FRANCHISE DISCLOSURE DOCUMENT
RPM SUMMIT GROUP, LLC
A Nevada limited liability company
770 Mays Boulevard, #5400
Incline Village, Nevada 89450
(775) 544-9527
www rocketfizz com
Rob@rocketfizz com
Rich@rocketfizz com

RPM Summit Group, LLC, a Nevada limited liability company, offers franchises for the operation of Rocket Fizz retail stores (**Rocket Fizz Shops**) that offer unique old-fashioned sodas, cutting edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items for sale to the general public under the trade name '**Rocket Fizz**' We offer the rights for 2 different franchises in this Disclosure Document

Single Shop Program Under the Single Rocket Fizz Shop Program, you will sign a Franchise Agreement to operate a single Rocket Fizz Shop The total investment necessary to begin operations of a single Rocket Fizz Shop ranges from approximately $151,400 to $332 500 This includes between $86,000 to $119,000 that must be paid to us or our affiliates

Area Development Program Under the Area Development Program, we assign a defined area within which you must develop and open 2 or more Rocket Fizz Shops within a specified period of time The total investment necessary to begin operations of your first Rocket Fizz Shop under an Area Development Agreement ranges from approximately $173,400 to $365,500 This includes between $106 000 to $149,000 that must be paid to us or our affiliates

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

You may wish to receive your Disclosure Document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact Richard Shane at 770 Mays Boulevard, #5400, Incline Village, Nevada 89450, Telephone (650) 315-4882, and e-mailrich@rocketfizz com

The terms of your contract will govern your franchise relationship Don t rely on the Disclosure Document alone to understand your contract Read all of your contract carefully Show your contract and this Disclosure Document to an advisor, like a lawyer or accountant

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

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

THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS MARCH 27, 2018

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 THIS FRANCHISE WITH A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed on <u>**Exhibit L**</u> 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 THIS FRANCHISE, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW

<u>**Please consider the following RISK FACTORS before you buy this franchise**</u>

1 THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH RPM SUMMIT GROUP, LLC BY MEDIATION AND LITIGATION ONLY IN A COUNTY IN NEVADA IN WHICH RPM SUMMIT GROUP, LLC HAS A PRINCIPAL PLACE OF BUSINESS OUT OF STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO PARTICIPATE IN MEDIATION AND LITIGATION WITH RPM SUMMIT GROUP, LLC IN NEVADA THAN IN YOUR HOME STATE

2 THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT NEVADA LAW GOVERNS THE AGREEMENTS AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

3 YOUR SPOUSES AND FAMILY MEMBERS MUST SIGN A PERSONAL GUARANTEE PLACING THEIR PERSONAL AND MARITAL ASSETS AT RISK

4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We may use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise A FRANCHISE BROKER or referral source represents us, not you We may pay this person a fee for selling our franchise or referring you to us You should be sure to do your own investigation of the franchise

SEE THE NEXT PAGE FOR STATE EFFECTIVE DATES

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 state having franchise registration and disclosure laws, with the following effective date

California ____________

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of March 27, 2018

RPM SUMMIT GROUP, LLC
FRANCHISE DISCLOSURE DOCUMENT
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EXHIBITS

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

RPM Summit Group, LLC

RPM Summit Group LLC, a Nevada limited liability company (**Franchisor'**), was organized on March 31, 2010, and is the franchisor for Rocket Fizz Shops Our principal business address is 770 Mays Boulevard #5400, Incline Village, Nevada 89450 To simplify the language in this Disclosure Document, ' **Franchisor,** **we** and '**us**' means RPM Summit Group, LLC **You**' or **Franchisee** means the business entity person or persons who sign the Franchise Agreement

Parents, Predecessors and Affiliates

We have no predecessors or parent companies Our affiliate, The Rocket Fizz Soda Pop Shop LLC (**Rocket Fizz LLC**), was organized in California on November 19, 2007 Rocket Fizz LLC offered licenses for the Rocket Fizz retail concept for sale in the United States from June 2009 through June 2010 No Rocket Fizz shops are currently operating under license agreements Rocket Fizz LLC no longer offers Rocket Fizz licenses to others Rocket Fizz LLC operates one Rocket Fizz Shop in Camarillo, California, which is a business similar to the type operated by our franchisees We have offered franchises for sale since June 2010 Neither we, nor Rocket Fizz LLC have conducted business in any other line of business or offered franchises in any other lines of business Our other affiliate, R3 Distribution, LLC (**R3 Distribution"**) was organized in Nevada on November 5, 2013 Our franchisees must purchase certain proprietary products (**Rocket Fizz Proprietary Products**) and may purchase other products from R3 Distribution at wholesale prices for their Rocket Fizz Shops R3 Distribution derives revenue from the sale of products to franchisees as further described in Item 8 R3 Distribution has not offered franchises in any other line of business The principal business address for Rocket Fizz LLC and R3 Distribution is 770 Mays Boulevard, #5400 Incline Village, Nevada 89450

Rocket Fizz Franchise

We have developed the Rocket Fizz system (the ' **Rocket Fizz System**) for the operation of Rocket Fizz Shops that use the trade name '**Rocket Fizz** and other related trademarks, service marks, logos and commercial symbols (collectively the **Rocket Fizz Marks"**) and offer and sell unique, old-fashioned sodas, cutting edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items We offer 2 separate franchises in this Disclosure Document, though we may not necessarily grant you the opportunity to purchase under either of these programs

Single Shop Program

Under this program you will sign a Franchise Agreement (**Exhibit A**) to operate a single Rocket Fizz Shop at a location that you choose and that we accept (the **Franchised Location**)

Area Development Program

Under this program, we will assign you a defined area (the **Development Area**) within which you, as an area developer (' **Area Developer'**), must develop and open a minimum of 2 – 3 Rocket Fizz Shops within a specified period of time The Development Area may be one city one or more counties, or some other defined geographic area You will generally have the opportunity to develop the number of Rocket Fizz

