee. Franchisee acknowledges that Franchisee is entering into this Agreement as a result of Franchisee's own independent investigations of our franchised business and not as a result of any representations about Franchisor made by Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

22.3. There is no other agreement, representation or warranty made by Franchisor or any other entity or person associated with Franchisor other than contained in this Agreement. This Agreement is not subject to or conditioned upon the obtaining of a Location for Franchisee's Unit. Notwithstanding the foregoing, the representations made in the Disclosure Document shall be unaffected by any statements in this section. This section shall not be read to waive any rights Franchisee may have under any state statute or regulation.

22.4. Except as otherwise provided, each party shall bear its own attorney's fees arising from the negotiations and execution or lack of execution of this Agreement.

22.5. Each article, paragraph, subparagraph, term, and condition of this Agreement shall be considered severable. If for any reason, any portion of this Agreement is determined to be invalid or in conflict with any law or rule in a final ruling issued by any court, agency, or tribunal with valid jurisdiction in a proceeding to which Franchisor is a party, that ruling shall not affect the validity or enforceability of any other portion of this Agreement.

22.6. All notices to Franchisor required by the terms of this Agreement, unless otherwise provided, shall be sent by certified or registered mail or by overnight delivery service, addressed to the parties set forth in this Agreement, or at such other address as Franchisor designates. All notices to Franchisee required by the terms of this Agreement shall be sent by certified or registered mail or by overnight delivery service, addressed to Franchisee at the Location, or at such other or additional address as Franchisee designates in writing. If Franchisee refuses acceptance of any certified, registered or overnight delivery, acceptance shall be deemed to have occurred 48 hours after rejection of such notice.

22.7. Franchisee acknowledges that the evolution of the System requires the development of other PJ's Units, PJ's Distribution Points and PJ's Branded Products.

22.8. For the purpose of this article, a co-brand shall be defined as an independent operating Unit owned by another entity (not Franchisor) that is incorporated as an operational part within the Franchisee's Unit. An example would be an independent ice cream/yogurt operation installed within Franchisee's Unit. Subject to Franchisor's prior written approval, Franchisee may install approved co-branding marketing Units to be operated in conjunction with Franchisee's Unit. Franchisor shall not be required to approve any co-branding marketing system unless Franchisor has recognized that co-branding system as an approved co-brand for operation within its units, either nationally or regionally. Inasmuch as Franchisee and its employees will be incorporating the co-brand within its Unit, all sales of the co-brand shall be included within the definition of "gross sales" as defined herein and Franchisee shall pay to Franchisor franchise and advertising fees for such sales.

IN WITNESS WHEREOF, the parties hereof have executed this Agreement as of the date of execution by Franchisor

WITNESSES:	**FRANCHISEE:**
_____________________________	___________________________________
Print Name:	Print Name:
_____________________________	Title: ______________________________
Print Name:	Date: ______________________________
	FRANCHISOR: New Orleans Brew LLC
_____________________________	___________________________________
Print Name:	Print Name:
_____________________________	Title: ______________________________
Print Name:	Effective Date: ______________________

EXHIBIT B

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

In consideration of being a Franchisee of PJ's Coffee, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Undersigned hereby acknowledges and agrees that:

Pursuant to a Franchise Agreement dated ______________________, 20_____ (the "Franchise Agreement"), ________________________________ (the Franchisee) has acquired the right to establish and operate a PJ's Unit, and Franchisor has granted the right to establish and operate a PJ's Unit that is defined in the Franchise Agreement (the "PJ's Unit") and the right to use in the operation of the PJ's Unit, PJ's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Franchisor's Marks"), as they may be changed, improved and further developed from time to time in Franchisor's sole discretion, only at the authorized and approved PJ's Unit.

Franchisor, as a result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system ("the System") relating to the establishment and operation of PJ's Unit. Franchisor possesses certain proprietary and confidential information relating to the operation of the System, as that term is defined in the Franchise Agreement, which includes certain proprietary trade secrets, recipes, methods of preparation, customer and supplier lists, product and equipment specifications, product content, and operational, sales, promotion and marketing methods, plans, techniques and knowledge of, and experience in, the operation of the PJ's Unit (the Confidential Information").

Any information, trade secrets, recipes, methods of preparation, customer and supplier lists, product and equipment specifications, product content, and operational, sales, promotion and marketing methods, plans, techniques and knowledge of, and experience in, the operation of the PJ's Unit shall be deemed to be Confidential Information for purposes of this Agreement.

The Undersigned acknowledges that all Confidential Information shall be owned and shall continue to be owned by Franchisor.

The Undersigned acknowledges that all Confidential Information shall never ever be removed from the PJ's Unit without expressed written permission from Franchisor.

Pursuant to the Franchise Agreement, Franchisor will disclose the Confidential Information to the Undersigned in the form of confidential training programs, PJ's Manuals (the "Manuals"), and other general assistance during the term of the Franchise Agreement.

The Undersigned will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the PJ's Unit during the term of the Franchise Agreement, and the use or duplication of the Confidential Information for any use outside the PJ's Unit and System would constitute an unfair method of competition.

The Undersigned acknowledges that all Confidential Information shall never be duplicated nor copied in any manner whatsoever without the expressed written permission from Franchisor.

The Undersigned acknowledges that, upon instruction by Franchisor, all Confidential Information shall be returned and/or destroyed by Undersigned upon the termination of Undersigned's relationship with Franchisor.

The Confidential Information is proprietary, involves trade secrets of Franchisor, and is disclosed to the Undersigned solely on the condition that the Undersigned agrees, and the Undersigned does hereby agree, that the Undersigned shall hold in strict confidence all Confidential Information and all other information designed by Franchisor as confidential. Unless Franchisor otherwise agrees in writing, the

Undersigned will disclose and/or use the Confidential Information only in connection with the Undersigned's duties as the Franchisee and will continue not to disclose any such information even after the Undersigned ceases to be in that position unless the Undersigned can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

The Undersigned acknowledges that should there be any release or disclosure of Franchisor's Confidential Information without permission or authority, then Undersigned clearly understands that such release and/or disclosure (directly or indirectly) shall be deemed as irreparable harm without exception as to Franchisor. Release or disclosure of Confidential Information by the Undersigned, directly or indirectly, would cause Franchisor irreparable injury, and that monetary damages would not be sufficient to compensate Franchisor for any breach of this Agreement by the Undersigned.

Therefore, the Undersigned agrees that it shall (i) maintain the Confidential Information confidential in the same manner as its own propriety information is maintained, (ii) not disclose the Confidential Information to any third party other than officers, directors, and employees of its affiliates without prior written consent from Franchisor as to who and why such persons may be provided access to such information (iii) limit access to the information to a limited number of its employees and representatives, which employees and representatives shall be informed of this Agreement and the Undersigned shall be responsible for their compliance herewith to the extent they are acting within their scope of employment and engagement, respectively, and (iv) return all Confidential Information furnished or made available to the Undersigned by Franchisor in the event Franchisor and the Undersigned elect not to pursue future business with Franchisor through the Undersigned.

Should the Undersigned or its representatives, in the reasonable opinion of Franchisor's counsel, be required by applicable law or regulation to disclose the Confidential Information or any information regarding the production of the Confidential Information by Franchisor to the Undersigned, the terms of this Confidentiality Agreement with respect to such disclosure, as required, shall be suspended. Suspension of these terms must be in writing from Franchisor.

The Undersigned's obligation to maintain the Confidential Information gained or learned in confidence survive any expiration, termination or cancellation of the Agreement and shall continue to bind the Undersigned and its successors and assigns during the term of the Franchise Agreement, and any renewals or amendments of the Franchise Agreement, and for a period of two years from the date of any expiration, termination or cancellation of the Franchise Agreement, any renewals or amendments to the Franchise Agreement (the "Confidentiality Period").

The Undersigned further agrees that, that in the event of a breach or threatened breach of this Agreement by the Undersigned, the Undersigned additionally agrees to be liable for all reasonable attorney fees and related costs concerning any breach or threatened breach herein. It is agreed that attorney fees shall be assessed at the rate of $300 per hour.