Shops that you choose, although we may not always afford you the opportunity to develop the number of Rocket Fizz Shops that you request You will sign an Area Development Agreement (**Exhibit B**) that will describe your Development Area and your development schedule and obligations You and we will determine your Development Area and the number of Rocket Fizz Shops that you will develop and open on a case-by-case basis before you sign your Area Development Agreement You must sign a separate Franchise Agreement for each Rocket Fizz Shop that you will open under the Area Development Agreement The Franchise Agreement for your first Rocket Fizz Shop will be in the form attached as **Exhibit A** to this Disclosure Document The Franchise Agreements you will sign for your additional Rocket Fizz Shops will be signed after we accept the site for each Rocket Fizz Shop and will be our then current form of Franchise Agreement that we are then offering to new franchisees, which may contain terms and conditions that are materially different from the form of Franchise Agreement attached to this Disclosure Document as **Exhibit A**

Competition

The typical Rocket Fizz Shop is on a major thoroughfare or in or adjacent to a retail shopping center The market for beverages, energy drinks candy and confectionaries is well established and very competitive Typically, sales are not seasonal, but they may increase in the summer months You will have to compete with national and local businesses offering similar products and services A number of our competitors have more units, greater resources and are better known on a nationwide and/or local basis, than we are General and special business risk factors may exist, including changing market conditions, competition, costs of inventory, supplies and equipment, capital and labor, your own health and continuity of your management, availability of financing, recession or depression locally, nationally, or internationally wars strikes emergencies, natural and manmade disasters, litigation, and liability and casualty losses Other risks could have an adverse effect on your business These include industry developments, such as pricing policies of competitors In addition competition for qualified management and supervisors, skilled labor and unskilled labor for the retail industry is significant, which may cause labor costs to be higher than average The supply of suitable locations for retail stores is limited and is subject to increasing demand from other retailers

Special Industry Regulation

Federal, state and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your Rocket Fizz Shop, including those which (i) establish general standards, specifications and requirements for the construction, design and maintenance of Rocket Fizz Shop premises, (ii) regulate matters affecting the health, safety and welfare of your customers such as restrictions on smoking, availability of and requirements for public accommodations including restrooms, (iii) set standards pertaining to employee health and safety, and (iv) set standards and requirements for fire safety and general emergency preparedness In addition, you must comply with all local, state, and federal laws that apply to your Rocket Fizz Shop including health, sanitation, no smoking, EEOC, OSHA, discrimination, employment, and sexual harassment laws The Americans with Disability Act of 1990 requires readily accessible accommodation for disabled people and therefore may affect your building construction site elements, entrance ramps doors, seating, bathrooms, etc You must obtain all required real estate permits, licenses and operational licenses You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your Rocket Fizz Shop and should consider both their effect and cost of compliance The Payment Card Industry Data Security Standard (**PCI**) requires that all companies that process, store, or transmit credit or debit card information maintain a secure environment PCI applies to all organizations or merchants, regardless of size or number of transactions, that accepts, transmits or stores any cardholder data You should consult with your attorney concerning these and other local laws and ordinances that may affect your Rocket Fizz Shop

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer Richard Shane

Mr Shane was appointed as our Chief Executive Officer in January 2013

President: Robert Powells

Mr Powells has served as our President since March 2010 He has also served as President of The Rocket Fizz Soda Pop and Candy Shop, LLC in Camarillo, California, since October 2007 Mr Powells has been the General Partner of RH Rotano Group, LLC and JT Lombardo Frank & Sons, LLC, in Incline Village Nevada since February 2003

Chief Operating Officer: Ryan Morgan

Mr Morgan has served as our Chief Operating Officer since March 2010 He has also served as Chief Operating Officer of The Rocket Fizz Soda Pop and Candy Shop, LLC in Camarillo, California, since October 2007 Mr Morgan has served as a soda pop distributor in Reno, Nevada since September 2001

Franchise Trainer and Corporate General Manager Angela Morgan

Ms Morgan has served as our Franchise Trainer and Corporate General Manager since June 2009

ITEM 3
LITIGATION

RPM Summit Group, LLC and R3 Distributions, LLC v John Stephen Farmer, Texas Fizz Group, LLC and Laura Sandoval Farmer, Individually and d/b/a Nom Noms & Giggles filed on October 10, 2016 in the 7th Judicial District Court of Smith County, Texas Case No 16-2061-A) We filed a lawsuit against these franchisees because they continued to operate businesses similar to their Rocket Fizz Shops after their Franchise Agreements terminated and failed to pay R3 Distribution for inventory that they purchases for their Shops On January 3, 2017, the defendants executed a Settlement Agreement and an Agreed Judgment for $45,074 in favor of R3 Distribution under which they agreed that (i) they would no longer conduct a business under any name or in a manner that might tend to give the general public the impression that their Franchise Agreements were still in effect or use our service marks and trade names, (ii) they would not operate any businesses at the locations of their former Rocket Fizz Shops for 2 years, or (iii) operate or own, any candy, soda pop, novelty item and/or confection business located at the locations of their former Rocket Fizz Shops or within a 25 mile radius of at the locations of their former Rocket Fizz Shops

With this exception, no litigation is required to be disclosed in this Item

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item

ITEM 5
INITIAL FEES

Single Shop Program

You must pay us an initial franchise fee (the '**Initial Franchise Fee**') of $54,000 when you sign the Franchise Agreement for a new Rocket Fizz Shop If you are signing the Franchise Agreement with the renewal of an existing Franchise, you will pay us a renewal fee in lieu of an Initial Franchise Fee when you sign the renewal Franchise Agreement as provided in your existing Franchise Agreement

Area Development Program

You must pay us a development fee (the '**Development Fee**) of $10 000 per Rocket Fizz Shop to be developed under the Area Development Agreement when you sign the Area Development Agreement for 2 or more Rocket Fizz Shops You must also sign a separate then-current Franchise Agreement for each Rocket Fizz Shop you will open under the Area Development Agreement When you sign your Franchise Agreements, you must pay us an Initial Franchise Fee of $54 000 for your first Rocket Fizz Shop and $45,000 for each subsequent Rocket Fizz Shop We will credit $10,000 of your Development Fee against the Initial Franchise Fee for each subsequent Rocket Fizz Shop (not to exceed a credit of $10 000 for any single Rocket Fizz Shop), so you will only pay us $45,000 when you sign your Franchise Agreement for each subsequent Rocket Fizz Shop After we accept the proposed Franchised Location for each Rocket Fizz Shop you will operate and after we deliver our then-current Disclosure Document to you, you must sign a Franchise Agreement for your Franchised Location