The Undersigned agrees that in the event of a breach or threatened breach of this Agreement by the Undersigned, Franchisor shall be entitled to injunctive or other equitable non-monetary relief, without the necessity of showing any evidence of actual monetary loss. However, nothing herein shall be construed as prohibiting Franchisor from pursuing any other remedies, including monetary remedies, available to it for any such breach or threatened breach by Undersigned and/or its representatives. Additionally, such remedy shall not apply to such information that was already known to Undersigned or was otherwise generally available. Further, Franchisor agrees that all such information it desires to be protected under this agreement should be marked "Confidential", as is practical, for transmittal to the Undersigned.

It is also specifically understood and agreed that New Orleans Brew, LLC includes and is intended to incorporate any and all Franchisor subsidiaries, affiliates, related corporations, franchises, area developments, and related businesses.

In the event of any litigation or dispute related hereto, it is agreed that venue and jurisdiction shall be the 22nd Judicial District Court for the Parish of St. Tammany, State of Louisiana.

In the event that any portion of this Agreement is found to be unenforceable or invalid for any reason, then that portion shall be deemed severable and that the remainder shall remain in full force and effect.

Franchisor specifically reserves the right to control the release of any Confidential Information or documents subject to this Agreement.

The Undersigned understands and acknowledges that because Franchisor continually pursues business in the same market as the Undersigned operates, it is also critical that the fact of any discussion or negotiation between the Undersigned and Franchisor not be disclosed. Therefore, the Undersigned agrees that as to the fact of such disclosure of a relationship between the Undersigned and Franchisor (for instance, recipes and sauces, discussions or negotiations therein), Undersigned will treat same as confidential as required of the Undersigned in the paragraphs above.

The Undersigned warrants that he/she has the requisite authority to sign this Confidentiality Agreement and to bind any corporate, partnership joint venture, or limited liability entity to all terms and conditions herein.

The Undersigned agrees to provide the appropriate corporate resolution to substantiate such permission and authority.

ACCEPTED AND AGREED TO THIS ________ DAY OF ______________________, 20____.

Franchisee: ________________________

By: ______________________________

Title: ______________________________

EXHIBIT C

GUARANTY AGREEMENT

IN CONSIDERATION of the acceptance by New Orleans Brew, LLC, a Louisiana limited liability Company having its principal place of business at 180 New Camellia Boulevard, Suite 100, Covington, Louisiana 70433 (hereinafter called "Franchisor") of a Franchise Agreement or a TRANSFER of Franchise Agreement, if applicable dated ______________________, and executed by____ as an officer of ____ (if applicable), a(n) __________________________ (individually, as a corporation, or as an LLC) whose registered address is: ____ (hereinafter called "Franchisee"), and for other good and valuable consideration, I, Franchisee, and each of us solitarily, jointly and severally, absolutely and unconditionally guarantee to Franchisor, (i) to hold harmless, indemnify, and defend Franchisor and all of its officers, directors, executives, managers, members, partners, owners, employees, agents, successors and assigns (collectively "Franchisor Indemnities") from and against all losses, damages, fines, costs, expenses or liability (including attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, that arises from or is based upon Franchisee's (a) ownership or operation of the PJ's Unit; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (c) breach of any representation, warranty, or covenant, or provision of this Agreement or any other agreement between Franchisor and ____ (or an Affiliate); (d) defamation of Franchisor or the System; (e) acts, errors or omissions committed or incurred in connection with the PJ's Unit, including any negligent or intentional acts; (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or Confidential Information; or (g) infringement, violation or alleged infringement or violation of any patent, trademark, or copyright or other rights controlled by third parties; and (ii) the timely performance of each term, covenant, and obligation of the Franchisee set forth in the Franchise Agreement. The undersigned specifically acknowledges that Franchisor is allowing the undersigned to enter into this Guaranty Agreement instead of *individually* executing the Franchise Agreement as a matter of convenience to the undersigned, and the undersigned agrees to be bound by the provisions of the Franchise Agreement relating to non-competition and confidentiality as if those provisions were fully set forth herein. This is a continuing guaranty which shall apply to the Franchise Agreement and any subsequent amendments or modifications thereof, and such modifications of amendments shall be conclusively presumed to be covered by this guaranty without further notice to or acceptance by the undersigned.

Franchisor reserves the right to retain counsel of its choosing in connection with any action, suit, demand, claim, investigation or proceeding described in the preceding paragraph.

The undersigned acknowledges and agrees that possession of this Guaranty Agreement by Franchisor constitutes true and correct execution and actual and proper delivery of same to Franchisor and the undersigned waives notice of acceptance of the guaranty and of any liability to which it applies or may apply, and also waives presentment and demand for payment thereof, notice of dishonor or non-payment thereof, collection thereof including any notice of default in payment thereof of other notice to, or demand of payment thereof on, any party. Payment by the undersigned shall be made at the office of Franchisor in Covington, Louisiana, or any other such location as Franchisor may designate from time to time.

Franchisor may, at its option, at any time without the consent of or notice to the undersigned without incurring responsibility to the undersigned, and without any terms or conditions and in whole or in part: (1)

change the manner, place or terms of payment or change or extend the time of payment of, renew, or alter any liability of the Franchisee under the Franchise Agreement hereby guaranteed, or any liabilities incurred directly or indirectly hereunder, and the guaranty herein made shall apply to the liabilities of the Franchisee, so changed, extended, renewed or altered; (2) exercise or refrain from exercising any rights against Franchisee or others, or otherwise act or refrain from actions; (3) settle or compromise any liabilities hereby guaranteed or hereby incurred, and may subordinate the payment of all or any part of such liabilities to the payment of any liabilities which may be due to Franchisor or others; and (4) apply any sums paid to any liability or liabilities of Franchisee to Franchisor regardless of what liability or liabilities of Franchisee to Franchisor remain unpaid. Franchisor, may, at its option, without the consent of or notice to the undersigned, apply to the payment of the liability created by this guaranty, at any time after such liability becomes payable, any monies, property, or other assets belonging to the undersigned in the possession, care, custody and control of the Franchisor.

WITNESSES:	GUARANTOR(S):
______________________________	______________________________
	Name:
______________________________	Title: ______________________________
	Date: ______________________________

EXHIBIT D

NEW ORLEANS BREW, LLC D/B/A PJ'S COFFEE OF NEW ORLEANS
AUTOMATIC BANK DRAFT CONSENT

I authorize New Orleans Brew, LLC d/b/a PJ's Coffee of New Orleans ("PJ's") to initiate withdrawals from my account at the financial institution named below for the payment of operating fees and advertising contributions. If the sales and other reporting information that is required by PJ's is not submitted or if PJ's is unable to access the computer system to obtain this information by the due date, I further authorize PJ's to withdraw from my account the same amount that was due from the last successful withdrawal plus a 10% non-fundable processing fee for the payment of operating fees and advertising contributions for the most recent reporting period. Any difference in the amounts owed will be adjusted and paid upon the submission of reporting information for that period. This authorization will remain valid until further notice from PJ's.

I understand that the Direct Payment program is an alternative method of payment only and does not otherwise affect my rights or the rights of PJ's or my financial institution with respect for each other.

Account Title: ____

Store Number(s): ____

Authorized Signature: ____

Joint Account Signature: ____

Financial Institution Name: ____

Address: ____

____

Transit/ABA Number: ____

Account Number: ____

EXHIBIT E

AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for service of process. Franchisor may not yet be registered to sell franchises in any or all of these states.

CALIFORNIA

Department of Business Oversight:
320 West 4th Street, Suite 750
Los Angeles, CA 90013
(213) 576-7500
Toll Free (866) 275-2677

1515 K Street, Suite 200
Sacramento, CA 95814
(916) 445-7205

1350 Front Street
San Diego, CA 92101
(619) 525-4233

71 Stevenson Street, Suite 2100
San Francisco, CA 94105
(415) 972-8559

CONNECTICUT

State of Connecticut
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8230

Agent: Banking Commissioner

HAWAII

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

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

MARYLAND

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

Corporations Division
Bureau of Commercial Services
Department of Labor and Economic Growth
P.O. Box 30054
Lansing, Michigan 48909

MINNESOTA

Minnesota Department of Commerce
Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1600

NEW YORK

Secretary of State of New York
41 State Street
Albany, New York 12231
(518) 474-4750

NORTH DAKOTA

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

OKLAHOMA

Department of Securities
Suite 860, First National Center
120 N. Robinson
Oklahoma City, Oklahoma 73102
(405) 280-7700

OREGON

Department of Insurance and Finance
Corporate Securities Section
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4387

RHODE ISLAND

Division of Securities
Rhode Island Dept. of Business Regulation
Bldg. 69, First Floor
John O. Pastore Center
1511 Pontiac Avenue
Cranston, RI 02920
(401) 462-9500

SOUTH DAKOTA

Division of Securities
Department of Revenue & Regulation
445 East Capitol Avenue
Pierre, South Dakota 57501
(605) 773-4823

VIRGINIA

Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

WASHINGTON

Director, Department of Financial Institutions
Securities Division
150 Israel Road S.W.
Tumwater, Washington 98501

WISCONSIN

Administrator, Division of Securities
Department of Financial Institutions
345 W. Washington Ave., 4th Floor
Madison, Wisconsin 53703

EXHIBIT F

FINANCIAL STATEMENTS

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EXHIBIT H

STATE ADMINISTRATORS

CALIFORNIA: California Department of Business Oversight, at any of its offices. 1515 K Street, Suite 200, Sacramento, California 95814-4052, Phone: (916) 445-7205

FLORIDA: Department of Agriculture and Consumer Services, Division of Consumer Services, City Centre Building, Suite 7200, 227 N. Bronough Street, Tallahassee, Florida 32301, Phone: (850) 410-3754

HAWAII: Hawaii Department of Commerce and Consumer Affairs, Business Registration Division, 335 Merchant St., Room 203, Honolulu, Hawaii 96813, Phone: (808) 586-2722

ILLINOIS: Illinois Attorney General's Office, Franchise Bureau, 500 South Second Street, Springfield, Illinois 62706, Phone: (217) 782-4465

INDIANA: Secretary of State, Franchise Section, 302 West Washington Street, Room E-111, Indianapolis, Indiana 46204, Phone: (317) 232-6681

MARYLAND: Maryland Division of Securities, Office of the Attorney General, 200 St. Paul Place-20th Floor, Baltimore, Maryland 21202-2020, Phone: (410) 576-6368

MICHIGAN: Michigan Department of Attorney General, Consumer Protection Division, Franchise Section, 525 W. Ottawa St., 1st Floor, Lansing, Michigan 48913, Phone: (517) 373-7117

MINNESOTA: Securities Unit, Minnesota Department of Commerce, 85 7th Place East, Suite 280, St. Paul, Minnesota 55101-2198, Phone: (651) 539-1600

NEW YORK: New York State Department of Law, Bureau of Investor Protection and Securities, 120 Broadway, 23rd Floor, New York, New York 10271, Phone: (212) 416-8236

NORTH CAROLINA: Business Opportunities, Department of the Secretary of State, P.O. Box 29622, Raleigh, North Carolina 27626, Phone: (919) 807-2156

TEXAS: Secretary of State, Statutory document Section, P.O. Box 12887, Austin, Texas 78711, Phone: (512) 475-1769

VIRGINIA: Virginia State Corporation Commission, Division of Securities and Retail Franchising, 1300 East Main Street, 9th Floor, Richmond, Virginia 23219, Phone: (804) 371-9051

WASHINGTON: State of Washington, Department of Financial Institutions, Securities Division, P.O. Box 9033, Olympia, Washington, 98501-9033 Phone: (360) 902-8760

WISCONSIN: Division of Securities, 345 W. Washington Avenue, 4th Floor, Madison, Wisconsin 53703, Phone: (608) 266-1064

EXHIBIT I

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know, New Orleans Brew, LLC d/b/a PJ's Coffee of New Orleans ("Franchisor", "PJ's", "we", "us" or "our") and you are preparing to enter into a franchise agreement (the "Franchise Agreement") for the establishment and operation of a PJ's franchise (the "Franchised Business"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker acting on behalf of the Franchisor ("Broker") that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor.

Any acknowledgement or representations of the franchisee which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

In the event that you are intending to purchase an existing Franchised Business from an existing Franchisee, you may have received information from the transferring Franchisee, who is not an employee or representative of the Franchisor. The questions below do not apply to any communications that you had with the transferring Franchisee. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes _____ No _____

2. I had my first face-to-face meeting with a Franchisor representative on _______________, 20___.

3. Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

4. Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary.)

____
____
____
____
____
____

5. Have you received and personally reviewed the Franchisor's Disclosure Document, including all attached exhibits, that was provided to you?

Yes _____ No _____

6. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes _____ No _____

7. Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes _____ No _____

If No, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if necessary.)

____
____
____
____
____
____

8. Have you discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor?

Yes _____ No _____

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

Yes _____ No _____

9. Do you understand that the success or failure of your Franchised Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes _____ No _____

10. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

11. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

12. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

13. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

14. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?

Yes _____ No _____

15. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or franchise agreement?

Yes _____ No _____

16. Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

17. Have you paid any money to the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

18. Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? ____
____

If you have answered No to question 9, or Yes to any one of questions 10-17, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered Yes to question 9, and No to each of questions 10-17, please leave the following lines blank.

____
____
____
____

I signed the Franchise Agreement and Addendum (if any) on _______________, 20___, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor.

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions. In addition, by signing this Questionnaire, you also acknowledge that:

A. You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace. You hereby acknowledge your awareness of and willingness to undertake these business risks.

B. You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the franchise. Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including the Broker or any other broker) concerning actual, projected or forecasted franchise sales, profits or earnings. If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None".

____
____
____

C. You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism. For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is:

(i) a person or entity listed in the Annex to the Executive Order;

(ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism;

(iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or

(iv) owned or controlled by terrorists or sponsors of terrorism.

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

Sign here if you are taking the franchise as an

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

____
Signature

Print Name______________________________

____
Signature

Print Name______________________________

____
Signature

Print Name________________________

Sign here if you are taking the franchise as a

INDIVIDUAL

____
Print Name of Legal Entity

By:____________________________________
Signature

Print Name______________________________

Title___________________________________

EXHIBIT J

FRANCHISEES/LOCATIONS OF STORES

FRANCHISED UNITS – OPEN
(As of December 31, 2017)

STATE	FRANCHISEE	ADDRESS	TELEPHONE
AR	EAB Coffee, LLC Attn: Peter Dunn	106 East Main St., Ste. 103 Eldorado, AR 71730	870-875-1409
LA	21 Brew, LLC Attn: Paul Ballard	70456 Hwy 21, Ste. 1 Covington, LA 70433	985-875-7894
LA	Can Brew, LLC Attn: Brett Pearson	3700 Orleans Ave. New Orleans, LA 70119	504-281.4343
LA	B.E.D. Café, LLC Attn: Thomas Boudreaux	5300 Tchoupitoulas St. New Orleans, LA 70115	504-895-2007
LA	Ballard Pearson, LLC Attn: Paul Ballard	73015 Hwy 25, Ste. F Covington, LA 70435	985-892-1202
LA	Bean Town, LLC Attn: Donna Miller	14282 W. University Ave., Ste. A Hammond, LA 70401	985-542-5515
LA	Bean Town, LLC Attn: Donna Miller	224 W. Thomas Hammond, LA 70401	985-345-1533
LA	Brew Boys, LLC Attn: Paul Ballard	1665 Dove Park Rd. Mandeville, LA 70471	985-898-5282
LA	Brew Dat, LLC Attn: Paul Ballard	509 Veterans Blvd. Metairie, LA 70005	504-841-0990
LA	Campus Brew, LLC Attn: Paul Ballard	Tulane University 6501 Willow St. New Orleans, LA 70117	504-862-8063
LA	Campus Brew, LLC Attn: Paul Ballard	Tulane University 6823 St. Charles Ave. New Orleans, LA 70117	504-865-5705
LA	Armstrong Airport Concessions, LLC Attn: Delaware North	New Orleans Airport - Concourse B 900 Airline Dr. Kenner, LA 70062	504-466-2154
LA	Bellinaloo Coffee, LLC Attn: Cherie White	1545 Lapalco Blvd, Bldg., E-1A Harvey, LA 70058	504-368-6600