Discounts for U S Military, Police Officers and Firefighters We offer all qualifying members of the U S Military, police officers and firefighters a $5,000 reduction off of our $54,000 Initial Franchise Fee, provided that he or she meets our then-current qualifications for a new Rocket Fizz franchisee To qualify, you must be creditworthy must own at least a 50% interest in the Rocket Fizz Shop, and manage the operation of the Rocket Fizz Shop at all times This discount is available to all members of the U S Military, whether on active duty or retired, and all police officers and firefighters, whether on active duty or retired, and applies only to the first Rocket Fizz franchise he or she purchases

POS System

You must purchase your point-of-sale system and all related hardware and software (the '**POS System**) from us We estimate that the total cost for your POS system, and related hardware and software will range from $1,000 to $2,500, depending upon the configuration of the equipment you purchase, which is dictated by the needs of each Rocket Fizz Shop, and by the then-current price of computer hardware, which fluctuates over time

Opening Inventory

Your opening inventory includes $3,000 of Rocket Fizz Proprietary Products that must be purchased from R3 Distribution We estimate that the total cost of your opening inventory will range from $30 000 to $60,000, which includes the $3,000 of Rocket Fizz Proprietary Products that must be purchased from R3 Distribution

Refunds, Different Fees and Financing

The Initial Franchise Fee and Development Fee are fully earned by us when paid and are not refundable under any circumstances We use the proceeds from Initial Franchise Fees to defray a portion of our expenses in connection with the sale and establishment of franchises, such as (i) costs related to developing and improving our services, (ii) expenses of preparing and registering this Disclosure Document, (iii) legal fees, (iv) accounting fees, (v) costs of obtaining and screening franchisees, and (vi) general administrative expenses We may reduce, finance, defer or waive the Initial Franchise Fee or Development Fee if and when we determine, it is warranted by a unique or compelling situation We generally do not provide financing for the Initial Franchise Fee or Development Fee

We may, at our option, finance a portion of the Initial Franchise Fee if you meet our then-current criteria for financing If we do provide financing for you the amount financed will be payable in full, with interest at a rate equal to the Prime Rate of interest as published by the Western Edition of the Wall Street Journal, in up to 12 months after we sign your Franchise Agreement

In our fiscal year that ended on December 31, 2017, we collected Initial Franchise Fees that ranged from $45,000 to $54,000

ITEM 6
OTHER FEES [1]

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty Fees	The greater of $900 or 5% of your Gross Volume per month	1st day of each month	' **Gross Revenue** means all revenues from sales of any nature or kind from the Rocket Fizz Shop, including orders taken in or from the Rocket Fizz Shop although filled elsewhere ' **Gross Revenue** includes all proceeds from the sale of coupons, gift certificates or vouchers and excludes the amount of bona fide refunds paid to customers the amount of any sales or use taxes actually paid to any governmental authority and the retail price of any coupons, gift certificates and vouchers when they are redeemed

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Marketing Fund Fees	We do not currently require you to pay a Marketing Fund Fee If and when we establish a Marketing Fund, you must contribute 1% - 2% of your Gross Sales as a Marketing Fund Fee as we specify	1st day of each month	We may elect to establish a Marketing Fund in the future on 90 days' prior notice
Product Purchases from us and/or R3 Distribution	Various	Monthly, bi-monthly weekly or on COD basis at our discretion and/or the discretion of R3 Distribution	You must pay us and/or R3 Distribution for Rocket Fizz Branded Products and Rocket Fizz Proprietary Products you purchase
POS System Support Fees	$70 - $140 per month	1st day of each month	You must purchase, use and maintain the POS System that we designate, including all related hardware and software as specified in our Operations Manuals (the **Manuals**) or otherwise
Violation Assessments	$1 000 per day plus our out-of-pocket expenses, plus our transportation, food and lodging expenses if we must travel to your Rocket Fizz Shop to investigate suspected or actual violations	On demand	If you purchase products other than Rocket Fizz Authorized Products or purchases products from vendors other than Rocket Fizz Approved Suppliers, Franchisor Recommended Suppliers or Franchisee Recommended Suppliers who have been approved by Franchisor you must pay us $1,000 per day until we determine that you are no longer in default
Finance and Administrative Fee	Varies depending upon amount due and the period of time the amount due is late	On demand	Payable if any check draft electronic or other payment is unpaid because of insufficient funds or if any sums due to us are not paid promptly when due

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Pre-Opening Additional Initial Training Fees	$500 per day per additional trainee plus your out-of-pocket expenses	On demand	We will provide an Initial Training Program for up to 3 supervisorial or managerial personnel If you send more than 3 supervisorial or managerial personnel to the Initial Training Program, you must pay this Pre-Opening Additional Initial Training Fee per day per additional trainee
On-Site Assistance Travel Expenses	Varies	On demand	We will provide on-site training and assistance at your Rocket Fizz Shop for approximately 3 – 4 days before and/or after your Rocket Fizz Shop opens for business You may be required to reimburse us for our trainers transportation, food and lodging expenses for on-site training
Post-Opening Additional Initial Training Fees	$1,500 per week for each trainee, plus your out-of-pocket expenses and our transportation, food and lodging	On demand	If, following the opening date of your Rocket Fizz Shop you request us to provide additional Initial Training Programs for new or replacement supervisorial or managerial personnel, you must pay this Post-Opening Additional Initial Training Fee You must also pay for all transportation costs food, lodging and similar costs incurred in connection with attending any Additional Training Programs
Post-Opening Additional/Remedial Training Fees	$500 - $700 per day for each of our representatives who provide post-opening Additional/Remedial Training Programs for you not to exceed a maximum of $1,500, plus transportation, food and lodging	On demand	We may require you and your Principal Owner and each General Manager and/or other manager supervisorial or managerial personnel to attend additional and remedial training programs at our discretion You must pay us our then-current daily fee for each of our representatives who provide additional training You must also pay for all transportation costs, food, lodging and similar costs incurred in connection with