LA	T &C Coffee, LLC Attn: Charlie Sampey	4100 General DeGaulle Dr. New Orleans, LA 70131	504-392-4280
LA	GRM, LLC Attn: Richard Robbins	6600 Franklin Ave., Ste. B-1 New Orleans, LA 70122	504-282-0898
LA	Irish Brew, LLC Attn: Brett Pearson	4436 Veterans Blvd., Ste. 8 Metairie, LA 70006	504-883-5516
LA	East Gause Coffee, LLC Attn: Barry Prendergast	2040 E. Gause Blvd, Ste. 1 Slidell, LA 70461	985-649-6270
LA	Clearview Royal Lessee, LLC Attn: John Kline	Royal St. Charles Hotel 135 St. Charles Ave. New Orleans, LA 70130	504-207-8909
LA	MA Partnership, LLC Attn: Michael Pierce	5359 Mounes St. Harahan, LA 70123	504-731-2905
LA	Maple Brew, LLC Attn: Paul Ballard	7624 Maple St. New Orleans, LA 70118	504-861-5335
LA	Marketplace Brew, LLC Attn: Paul Ballard	70325 Hwy 1077, Ste. A-1 Covington, LA 70433	985-845-8411
LA	Metry Brew, LLC Attn: Paul Ballard	800 Metairie Rd., Ste. V Metairie, LA 70005	504-828-1460
LA	Gumbo Miller, LLC Attn: Aubry Miller	5432 Magazine St. New Orleans, LA 70115	504-895-2202
LA	Nola Brew, LLC Attn: Brent Jouandot	2200 David Dr. Metairie, LA	504-883-3883
LA	Plan 22, LLC Attn: Eleanor Fisher	4480 Hwy 22 Mandeville, LA 70471	985-624-9015
LA	R & N Red Stick Coffee Company Attn: Stephanie Redmann	100 Lafayette St. Baton Rouge, LA 70801	225-381-0055
LA	Rachid, LLC Attn: Rachid El Bouhamdi	1913 SW Railroad Ave. Hammond, LA 70430	985-549-1620
LA	Natural Brew, LLC Attn: Teresa Riccobono	1600 N. Hwy 190, Ste. 7 Covington, LA 70433	985-871-9236
LA	Robins, LLC Attn: Tom Lewis	150 Ormond Center Ct. Destrahan, LA 70047	985-764-7573

LA	Robins, LLC Attn: Tom Lewis	1808 West Airline Hwy. B LaPlace, LA 70068	985-359-7575
LA	S & S Wingery, LLC Attn: Kelly Songy	2015 E. Judge Perez Chalmette, LA 70043	504-279-5307
LA	Saterlee Development, LLC Attn: Anthony Saterlee	10158 Jefferson Hwy. River Ridge, LA 70123	504-738-7797
LA	Sodexo Attn: Phoebe Cook	Tulane University Library 7001 Freret St. New Orleans, LA 70117	504-862-3086
LA	St. Tammany Parish Hospital Attn: Lori Foret	St. Tammany Parish Hospital 1202 S. Tyler St. Covington, LA	985-892-8242
LA	T & C Coffee, LLC Attn: Charlie Sampey	7614 Hwy 23, Ste. F Belle Chase, LA 70037	504-393-0858
LA	JSSC, LLC Attn: Jacques Fuselier	1515 Poydras St., Ste. 400 New Orleans, LA 70112	504-875-2443
LA	Bean Town, LLC Attn: Donna Miller	North Oaks Hospital 15790 Paul Vega MD Hammond, LA 70360	985-230-6061
LA	Ochsner Baptist Hospital	Ochsner Baptist Hospital 4429 Clara St. New Orleans, LA 70115	504-894-2701
LA	B&B Canal, LLC Attn: Paul Ballard	622 Canal St. New Orleans, LA	504-561-8552
LA	Magnolia Hospitality, LLC Attn: Corrado Giacona	300 Canal St., Ste. R New Orleans, LA 70130	504-210-0392
LA	L'auberge Du Lac Casino Attn: Sean Malone	LDL Casino Baton Rouge, LA 70820	225-490-7358
LA	Jeremy Griffen Attn: Jeremy Griffen	1311 St. Charles St. Houma, LA 70360	985-873-4141
LA	Claiborne Fresh Market Attn: Marc Robert III	Roberts Fresh Market 8115 S. Claiborne Ave. New Orleans, LA 70118	504-488-0536

LA	Harrison Fresh Market Attn: Marc Robert III	Roberts Fresh Market 801 Harrison Ave. New Orleans, LA 70124	504-293-1201
LA	M. Robert Enterprises Attn: Marc Robert III	Roberts Fresh Market 153 Robert E. Lee Blvd. New Orleans, LA 70124	504-282-3428
LA	ML Robert II, LLC Attn: Marc Robert III	Roberts Fresh Market 5016 W. Esplanade Ave. Metairie, LA 70006	504-885-7005
LA	Compass Group, LLC	Ochsner Medical Center 2500 Belle Chase Hwy. Gretna, LA 70056	504-392-3131
LA	Jackson Square Coffee, LLC Attn: Roy Bruno	630 Chartres St. New Orleans, LA 70116	504-267-4545
LA	Compass Group, LLC	Ochsner Medical Center 1514 Jefferson Hwy. New Orleans, LA 70121	504-842-3000
LA	MMAD Coffee, LLC Attn: Mateusz Dabrowski	402 West Highway 30, Ste. A Gonzales, LA 70737	225-644-5955
LA	Jun Da, LLC Attn: Shuai Wang	5555 Canal Blvd. New Orleans, LA 70124	504-309-3398
LA	Compass Group, LLC	LSUHS Shreveport 1501 Kings Hwy. Shreveport, LA 71103	318-675-4560
LA	SSP America Attn: Robert Cotton	Baton Rouge Regional Airport (Pre-Security) 9430 Jackie Cochran Dr. Baton Rouge, LA 70807	225-354-3448
LA	Diaz II, LLC Attn: Giselle Eastlack	Diaz Convenience Store 4400 Clearview Pkwy. Metairie, LA 70006	504-779-2976
LA	SSP America Attn: Robert Cotton	Baton Rouge Regional Airport (Post-Security) 9430 Jackie Cochran Dr. Baton Rouge, LA 70807	225-354-3448
LA	Armstrong Airport Concessions, LLC Attn: Delaware North	New Orleans Airport - Concourse C 900 Airline Dr. Kenner, LA 70062	504-463-5550
LA	Heathbrou, LLC Attn: Aaron Broussard	3625 Nelson Rd., Ste. E Lake Charles, LA 70605	337-429-2561

LA	Compass Group, LLC	Ochsner Medical Center 180 W. Esplanade Ave. Kenner LA 70065	
LA	Aramark Attn: Philip Martin	University Medical Center 2000 Canal St. New Orleans, LA 70112	504-201-9349
LA	Aramark Attn: Corie Gardener	Touro Medical Center 1401 Foucher St. New Orleans, LA 70115	504-897-7011
LA	Decatur Brew, LLC Attn: Roy Bruno	501 Decatur St. New Orleans, LA 70130	504-207-4100
LA	Armstrong Airport Concessions Attn: Sayed Mekhemar	New Orleans Airport - Concourse D 900 Airline Drive Kenner, LA 70062	504-463-5500
LA	T &C Coffee, LLC Attn: Charlie Sampey	820 West Oak St. Amite, LA 70422	504-392-4280
LA	INAR, LLC Attn: Barry Prendergast	61103 Airport Rd., Ste. 7 Slidell, LA 70460	985-847-9470
LA	Lavigne Plaza, LLC Attn: Chip Lavigne	Blue Harbor 2963 Hwy 190 Mandeville, LA 70471	985-674-1565
LA	Stone Creek Club & Spa, LLC Attn: Scott Gutterman	Stone Creek Club & Spa, LLC 1201 Ochsner Blvd. Covington, LA 70433	985-801-7135
LA	Where's The Watermelon, LLC Attn: Aubry Miller	2140 Magazine St. New Orleans, LA 70817	504-355-2934
LA	Griffin Hospitality, LLC Attn: Jeremy Griffin	200 E. Bayou Rd. Thibodaux, LA 70301	985-492-1207
MS	Three Cups of Coffee Attn: Barry Prendergast	117 North Main St., Ste. A Picayune, MS 3466	601-799-4901
MS	Praise Properties, LLC Attn: Pat Brumfield	1213 Delaware Ave. McComb, MS 39648	601-249-2735
MS	Sahvannah Coffee, LLC Attn: Kendall Henry	2501 14th St. Gulfport, MS 39501	228-865-1425
MS	Gulfport Food Systems, LLC Attn: Maria Mena	Gulfport Outlet Mall 10000 Factory Shops Blvd., Ste. FC-10, Gulfport, MS 39053	228-8716020

MS	TMS Enterprises, LLC Attn: Tanya Surla	Stennis Space Center Building 1100, Room N180B	228-688-1197
SC	Sodexo	Medical University South Carolina 171 Ashley Avenue, MUSC	
TX	Two Price Triton, LLC Attn: Mike Price	Conroe Regional Medical Center 504 Medical Center Blvd. Conroe, TX 77304	936-538-2233
VN	TR Group International Pte. Ltd. Attn: Rick Yvanovich	72 70, Le Thanh Ton (Vincom Mall B1) Ho Chi Min City, District 1 Vietnam	84-8-382-6900
VN	TR Group International Pte. Ltd. Attn: Rick Yvanovich	145-147 Nguyen Co Thach, An Loi Dong Ward, District 2 Vietnam	84-8-382-6900

LIST OF FRANCHISEES WHO SIGNED A FRANCHISE AGREEMENT BUT WHO HAVE NOT YET OPENED AN OUTLET
(As of December 31, 2017)

STATE	LOCATION/ CITY	NAME OF FRANCHISEE	ADDRESS	PHONE NUMBER
CO	(Outlet Not Yet Opened)	R & J Coffee, LLC Attn: Renee Prutch	18 San Marino Ct. Pueblo, CO 81005	719-251-2673
LA	(Outlet Not Yet Opened)	KL & AM Holdings, LLC Attn: Aubry Miller	217 Amelia St. Gretna, LA 70053	504-234-0282
LA	(Outlet Not Yet Opened)	Jun Da, LLC Attn: Shuai (Sean) Wang	4009 Meadowdale St. Metairie, LA 70002	775-229-1315
LA	(Outlet Not Yet Opened)	Marketfare St. Claude, LLC Attn: Marc Robert	2222 St. Claude Ave. New Orleans, LA 70117	504-319-7615
LA	(Outlet Not Yet Opened)	Ripple Bayou Beans, LLC Attn: Shelly Johnston	7760 Settlers Cir. Baton Rouge, LA 70810	225-270-0004
LA	(Outlet Not Yet Opened)	Lagniappe Coffee, LLC Attn: Brandy Craft	1218 Big Pine Key Ln. Benton, LA 71006	318-655-1500
LA	(Outlet Not Yet Opened)	LA Roasters, LLC Attn: Andrew Jones	1908 W. Hwy 30 Gonzales, LA 70737	404-427-0366

MS	(Outlet Not Yet Opened)	Paul Sanders and Brooke Stampley	40020 Nicole Elizabeth Dr. Franklinton, LA 70438	985-630-7162
MS	(Outlet Not Yet Opened)	James & Catherine MacPhaille	1451 Exposition Blvd. New Orleans, LA 70118	504-382-9200
SC	(Outlet Not Yet Opened)	Lucky 8 Coffee, LLC Attn: Linda Johnson	165 Golda Dr. Ridgeland, SC 29936	843-619-1911
TX	(Outlet Not Yet Opened)	One Price Triton, LLC Attn: Mike Price	17826 Shady Arbor Ln. Spring, TX 77379	281-468-6004
TX	(Outlet Not Yet Opened)	Kyra & Jermale Sam	2955 Jade Springs Ln. Pearland, TX 77584	504-292-8522
VA	(Outlet Not Yet Opened)	Venus, LLC Attn: Shaq Quershi	42841 Creek View Plaza Ashburn, VA 20147	703-868-6031
N/A	(Outlet Not Yet Opened)	Hesham Abdulla Alroumi	Block 1, Street 2, House 15 Alyarmouk, Al Ahmadi, Kuwait	96-599870622

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM
(As of December 31, 2017)

STATE	FRANCHISEE	LAST KNOWN ADDRESS	LAST KNOWN TELEPHONE
LA	Coushatta Casino Resort Attn: Tanya Arabie	Coushatta Casino Resort 14777 Coushatta Dr. Kinder, LA 70648	337-275-6871
LA	Saulet Java, LLC Attn: Geoff Vitale	1420 Annunciation St. New Orleans, LA 70130	504-586-0573
LA	Chartres Brew, LLC Attn: Scott Dusang	630 Chartres St. New Orleans, LA 70116	504-236-0547
TX	Bean Me Up NOLA, LLC Attn: Jessica Taylor	2155 Durham Dr., Suite 101 Houston, TX 77007	281-382-5146

EXHIBIT K

GENERAL RELEASE AGREEMENT

This General Release is entered into this _____ day of _______________, 20____ by and between _________________________ ("Franchisor") and _________________________ ("Franchisee") pursuant to the Franchise Agreement between such parties.

Franchisee hereby acquits, releases, exonerates, covenants not to sue, and forever discharges Franchisor of and from any and all past, present, and future claims, demands, losses, causes of action, damages, costs, rights of reimbursement, loss of earnings, loss of services, and compensation whatsoever, which Franchisee now has or may hereinafter accrue on account of or in any way growing out of the Franchise Agreement or any association, relationship or rights relating thereto of resulting therefrom.

This General Release also applies to, and shall inure to the benefit of, Franchisor's past, present, and future directors, officers, shareholders, parent companies, agents, servants, employees, insurers, subcontractors, subsidiaries, affiliates, partners, predecessors, successors, assigns, heirs, executors, administrators, attorneys, and all other firms or corporations which any of the former have been, are now or may hereafter be affiliated. This General Release is also binding upon Franchisee's respective heirs, executors, administrators, successors, assigns, and subrogees.

Franchisee agrees to assume full and sole responsibility for the payment and satisfaction of any and all past, present, and future claims, liens and subrogation rights made or asserted by any third party (including, but not limited to, governmental agencies). Franchisee further agrees to indemnify, protect, defend, and save harmless Franchisor from all claims, liens and subrogation rights made or asserted by any third party. It is Franchisee's express intent that this General Release completely releases and discharges Franchisor from all liability in connection with or arising out of the Franchise Agreement or any association, relationship or rights relating thereto or resulting therefrom, including, but not limited to, liability to any person, entity, or party for contribution, indemnity, or subrogation.

Franchisee represents and warrants that no other person or entity has, or has had, an interest in any claim Franchisee may have against Franchisor, other than those specifically identified and released herein, and that no other relative(s) of Franchisee is entitled to recovery against Franchisor under any theory of recovery.

IN WITNESS WHEREOF, Franchisee has executed this General Release in the State of ____________________ as of the _____ day of _______________, 20_____.

FRANCHISEE(S):	**FRANCHISOR:** **NEW ORLEANS BREW, LLC**
By: _________________________________	By: _________________________________
Date: ________________________________	Name: _______________________________
	Title: ________________________________

EXHIBIT L

PJ'S CONTINGENT ASSIGNMENT OF LEASE

This Contingent Assignment of Lease ("Agreement") is made and entered into as of the date set forth below by and among the following parties:

LESSOR:_________________________ LESSEE: _________________________
_________________________ _________________________
_________________________ _________________________

FRANCHISOR: New Orleans Brew, LLC d/b/a/
PJ's Coffee of New Orleans (hereinafter "PJ's")
180 New Camellia Boulevard, Suite 100
Covington, LA 70433

RECITALS

WHEREAS, under the terms of the lease agreement entered into or intended to be entered into between Lessor and Lessee, ("Lease Agreement"), Lessor has agreed to lease to Lessee certain premises (the "Premises") and PJ's has accepted the Premises as a suitable location for Lessee's PJ's Unit, subject to the terms and conditions set forth herein, located at the following street address:

____
____

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, including the acceptance by Franchisor of the Premises as a location for a PJ's Unit, the parties hereby agree as follows:

1. Notices. Lessor agrees to furnish Franchisor with copies of any and all letters and notices to Lessee pertaining to any default by Lessee under the Lease at the same time and in the same manner as any such notice is sent to Lessee. Lessee agrees to furnish Franchisor prompt written notice of any and all amendments, waivers, extensions, renewals or other modifications to the Lease. All notices hereunder shall be mailed or delivered to the addresses set forth above, unless changed from time to time by any party through written notice mailed or delivered to the other parties.