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
			attending any Additional/Remedial Training Programs
Post-Opening Inspection Fee	$500 per re-inspection	On demand	Payable if we must revisit your Rocket Fizz Shop for another inspection after you have already been notified of any deficiency or unsatisfactory condition at your Rocket Fizz Shop
Insurance	Amount of unpaid premiums and our out of pocket costs	On demand	Payable only if you fail to maintain required insurance coverage and we elect to obtain coverage for you
Transfer Fee (Franchise Agreement)	20% of our then-current initial franchise fee charged to new Rocket Fizz franchisees plus our out of pocket costs associated with the assignment including reasonable attorneys fees	Before assignment	Payable if you assign your Franchise Agreement
Transfer Fee (Area Development Agreement)	$5,000	Before assignment	Payable if you assign your Area Development Agreement
Non-Cash Payment System	All costs associated with non-cash payment systems	As incurred	You must accept debit cards, credit cards stored value gift cards or other non-cash payment systems we specify to enable customers to purchase authorized products
Liquidated Damages	An amount equal to twice the total royalty fees paid (or if unpaid payable) by you during the 12 months immediately preceding the effective date of termination	Within 30 days following the date of termination	Payable only if you default and we terminate your Franchise Agreement

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Default Reimbursement	Our costs and expenses from your default	Within 5 days after you cure your default or on demand if the default is not cured	Payable only if you default under the Franchise Agreement
Audit [2]	Cost of audit plus interest at the highest rate allowed by law (not to exceed 18%) which is currently 10% in California	Interest continues to accrue until paid	Payable only if audit shows an understatement of 3% or more of Gross Sales
Interim Management Fee	To be determined	As incurred	If you are in default under the Franchise Agreement, and we elect to assume interim management of your Rocket Fizz Shop during the pendency of any cure period or in lieu of immediately terminating your Franchise Agreement, we may charge you a reasonable fee for our management services
Renewal Fees & Extension Fees (Franchise Agreement)	$5,000	When you deliver a renewal notice to us	This $5,000 fee will be in lieu of the Initial Franchise Fee when you renew your Franchise Agreement
New Product and Supplier Testing	Reasonable cost of inspection and actual cost of testing up to $1,000 must be paid as a deposit	As incurred with up to $1,000 fee paid as a deposit before facility inspection	We have the right to require, as a condition of our approval of a supplier that we have not previously approved, that our representatives are permitted to inspect the supplier's facilities, and that you deliver to us and/or to an independent, certified laboratory designated by us, all information, specifications and samples that we designate for testing You must pay us a fee which will not to exceed the reasonable cost of the inspection and the actual cost of the testing

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
Franchise Conference Fee	Up to $1,000 per person you select to attend the Franchise Conference	Upon demand at least 30 days before the date of the Franchise Conference whether or not you attend the Franchisee Conference	If we hold a Franchise Conference for all Rocket Fizz Franchisees you must pay us up to $1 000 per person to reimburse us for a portion of the direct costs to provide the Franchise Conference
Payment for point of sale advertising material, posters, flyers, product displays and other promotional materials	Varies with circumstances	On demand	When you participate in promotional campaigns that we conduct, you may be required to purchase point of sale advertising material, posters, flyers, product displays and other promotional materials from us and/or R3 Distribution
Post Termination Gross Revenue Fee	5% of all revenue derived from the operation of the competitive business	15th day of each month on the Post Termination gross revenue of the competitive business during the preceding calendar month	Payable if you operate a competitive business after the expiration, termination or assignment of your Franchise Agreement in violation of the covenants in your Franchise Agreement
Indemnification	All costs including attorneys fees	On settlement or conclusion of claim or action	You will defend suits at your own cost and hold us harmless against suits involving damages resulting from your operation of the Rocket Fizz Shop
Relocation Fee	$3,000	When we approve your request to relocate your Rocket Fizz Shop	You may relocate your Rocket Fizz Shop only with our prior consent
Gift Card Program Fee	$10 per month	On demand	You must pay us a monthly fee for the technology to manage our chain-wide gift card program
Sticker of the Month Fee	$30-$40 per month	On demand	You must pay us a monthly fee to produce collectible stickers that will be distributed to your Rocket Fizz Shop
Social Media Marketing Service Fee	$10 per month	On demand	You must reimburse us monthly for the cost of a third party social media marketing service provider to make social media posts for your Rocket

NAME OF FEE	AMOUNT	DUE DATE	REMARKS
			Fizz Shop on Facebook and other social media platforms
Private Offering Fee (Franchise Agreement and Area Development Agreement)	$10,000 or such greater amount as is necessary to reimburse us for our reasonable costs and expenses with reviewing the proposed offering	Before offering	Payable for each proposed private offering of securities partnership or other ownership interests in Franchisee and is in addition to any Transfer Fee under any Franchise Agreement and/or Area Development Agreement

NOTES

1 All fees are uniformly imposed by and payable to us by electronic funds transfer or other automatic payment mechanism we designate and are non-refundable You will authorize us to debit from your designated bank account any funds due to us for Royalty Fees, Marketing Fund Fees or other sums that you owe to us or our affiliates

2 Interest begins from the date of the underpayment

ITEM 7
ESTIMATED INITIAL INVESTMENT

SINGLE SHOP

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
BUILD-OUT COSTS					
Utility Deposits, Fees, and Licenses [1]	$1,000	$8,000	Cash	As Incurred	City, County, State
Pre-Construction Cost (Architect, Plans Permits) [2]	$1,000	$8 000	As Arranged	As Incurred	Rocket Fizz Approved Suppliers
Leasehold/Construction [3]	$40,000	$75,000	As Arranged	As Incurred	Rocket Fizz Approved Suppliers