2. Assignment. In the event of termination or expiration of the Franchise Agreement or Lessee's default under the Lease, Lessee shall, at Franchisor's option, assign to Franchisor any and all interest of Lessee in the Lease, including any rights to renew the Lease or to sublease the Premises; and Lessor hereby consents to such assignment, subject to the following conditions:

(a) Franchisor shall notify Lessee and Lessor in writing (the "Election Notice") within 35 days after termination or expiration of the Franchise Agreement, or Franchisor's receipt of any notice of default by Lessee under the Lease, if Franchisor elects to accept assignment of the Lease. Upon receipt of an Election Notice by Lessee and Lessor, Franchisor shall have the right as between Lessee and Franchisor to the Premises. Upon receipt of an Election Notice by Lessee from Franchisor, Lessee hereby grants, assigns, transfers and sets over to Franchisor all rights, title and interest in and to the Lease Agreement and the Premises leased thereunder and hereby abandons any existing leasehold improvements. Franchisor failure to accept assignment of the Lease upon any default of Lessee under the Lease which has been subsequently cured by Lessee shall not be deemed a waiver of Franchisor's future right to accept such assignment in the event of any future default of Lessee;

(b) Lessee agrees to take any and all actions necessary under the Lease Agreement to effectuate assignment of the Lease Agreement to Franchisor;

(c) Lessor agrees to the assignment of the Lease Agreement from Lessee to Franchisor upon Lessor's receipt of an Election Notice and agrees to take any and all present and/or future action reasonably necessary to assist Franchisor, when and as requested, in effecting the assignment of the lease to PJ's; provided, however, that Lessor shall not be required to bear any expense thereof;

(d) If Franchisor elects to accept assignment of the Lease, Franchisor shall take possession of the Premises as soon as reasonably possible, but no later than 30 days after receipt of the Election Notice by Lessor, and Franchisor shall commence payment of rent and other customary and reasonable charges under the Lease as of the date of receipt of the Election Notice by Lessor;

(e) If Franchisor elects to accept assignment of the Lease, it shall commence payment of rent and any other charges due under the Lease retroactive to date of the giving of election notice. If, at the time Landlord receives the election notice hereunder, there are any past due rents or other charges under the Lease, Franchisor shall only be obliged to pay to Landlord the sum of one month's rent and other charges in order to accept assignment of the Lease. Upon accepting same, Landlord shall be estopped and precluded from holding Franchisor responsible for any past defaults of Tenant under the lease that predate Landlord's receipt of the election notice pursuant to this contingent assignment.

(f) Nothing herein shall affect Lessor's right to require Lessee to remain liable as a guarantor for the remaining term of the Lease, to recover from Lessee any and all amounts due under the Lease or to exercise any rights of Lessor against Lessee as provided under the Lease.

3. Assignment to Third Party. At any time after receipt of the Election Notice by Lessor, Franchisor may request to assign its lease, or sublease the Premises, to a third-party franchisee of Franchisor for the purpose of continuing to operate the PJ's Unit at the Premises. Lessor agrees not to unreasonably withhold its consent to any such assignment or sublease and any such request shall be in accordance with the terms of the lease relating to assignment/sublease.

4. Entry by Franchisor. Lessee acknowledges that Lessee has agreed under the Franchise Agreement that Franchisor and its employees or agents shall have the right to enter the PJ's Unit operated by Lessee at the Premises at any reasonable time for the purpose of conducting inspections, protecting Franchisor proprietary marks, and correcting deficiencies of Lessee. Lessor and Lessee hereby agree not to interfere with or prevent such entry by Franchisor, its employees or agents.

5. De-Identification. Lessee acknowledges that in the event the Franchise Agreement expires or is terminated, Lessee is obligated under the Franchise Agreement to take certain steps to de-identify the location as a PJ's Unit operated by Lessee. Lessor agrees to cooperate with Franchisor in allowing Franchisor to de-identify the Premises, including allowing Franchisor, its employees and agents to enter and remove signs, decor and materials bearing or displaying any marks, designs or logos of PJ's; provided, however, that Lessor shall not be required to bear any expense thereof. Lessee agrees that if Lessee fails to de-identify the Premises promptly upon termination or expiration as required under the Franchise Agreement, PJ's may cause all required de-identification to be completed at Lessee's expense.

6. General Provisions.

(a) This Agreement shall run with the land and be binding upon the parties hereto and their successors, assigns, heirs, executors, and administrators. The rights and obligations herein contained shall continue notwithstanding changes in the persons or entities that may hold any leasehold or ownership in the land or building. Any party hereto may record this agreement or a memorandum hereof.

(b) Any party hereto may seek equitable relief, including without limitation injunctive relief or specific performance, for actual or threatened violation or non-performance of this Agreement by any other party. Such remedies shall be in addition to all other rights provided for under law or other agreements between any of the parties. The prevailing party in any action shall be entitled to recover its legal fees together with court costs and expenses of litigation.

(c) This Agreement is directed to a specific Lease Agreement set forth herein, but the Lessee, Lessor and Franchisor agree that this Agreement is applicable to any extensions, renewals or other options of Lessee with respect to the Lease Agreement and the Premises, as well as being applicable to any subsequent lease agreements between Lessee and Lessor concerning the PJ's Unit with respect to the Premises.

(d) Nothing contained in this Agreement shall affect any term or condition in the Franchise Agreement between Lessee and Franchisor. Nothing herein shall be deemed to constitute a guaranty or endorsement by Franchisor of the terms and conditions of the Lease between Lessor and Lessee. In the event that Franchisor, in its sole discretion, determines not to accept assignment of the Lease as permitted hereunder, neither Lessor nor Lessee shall have any claims against Franchisor. No terms or conditions contained in the Lease shall be binding on Franchisor s unless and until it elects to accept assignment of the Lease hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this ________ day of________________, 20____.

WITNESSES:	LESSOR:
______________________________	BY: ________________________________
	Print Name: ____________________________
______________________________	Date: _________________________________
WITNESSES:	LESSEE:
______________________________	BY: ________________________________
	Print Name: ____________________________
______________________________	Date: _________________________________
WITNESSES:	FRANCHISOR: NEW ORLEANS BREW, LLC
______________________________	BY: ________________________________
	Print Name: ____________________________
______________________________	Date: _________________________________

EXHIBIT M

NEW ORLEANS BREW, LLC
FRANCHISE DISCLOSURE DOCUMENT
STATE SPECIFIC ADDENDA

NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITONAL INFORMATION
REQUIRED BY THE STATE OF CALIFORNIA

NEW ORLEANS BREW, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF CALIFORNIA.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF CALIFORNIA AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

****

THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN CONJUNCTION WITH THE FDD

NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF CALIFORNIA

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ADDENDUM TO
NEW ORLEANS BREW, LLC FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF CALIFORNIA

In recognition of the requirements of the California Franchise Investment Law, Cal. Corporations Code Sections 31000 et seq. the Franchise Disclosure Document for NEW ORLEANS BREW, LLC for use in the State of California shall be amended as follows:

SECTION 31125 OF THE CALIFORNIA CORPORATION CODE REQUIRES THE FRANCHISOR TO GIVE THE FRANCHISEE A DISCLOSURE DOCUMENT, IN A FORM AND CONTAINING SUCH INFORMATION AS THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, PRIOR TO A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

See the cover page of the Disclosure Document for our URL address. FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT WWW.DBO.CA.GOV.

Item 3 of the FDD is supplemented to include the following:

Neither the franchisor, any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 8.78(a) et seq., suspending or expelling such persons from membership in such association or exchange.

Item 17 of the FDD shall be supplemented to include the following:

You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043)).

The Franchise Agreement requires application of the laws and forum of Louisiana. These provisions may not be enforceable under California law.

California Corporations Code, Section 31125 requires us to give you a Disclosure Document, approved by the Department of Business Oversight prior to a solicitation of a proposed material modification of an existing franchise.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with California law, California law will control.

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages are unenforceable.

The franchise agreement requires binding arbitration to occur at American Arbitration Association's office in New Orleans, Louisiana, with each party bearing its own costs (including, but not limited to, attorney's fees, expert witness fees, and other costs incurred in connection with arbitration). Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Franchise Agreement restricting venue to a forum outside the State of California.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

If the franchise agreement requires waiver of compliance with California franchise law, that provision is void.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A Sec. 101 *et seq*.).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF INDIANA

NEW ORLEANS BREW, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF INDIANA.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF INDIANA AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

****

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NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF INDIANA

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ADDENDUM TO
NEW ORLEANS BREW, LLC FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF INDIANA

For franchises and franchisees subject to the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the New Orleans Brew, LLC Franchise Disclosure Document ("FDD").

Item 8. Item 8 of the FDD is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law Ind. Code §23-2-2.7-1(4) prohibits provisions in a franchise agreement subject to Indiana Law which allow the franchisor to obtain money, goods, services, or any other benefit from any other with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any provision of the Franchise Agreement conflicts with Indiana Law, Indiana Law will control.

The Indiana Deceptive Franchise Practices Law ("Law"), Ind. Code §23-2-2.7-2(6) makes its unlawful for any franchisor to obtain money, goods, services, or any other benefit for any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any of New Orleans Brew, LLC's business practices conflicts with Indiana Law, Indiana Law will control.

Item 12. Item 12 of the disclosure document is amended to include the following disclosure:

Ind. Code §23-2-2.7-1(2) prohibits any provision in the Agreement which allows New Orleans Brew, LLC to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchised business within the exclusive territory. Ind. Code §23-2-2.7-2(4) prohibits any franchisor who has entered into any franchise agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the franchised business within the territory. To the extent that any provision of the Franchise Agreement or New Orleans Brew, LLC's business practices conflict with Indiana law, Indiana law will control.

Item 17. Item 17 of the disclosure document is amended to include the following disclosure:

Indiana prohibits the franchisor from requiring its franchisees to prospectively assent to a release, assignment, novation, waiver, or estoppels which purports to relieve any person from liability.

To the extent that you are required to execute a release in favor of New Orleans Brew LLC, such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code §23-2-2.7-1.

Ind. Code §23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise. To the extent that the Franchise Agreement requires a surviving spouse, heirs, or an estate representative to assume liability under the Franchise Agreement and to complete training, the Franchise Agreement has been amended in accordance with Indiana law to provide that all such conditions must be met within six months of the franchisee's date of death.

Ind. Code §23-2-2.7-1(10) prohibits any provision in the Agreement which limits litigation brought for breach of the Franchise Agreement in any manner whatsoever. To the extent that any provision of the Franchise Agreement conflicts with Indiana law, Indiana law will control.

The choice of law provision contained in the Franchise Agreement should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, the Franchise Agreement shall be governed by the Indiana Franchise Disclosure Law Ind. Code §23-2-2.5 and the Indiana Deceptive Franchise Practices Law Ind. Code §23-2-2.7.

Indiana franchisees are allowed access to Indiana courts. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void.

The post term covenant not to compete is limited to your non-exclusive area under the Franchise Agreement pursuant to Ind. Code §23-2-2.7-1(9).

NEW OREANS BREW, LLC
AMENDMENT TO THE FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MARYLAND

NEW OREANS BREW, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF MARYLAND.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF MARYLAND
AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

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THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN CONJUNCTION WITH THE FDD

NEW OREANS BREW, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

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ADMENDMENT TO
NEW ORLEANS BREW, LLC FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

This Amendment shall pertain to franchises sold in the State of Maryland and shall be for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement shall be amended as follows:

1. Pursuant to Code of Maryland Regulations Section 02.02.08.16L, any general release required of the franchisee as a condition of renewal, sale, assignment and/or transfer shall not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law. Article 13 of the Franchise Agreement is amended accordingly.

2. Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to agree to any release, estoppels or waiver of liability as a condition of purchasing a franchise. To the extent that the Franchise Agreement may require you to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure law in order to purchase your franchise, it is hereby amended to state that such representations are not intended to, nor shall they act as a release, estoppels or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

3. The limitation on the period of time arbitration and/or litigation claims must be brought shall not act to reduce the three (3) year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

4. Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law requires the franchisor to file an irrevocable consent to be sued in Maryland. Accordingly, Article 20 of the Franchise Agreement is amended to provide that you may file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction within the State of Maryland.

5. A provision in the Franchise Agreement which terminates the Franchise Agreement upon the bankruptcy of the franchisee may not be enforceable under Title 11, United States Code Section 101.

6. All franchise fees and other funds paid to New Orleans Brew shall be held in an escrow account until franchisee is open for business. A copy of the escrow agreement is attached as Exhibit 1 to the Addendum to New Orleans Brew, LLC Franchise Disclosure Document required by the State of Maryland.

SIGNATURE PAGE TO FOLLOW

Dated this________day of______________________, 20____.

Franchisor: New Orleans Brew, LLC

By: ___________________________________
Print Name: ___________________________
Title: _________________________________
Date: _________________________________

Franchisee:

By: ___________________________________
Print Name: ___________________________
Title: _________________________________
Date: _________________________________

ADDENDUM TO
NEW ORLEANS BREW, LLC FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

For franchises and franchisees subject to the Maryland Franchise Registration and Disclosure Law, the following information replaces or supplements, as the case maybe the corresponding disclosures in the main body of the text of the New Orleans Brew, LLC Franchise Disclosure Document:

Item 17

The Summary of the "Cause" Defined—Non-Curable Defaults (provision (h.)) is amended to provide that provisions allowing termination upon bankruptcy may not be enforceable under Title 11, United States Code Section 101 *et seq.*

Pursuant to Code of Maryland Regulations Section 02.02.08.16L, any general release required of the franchisee as a condition of renewal, sale, assignment and/or transfer shall not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law. Accordingly, the Summary of the Requirements for Franchisee to Renew or Extent and Conditions for Franchisor Approval of Transfer (provisions (c.) and (m.), respectively) is amended to provide that a general release required of the franchisee as a condition of renewal, sale, assignment and/or transfer shall not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law.

Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law requires the franchisor to file an irrevocable consent to be sued in Maryland. Accordingly, the Summary of the Choice of Forum (provision (v.)) is amended to provide that you may file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction within the State of Maryland.

Section 14-227 of the Maryland Franchise Registration and Disclosure Law provides that any action brought under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise. Accordingly, the Summary of Choice of Law (provision (v.)) is amended to provide that any action brought under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

EXHIBIT 1

ADDENDUM TO
NEW ORLEANS BREW, LLC FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MICHIGAN

NEW ORLEANS BREW, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF MICHIGAN.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF MICHIGAN
AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

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THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN CONJUNCTION WITH THE FDD

NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MICHIGAN

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MICHIGAN DISCLOSURE NOTICE PURSUANT TO MCL 445.1508

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in the franchise documents, the provisions are void and cannot be enforced against you.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The fact that the Notice of Intent is on file with the attorney general in Michigan does not constitute approval, recommendation, or endorsement by the attorney general of the franchise offering.