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
FURNITURE, FIXTURES, EQUIPMENT& SIGNAGE					
Signage (interior & exterior) [4]	$1,000	$10,000	As Arranged	As Incurred	Rocket Fizz Approved Suppliers
POS System, Computer Equipment and Software [5]	$1,000	$2 500	As Arranged	As Incurred	Us, Rocket Fizz Approved Suppliers
Furniture Fixtures and Equipment	$2,000	$7 000	As Arranged	As Incurred	Rocket Fizz Approved Suppliers
OPENING INVENTORY					
Opening Inventory - Rocket Fizz Authorized Products [6]	$30,000	$60 000	As Arranged	Before Opening	R3 Distribution
Opening Inventory - Non-Proprietary Products [6]	$1,000	$3,000	As Arranged	Before Opening	R3 Distribution or other Rocket Fizz Approved Suppliers
OTHER EXPENSES					
Grand Opening Marketing [7]	$0	$2,000	As Arranged	Before Opening and during 3 months following opening	Rocket Fizz Approved Suppliers
Rocket Fizz Shop Premises (3 Months' Rent & Security Deposit) [8]	$7,200	$50,000	Cash (non-refundable)	At Signing	Lessor
Insurance - Liability & Workers Compensation (initial deposit)	$1,200	$3,000	Cash	Monthly Premium	Insurance Carriers
Legal Fees/Organizational Expenses [9]	$1 000	$5 000	Cash	As Incurred	Legal & State

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
Training Expenses (Including Travel and Living Expenses) [10]	$1,000	$5,000	As Arranged	After Opening	Various Vendors
Initial Franchise Fee [11]	$54,000	$54 000	Cash	At Signing	Us
ADDITIONAL FUNDS (3 months) [12] [13]	$10,000	$40,000	Cash	As Incurred	Rocket Fizz Approved Suppliers & Employees
Grand Total [13]	**$151,400**	**$332,500**			

AREA DEVELOPMENT AGREEMENT (FOR 2 OR MORE ROCKET FIZZ SHOPS)

YOUR ESTIMATED INITIAL INVESTMENT FOR 2 OR 3 ROCKET FIZZ SHOPS)

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW	HIGH			
INITIAL INVESTMENT TO OPEN 1st UNIT					
Initial Investment 1st Unit [14]	$151,400	$332,500	See Above	See Above	See Above
Development Fees [11]	$20,000	$30,000	Cash	At Signing	Us
Additional Legal Fees [9]	$2,000	$3,000	Cash	As Incurred	Legal & State
Grand Total [13]	**$173,400**	**$365,500**			

All fees are uniformly imposed by and payable to us by electronic funds transfer or other automatic payment mechanism we designate and are non-refundable You authorize us to debit from your designated primary business checking or savings operating account for each month all funds due and payable to us for royalty fees and all other sums that you owe us or our affiliates

1 This estimate includes equipment lease deposits sales tax deposits or bonds, business licenses fees sewer hookup charges, and utility deposits This estimate does not include any amounts that are based on projected sales

2 These estimates include costs for space plan layout, exterior signage, design, architectural, kitchen, mechanical, electrical, plumbing and related drawings, engineering, testing, permit expediter, and city permits and fees You must use an approved architect and designer to design and construct your Rocket Fizz Shop

3 These estimates are for the costs incurred for project and construction management and construction and remodeling a location to conform to our current standards, including a general contractor s fee, contractor's insurance, materials and supplies tools, labor and subcontractor fees, and other costs to construct leasehold improvements that conform to our standards You must use the general contractor we designate to construct your Rocket Fizz Shop You must perform or have performed any construction, remodeling, or additions necessary to cause the premises to conform to applicable federal, state, county, city, local laws, ordinances, codes, rules and regulations and meet our requirements for the layout design, construction, fixturization, equipment and installation, and the trade dress appearance of a Rocket Fizz Shop Construction and remodeling costs vary widely, depending upon the location, design, the condition and configuration of existing services and facilities such as air conditioning, electrical and plumbing, lease terms and the local real estate market You must grant us a security interest in and to all leasehold improvements, fixtures furnishings and equipment inventory and supplies located at or used in connection with your Rocket Fizz Shop The cost of constructing a building shell is not included These estimates presume that you will receive a '**vanilla shell**' from your landlord for your Rocket Fizz Shop **<u>If you do not receive a "vanilla shell" from your landlord, your leasehold construction costs may substantially exceed these estimates</u>** These estimates **<u>do not include</u>** demolition expenses

4 This estimate includes exterior signage, portable signage, monument signage and interior signage

5 You must purchase the POS System and related hardware and software from us We estimate that the total cost for your POS system, and related hardware and software and any maintenance costs in your first three months will range from $1,000 to $2,500 depending upon the configuration of the equipment you purchase, which is dictated by the needs of each Rocket Fizz Shop and by the then-current price of computer hardware, which fluctuates over time You will acquire and arrange for the Rocket Fizz Approved Suppliers to deliver and install the computer equipment at your Rocket Fizz Shop You must operate and maintain the POS System, computer equipment and software in accordance with the Manuals You may choose to acquire additional hardware and software to enhance the basic package Initial cash outlays may be lower if the items can be leased rather than purchased

6 You must purchase **Rocket Fizz Branded Products**" and ' **Rocket Fizz Proprietary Products** from us and/or R3 Distribution You may purchase Non-Proprietary Products from us and/or R3 Distribution and/or our **Rocket Fizz Approved Suppliers** The amount you spend on your opening inventory will be based on a projected 3 weeks worth of estimated inventory plus additional amounts for your grand opening Your inventory must be purchased from us, R3 Distribution or other Rocket Fizz Approved Suppliers This estimate includes $3,000 of Rocket Fizz Proprietary Products that must be purchased from R3 Distribution The success of the Rocket Fizz System is based, in part, on the consistency, quality and variety of the products sold from Rocket Fizz Shops The purchase and sale of products other than Rocket Fizz Authorized Products or purchases of products from vendors other than Rocket Fizz Approved Suppliers, Franchisor Recommended Suppliers and Franchisee Recommended Suppliers who we have approved would cause market confusion and harm to the Rocket Fizz Marks, the Rocket Fizz System and the goodwill associated with the same If you do so, you must pay us, on demand, $1,000 per day until we determines that you are no longer in default In addition if we must travel to your Rocket Fizz Shop due to

suspected or actual violations, you must pay all transportation costs, food lodging and similar costs we incur in connection with our representative s attendance at your Rocket Fizz Shop See Item 8