Any questions regarding this notice should be directed to:

Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa St.
P.O. Box 30212
Lansing, MI 48909
Telephone: (517) 373-1110

NEW ORLEANS BREW, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MINNESOTA

NEW ORLEANS BREW, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF MINNESOTA.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF MINNESOTA AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

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THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN CONJUNCTION WITH THE FDD

NEW ORLEANS BREW, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

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ADMENDMENT TO
NEW ORLEANS BREW, LLC FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA

This Amendment shall pertain to those franchises sold in the State of Minnesota and shall be for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement shall be amended as follows:

The Minnesota Department of Commerce requires that we indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that their use of our Marks infringes upon the trademark rights of the third party. We will not indemnify any franchisee against the consequences of their use of our Marks except in accordance with the requirements of the Franchise Agreement, and as the condition to an indemnification, the franchisee must provide notice to us of any such claim immediately and tender the defense of the claim to us. If we accept tender of defense, we have the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, New Orleans Brew, LLC will comply with Minnesota Statute Section 80C.14. Subd. 3 – 5, which requires (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

Minnesota Rule 2860.4400J, among other things, prohibits us from requiring you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes.

___________________________	___________________________
Franchisee's Initials/ Date	Franchisor's Initials/Date

ADDENDUM TO
NEW ORLEANS BREW, LLC FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

For franchises and franchisees subject to the Minnesota Franchise Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the New Orleans Brew, LLC Franchise Disclosure Document.

Item 13

The Minnesota Department of Commerce requires that we indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that their use of our Marks infringes upon the trademark rights of the third party. We will not indemnify any franchisee against the consequences of their use of our Marks except in accordance with the requirements of the Franchise Agreement, and as the condition to an indemnification, the franchisee must provide notice to us of any such claim immediately and tender the defense of the claim to us. If we accept tender of defense, we have the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, New Orleans Brew, LLC will comply with Minnesota Statute Section 80C.14. Subd. 3 – 5, which requires (except in certain specified cases) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

Minnesota Rule 2860.4400J, among other things, prohibits us from requiring you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes.

Any claims arising under the Maryland Franchise Registration and Disclosure law must be brought within three years after we grant you a PJ's Coffee of New Orleans franchise.

NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF NEW YORK

NEW ORLEANS BREW, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
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NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

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STATEMENT REQUIRED BY THE STATE OF NEW YORK

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

ADDENDUM TO
NEW ORLEANS BREW, LLC FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

In recognition of the requirements of the New York General Business Law, Article 33, Section 68O through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 200.16 the Franchise Disclosure Document for New Orleans Brew, LLC for use in the State of New York shall be amended as follows:

1. Item 3 shall be supplemented by the following:

Neither we, our predecessor, nor any person identified in Item 2 or an affiliate offering franchises under our principal trademark has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations.

Neither we, our predecessor, nor any person identified in Item 2 or an affiliate offering franchises under our principal trademark has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded *nolo contendere* to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

Neither we, our predecessor, any person identified in Item 2 or an affiliate offering franchises under our principal trademark is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

2. Item 4 shall be supplemented by the following:

Except as set forth herein, neither we nor our affiliate, any predecessor, current officers or general partner has: (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after our officer or general partner held this position in the company or partnership.

3. Item 5 shall be supplemented by the following:

All franchisee fees are applied to the franchisor's general operating fund. All obligations of franchisor, whether to franchisees or otherwise, are paid out of this fund.

4. Paragraph "j" under the section labeled "Assignment of contract by franchisor" in Item 17 shall be supplemented by the following provision:

However, no assignment shall be made except to an assignee who, in our good faith judgment, is willing and able to assume your obligations under the Franchise Agreement.

5. Paragraph "m" under the section labeled "Conditions for franchisor approval of transfer" in Item 17 shall be supplemented as follows with respect to your execution of a general release:

Provided, however, that all rights you enjoy and any causes of action which arise in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder remain in force; it being the intent of this proviso that the nonwaiver provisions of the GBL Sections 687.4 and 687.5 be satisfied.

NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE AGREEMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF WASHINGTON

NEW ORLEANS BREW, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF WASHINGTON.
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NEW ORLEANS BREW, LLC
ADDENDUM TO FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WASHINGTON

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ADDENDUM TO
NEW ORLEANS BREW, LLC FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WASHINGTON

The State of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _________________ day of __________________________________ 20______.

_______________________	__________________________
New Orleans Brew, LLC	Prospective Franchisee

NEW ORLEANS BREW, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF WISCONSIN

NEW ORLEANS BREW, LLC
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NEW ORLEANS BREW, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF WISCONSIN

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AMENDMENT TO
NEW ORLEASN BREW, LLC FRANCHISE AGREEMENT
<u>REQUIRED BY THE STATE OF WISCONSIN</u>

This Amendment shall pertain to franchises sold in the State of Wisconsin and shall be for the purpose of complying with the Wisconsin Fair Dealership Law. Notwithstanding anything which may be contained in the body of the Franchise Agreement to be contrary, the Agreement shall be amended as follows:

The Wisconsin Fair Dealership Law (Wis. Stats. Ch. 135, *et seq.*) supersedes any provisions of this Agreement or a related document between Franchisor and Franchisee inconsistent with the Law.

____________________________	____________________________
Franchisee's Initials/Date	Franchisor's Initials/Date

ADDENDUM TO
NEW ORLEANS BREW, LLC FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF WISCONSIN

For franchises and Franchisees subject to the Wisconsin Fair Dealership Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the New Orleans Brew, LLC's Wisconsin Franchise Disclosure Document.

Item 17

For Wisconsin Franchisees, the Wisconsin Fair Dealership Law (Wis. Stats., Ch. 135, *et seq.*) supersedes any provisions of the Franchise Agreement or a related contract between Franchisor and Franchisee inconsistent with the Law.

EXHIBIT N

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If New Orleans Brew, LLC d/b/a PJ's Coffee of New Orleans offers you a franchise, New Orleans Brew, LLC d/b/a PJ's Coffee of New Orleans must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement or make payment with the franchisor or an affiliate in connection with the proposed franchise sale.

However, certain state laws require New Orleans Brew, LLC d/b/a PJ's Coffee of New Orleans to provide this Disclosure Document to you at the first personal meeting held to discuss the franchise sale or at least 10 business 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 Franchisor does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit H.

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows:

Ryan Stansbury, 180 New Camellia Blvd., Suite 100, Covington, LA 70433, (985) 792-5899
David Mesa, Jr., 180 New Camellia Blvd., Suite 100, Covington, LA 70433, (985) 792-5776

The issuance date of this Franchise Disclosure Document is April 1, 2018.

We authorize the respective agents identified in Exhibit E to receive service of process for us in the particular states.

I received a Disclosure Document from New Orleans Brew, LLC d/b/a PJ's Coffee of New Orleans dated April 1, 2018, that included the following Exhibits:

A. Franchise Agreement
B. Confidentiality and Nondisclosure Agreement
C. Guaranty Agreement
D. Direct Debit Authorization Form
E. Agents for Service of Process
F. Financial Statements
G. Manuals– Table of Contents
H. State Administrators
I. Franchise Disclosure Acknowledgment Statement
J. List of Existing Franchisees and Franchisees How Have Left the System
K. General Release
L. Contingent Assignment of Lease
M. State Specific Addenda
N. Receipts

SIGNATURE PAGE TO FOLLOW.

Dated: ___________________________

If a corporation or LLC:

____
(Name of corporation or LLC)

By:_____________________________________

Its______________________________________
(Title)

____
(Print Name)

____
(Signature)

____
(Print Name)

PROSPECTIVE FRANCHISEE:

If an individual:

____
(Signature)

____
(Print Name)

____
(Signature)

____
(Print Name)

Address of corporation, LLC, or individual(s): ____

You may return the signed receipt either by signing, dating, and mailing it to New Orleans Brew, LLC d/b/a PJ's Coffee of New Orleans at 180 New Camellia Blvd, Suite 100, Covington, LA 70433, or by faxing a copy of the signed and dated receipt to New Orleans Brew, LLC d/b/a PJ's Coffee of New Orleans at (985) 792-1201.

YOUR COPY- RETAIN FOR YOUR FILES

RECEIPT

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Dated: ___________________________

If a corporation or LLC:

____
(Name of corporation or LLC)

By:_____________________________________

Its______________________________________
(Title)

____
(Print Name)

____
(Signature)

____
(Print Name)

PROSPECTIVE FRANCHISEE:

If an individual:

____
(Signature)

____
(Print Name)

____
(Signature)

____
(Print Name)

Address of corporation, LLC, or individual(s): ____

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FRANCHISOR COPY -
PLEASE RETURN TO FRANCHISOR