7 At least 60 days before the opening of your Rocket Fizz Shop, you must submit a Grand Opening Required Spending Plan ("**Grand Opening Plan**) to us which outlines your proposal for grand opening marketing and promotion of your Rocket Fizz Shop You must obtain our written consent to the Grand Opening Plan before you implement it You must modify the Grand Opening Plan as we request, and, thereafter, you may not make any substantial changes to the Grand Opening Plan without our advance written consent You must, during the period beginning 30 days before the scheduled opening of your Rocket Fizz Shop and continuing for 30 days after your Rocket Fizz Shop opens for business, spend up to $2,000 to conduct grand opening marketing and promotion per the Grand Opening Plan approved by us Within 30 days of the Grand Opening for your Rocket Fizz Shop, you must submit evidence to us of the Grand Opening expenditures

8 You will need approximately 1,500 - 2,500 usable square feet of floor area to operate your Rocket Fizz Shop Rental expenses will vary widely and by significant amounts depending on the local market and specific property, due to factors such as condition, location, geographic area, and square footage of the space, whether the property is purchased or leased, zoning requirements, supply and demand, and general economic conditions The average monthly rent for retail space ranges from approximately $1,800 to $12 500 per month but monthly rental costs may be less or substantially more in certain areas in the United States These estimates assume that your location will be a leased, unimproved, unfinished retail store-type unit and are based on the assumption that the premises will be rented and that the landlord will require a security deposit equal to one months' rent Some landlords may charge you a higher security deposit A typical Rocket Fizz Shop will be located in a densely populated suburban or urban area on a major thoroughfare or adjacent to a strip shopping center

9 This estimate includes legal review and negotiation of the lease for the franchised Rocket Fizz Shop and accounting assistance in setting up your books

10 This estimate includes the cost of sending your Principal Owner, General Manager and a third managerial or supervisorial person to attend our Initial Training Program in Camarillo, California You must arrange and pay for the transportation, meals and lodging for you and your supervisorial or managerial personnel who attend our Initial Training Program We do not charge a tuition fee for the Initial Training Program, however, you will be responsible for any salaries, meals, lodging other living expenses and transportation costs incurred by your supervisorial or managerial personnel while attending the Initial Training Program This estimate also includes the pre-opening training salaries for your managers and employees at the Rocket Fizz Shop

11 The Initial Franchise Fee is $54,000 for a new Rocket Fizz Shop The Initial Franchise Fee is described in Item 5 of this Disclosure Document If you sign an Area Development Agreement, you must pay a Development Fee equal to $10,000 multiplied by the number of Rocket Fizz Shops that you must open and you must pay us an Initial Franchise Fee of $54 000 for your first Rocket Fizz Shop and $45,000 for each subsequent Rocket Fizz Shop We will credit $10,000 of your Development Fee against the Initial Franchise Fee for each Rocket Fizz Shop (not to exceed a credit of $10,000 for any single Rocket Fizz Shop) so you will only have to pay us $10,000 when you sign your Franchise Agreements for new Rocket Fizz Shops The estimates in the charts above do not reflect the $10,000 credit we grant you against the Initial Franchise Fee you must pay when signing each Franchise Agreement We generally do not provide financing for the Initial

Franchise Fee or Development Fee We may do so if you meet our then-current criteria for financing Please see Item 10 for further information

12 You must, at all times, maintain adequate reserves and working capital sufficient for you to fulfill all of your obligations under the Franchise Agreement and to cover the risks and contingencies of the Rocket Fizz Shop for at least 3 months The estimates provided above include estimated employee wages, 3 months of inventory (including Rocket Fizz Shop equipment), facility expenses, opening cash, and other required expenses through the first three months of operations These estimates do not take into account the finance charges, interest and related costs you may incur if any portion for the initial investment is financed or all other recurring monthly operating expenses These amounts are the minimum recommended levels to cover operating expenses, including employee's salaries for 3 months However, the amounts specified may not be adequate Additional working capital may be required if sales are low or fixed costs are high The disclosure laws require us to include this estimate of all costs and expenses to operate your Franchise during the ' **initial phase** of your business, which is defined as a 3 month period or longer period if **reasonable for the industry** ' We are not aware of any established longer **reasonable period'** for the retail confections industry, so our disclosure covers a 3 month period We make no guarantee, and do not intend to imply, that 3 months is a "break even point for you to recover your initial investment in your Rocket Fizz Shop We make no representation regarding how long it will take you to recover your initial investment or to become profitable

13 We relied on the experience of our affiliates in operating company-owned Rocket Fizz Shops in developing these estimates, and the experiences of our franchisees if and to the extent that they shared this information with us You should review these estimates carefully with a business advisor before making any decision to purchase the franchise

14 The Initial Investment for your first Rocket Fizz Shop is taken from the chart above, entitled Estimated Initial Investment Single Shop

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Except as described below, you have no obligation to purchase or lease from us or from suppliers approved by us or according to specifications we issue

Rocket Fizz Approved Suppliers

You must purchase all **Rocket Fizz Authorized Products** (as defined below) only from suppliers that we have accepted and approved (**Rocket Fizz Approved Suppliers**) because they have demonstrated to us their ability to supply products and services for Rocket Fizz Shops meeting our specifications as to brand names, models, contents, manner of preparation, quality, compliance with governmental standards and regulations, reliability with respect to delivery and consistency in the quality of their products or services We will provide you with our Manuals and various supplemental bulletins and notices that will contain the specifications, standards and restrictions on your purchase of products and services Upon request we will furnish to you a list of Rocket Fizz Approved Suppliers that we may update from time to time You must operate your Rocket Fizz Shop in strict compliance with the standard procedures, policies, rules and regulations contained in the Manuals R3 Distribution is a Rocket Fizz Approved Supplier and is the only Rocket Fizz Approved Supplier of Rocket Fizz Branded Products and Rocket Fizz Proprietary Products

Rocket Fizz Authorized Products

You must sell all and only the products we authorize ("**Rocket Fizz Authorized Products**) that are sold and/or manufactured in strict accordance with our standards and specifications, including specifications as to brand names, which may include pre-packaged confection and beverage products, packaging, clothing, souvenirs and novelty items ' **Rocket Fizz Branded Products**' are products that bear any of the Rocket Fizz Marks, including products that are manufactured in strict accordance with our standards and specifications, including clothing, souvenirs and novelty items ' **Rocket Fizz Proprietary Products** ' are products which are produced or manufactured strictly in accordance with our trade secrets or that we designate as proprietary You must buy Rocket Fizz Branded Products and Rocket Fizz Proprietary Products only from R3 Distribution or our other Rocket Fizz Approved Suppliers R3 Distribution will derive revenue from our franchisees' purchase of Rocket Fizz Branded Products and Rocket Fizz Proprietary Products We will not be obligated to reveal our trade secrets, including specifications for Rocket Fizz Proprietary Products, to you or any third party You must purchase, use, and maintain in stock a sufficient amount of Rocket Fizz Branded Products and Rocket Fizz Proprietary Products to operate your Rocket Fizz Shop You must comply with all merchandising and inventory requirements set forth in the Manuals or otherwise, including the requirement to maximize your Rocket Fizz Shop's space, change the window displays of your Rocket Fizz Shop a minimum of 6 times per year to reflect the season and/or major U S holidays during that season, and reorganize 25% of the inventory displays in your Rocket Fizz Shop each month

Non-Proprietary Products

We may designate certain products, including food and beverage products raw materials, fixtures, furnishings, equipment, uniforms, supplies, paper goods, services, packaging, forms, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Rocket Fizz Branded Products and Rocket Fizz Proprietary Products that you may or must use, offer and sell at the Rocket Fizz Shop (' **Non-Proprietary Products**) You may use, offer or sell only those Non-Proprietary Products that we expressly authorize You will purchase Non-Proprietary Products from Rocket Fizz Approved Suppliers Each supplier we approve must comply with our usual and customary requirements regarding insurance, indemnification, and non-disclosure, and satisfy us that it will supply products meeting our specifications (which may include particular brand names model, contents, quality and compliance with governmental standards), reliably deliver consistent quality products or services, and meet any other requirements we determine is in the best interest of the Rocket Fizz System We may limit items to a particular brand or brands set by us

Minimum Purchase Standards

You must purchase sufficient Rocket Fizz Authorized Products to continuously maintain a 3 week volume or rotation of inventory in your Rocket Fizz Shop (the ' **Minimum Purchase Standards**) We can change our Minimum Purchase Standards at any time Initially, the Minimum Purchase Standards will be an estimate, but will later be based on your average weekly and quarterly sales at your Rocket Fizz Shop If you fail to satisfy the Minimum Purchase Standards or any replacement standards for 2 consecutive calendar quarters or 3 calendar quarters in any 18 calendar month period, we can reduce, eliminate or modify your Protected Area on 90 days written notice to you in addition to all other remedies available to us under your Franchise Agreement and applicable law We may revise our Minimum Purchase Standards on 90 days written notice to you

Equipment & Fixtures

You must purchase and install, at your expense, all fixtures, furnishings, equipment (including a point-of-sale cash collection system), décor, and signs as we direct You may not install on or about your Rocket Fizz Shop any merchandise, furnishings, interior or exterior decor items supplies fixtures, equipment or utensils unless they have been approved by us in writing You may purchase these items from a Rocket Fizz Approved Supplier

Computer Hardware and Software

You must purchase, lease or license all computer hardware and software designated by us for the Rocket Fizz Shop at your expense You must maintain and update all computer hardware and software that we require

Recommended Suppliers

If you wish to procure any items from a supplier other than us or a Rocket Fizz Approved Supplier, you must obtain our approval You must identify the proposed supplier (a **Franchisee Recommended Supplier**') its name and address, and the items you desire to purchase from that supplier We may require you to deliver a sample of their product Our specifications and standards for supplier approval are generally available upon written request If product specifications for the item are not in the Manuals, we will furnish the general, but not manufacturing, specifications for Non-Proprietary Products to you at your request We may condition our approval on the Franchisee Recommended Supplier agreeing in writing not to disclose any confidential information regarding us or our operations, to comply faithfully with our specifications for the items it sells, to sell any materials bearing the Rocket Fizz Marks only to our franchisees, and on the Franchisee Recommended Supplier demonstrating to our reasonable satisfaction that it is able to supply commodities meeting our specifications on a continuing basis, and that the Franchisee Recommended Supplier is, and will continue to be, of good standing in the business community with regard to its financial soundness and the reliability of its product and service We also have the right to require as a condition of approval, that our representatives are permitted to inspect the Franchisee Recommended Supplier s facilities and that you deliver to us and/or to an independent, certified laboratory designated by us, all information, specifications and samples that we reasonably designate for testing You must pay us a fee not to exceed the reasonable cost of the inspection and the actual cost of the test In addition to product testing, a facility audit may be required You will be responsible for any additional costs and expenses associated with the inspection of the facility (see Item 6 above for more information regarding the new product/supplier testing fees) We will use our good faith efforts to notify you of our decision within 60 days after we receive your request for approval and all requested back-up information You may not use a Franchisee Recommended Supplier unless we notify you of our approval in writing We may revoke a Franchisee Recommended Supplier s approval for failure to comply with our requirements and specifications We will disapprove or withdraw our approval of any Franchisee Recommended Supplier by written notice to you We may also identify suppliers (**Franchisor Recommended Suppliers**) Rocket Fizz Approved Supplier that you may use to purchase products for your Rocket Fizz Shop

For the fiscal year ending December 31, 2017, our revenues from franchisees purchases or leases of required products/services from us were $125,329 77, or 6 5% of our total revenues of $1,918 597 27 based upon our audited financial statement for that period For the fiscal year ending December 31 2017 R3 Distribution s revenues from franchisees purchases or leases of required products/services were $10 887 981 75, or 92 8% of its total revenues of $11,728,099 20 based upon R3 Distribution s unaudited financial statement for that period

We and/or R3 Distribution may, from time to time, receive rebates from Rocket Fizz Approved Suppliers, Franchisor Recommended Suppliers or Franchisee Recommended Suppliers based on aggregate purchases of Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and Non-Proprietary Products made by our franchisees You will not be entitled to receive any portion of these rebates Rebates and allowances will generally be a percentage of the revenue derived by the Rocket Fizz Approved Supplier, Franchisor Recommended Suppliers and Franchisee Recommended Suppliers from sales to our franchisees, will be included in our general revenue or R3 Distributions general revenue, and may be used for a variety of purposes including ongoing programs education, marketing, advertising, seminars and conferences, the handling of inquiries and complaints from franchisees customers and for general and administrative expenses These rebates and allowance funds made be used for any purpose in our sole discretion For the fiscal year ending December 31 2017, we derived no revenue in the form of rebates from suppliers as a result of required purchases by franchisees For the fiscal year ending December 31, 2017 R3 Distribution derived revenues of $305,764 93, representing approximately 2 6% of its total income of $11,728,099 20, in the form of rebates from suppliers as a result of required purchases by franchisees In addition, we may negotiate certain arrangements (including price terms) for the purchase of certain items with suppliers We do not provide material benefits to franchisees (for example, renewal or granting additional franchises) based upon their purchase of particular products or services or use of particular suppliers There are currently no purchasing or distribution cooperatives for the System

Approximately 99% of your start-up expenses and 99% of your ongoing expenses will be for purchases from Rocket Fizz Approved Suppliers or purchases according to our specifications

<u>Insurance</u>

You must obtain and maintain throughout the term of your Franchise Agreement the types and amounts of insurance required by us and you must provide us with proof of coverage and Certificates of Insurance upon demand Workers Compensation insurance must be in compliance with all local laws and regulations This insurance must protect both you and us against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense whatsoever arising or occurring upon or in connection with the operation of your Rocket Fizz Shop Each policy must (i) be written by insurers licensed and admitted to write coverage in the jurisdiction in which your Rocket Fizz Shop is located and with a rating of A or better as set forth in the most recent edition of Best s Key Rating Guide, (ii) name us as an additional insured (with the exception of the Employment Practices Liability Insurance), and (iii) comply with the requirements prescribed by us at the time the policies are obtained You and your insurers must agree to waive their rights of subrogation against us, and you must provide evidence of the waiver Our current insurance requirements are

<u>Required Coverage</u>	<u>Minimum Limits of Coverage</u>
General Aggregate	$3,000 000
Products/Completed Operations Aggregate	$1,000,000
Personal and Marketing Injury	$1,000,000
Each Occurrence	$1,000,000
Fire Damage (any one fire)	$100,000
Medical Expense (any one person)	$5,000 00
Employment Practices Liability Insurance	$1 000,000
Worker s Compensation Statutory	varies by state

Business interruption insurance for actual losses sustained for a minimum of 12 months

Automobile Liability Insurance, including owned, hired and non-owned vehicles coverage, with a combined single limit of at least $1,000,000

<u>**Credit Cards**</u>

You are required to honor all credit, charge, courtesy and cash cards approved by us in writing To the extent you store, process, transmit or otherwise access or possess cardholder data in connection with selling Rocket Fizz Authorized Products, you are required to maintain the security of cardholder data and adhere to the then-current Payment Card Industry Data Security Standards ("**PCI DSS**), currently found at www pcisecuritystandards org for the protection of cardholder data throughout the Term of your Franchise Agreement You are responsible for the security of cardholder data in the possession or control of any of subcontractors you engage to process credit cards All subcontractors must be identified to and approved by us in writing prior to sharing cardholder data with the subcontractor You must, if requested to do so by us, provide appropriate documentation to us to demonstrate compliance with applicable PCI DSS requirements by you and all identified subcontractors

<u>**Gift Cards and Loyalty Programs**</u>

You may not create or issue any gift certificates or gift cards and may only sell gift certificates or gift cards that have been issued by us that are accepted at all Rocket Fizz Shops You must participate in all gift certificate and/or gift card administration programs as we may designate from time to time You must honor all coupons, gift certificates, gift cards and other programs or promotions we direct You must fully participate in all guest loyalty or frequent customer programs now or in the future adopted or approved by us You must not issue coupons or discounts of any type for use at the Rocket Fizz Shop except as approved by us in writing

There are no restrictions as to whom you may sell the goods or services

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION(S) IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a Site selection and acquisition/lease	Sections 5 1 – 5 3 of the Franchise Agreement, Sections 5 1-5 3 of the Area Development Agreement	Items 8 11 and 12
b Pre-opening purchases/leases	Section 5 2 – 5 4 of the Franchise Agreement Section 5 2 of the Area Development Agreement	Items 5 7 and 8
c Site development and other pre-opening requirements	Sections 5 3 –5 5 of the Franchise Agreement, Sections 2, 6 1-6 2 and Exhibit B of the Area Development Agreement	Items 7, 8 and 11
d Initial and ongoing training	Sections 7 2 – 7 5 of the Franchise Agreement	Items 6, 11 and 15
e Opening	Section 5 5 of the Franchise Agreement	Item 11
f Fees	Sections 3 3 1, 3 3 3, 4 1 – 4 6 5 6, 6 8, 7 2 – 7 5, 7 20, 7 27, 7 28, 9 4, 10 1 3, 11 4, and 14 4 7 of the Franchise Agreement Sections 4, 9 4 8 and Exhibit B of the Area Development Agreement	Items 5, 6 and 7
g Compliance with standards and policies/Manuals	Article 7 of the Franchise Agreement, Articles 6 and 16 of the Area Development Agreement	Items 11 and 16
h Trademarks and proprietary information	Sections 9 1 – 9 4 of the Franchise Agreement, Articles 7 and 8 of the Area Development Agreement	Items 11, 13 and 14
i Restrictions on products/services offered	Sections 8 1 – 8 5 of the Franchise Agreement Section 6 2 of the Area Development Agreement	Items 8 and 16
j Warranty and customer service requirements	Not Applicable	Not Applicable
k Territorial development and sales quotas	Section 7 10 of the Franchise Agreement, Sections 2 1, 2 3, 2 5, 2 6 and 6 1 of the Area Development Agreement	Item 12
l Ongoing product/service purchases	Sections 7 6, 7 9, 7 10, 7 12 8 1, 8 3 8 4, 8 5 and 10 3 of the Franchise Agreement	Items 8 and 16
m Maintenance, appearance and remodeling requirements	Sections 5 4 7 16, 7 17, 7 22, 7 24 and 7 25 of the Franchise Agreement	Items 7 and 11(f)

OBLIGATION	SECTION(S) IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
n Insurance	Sections 13 1 – 13 3 of the Franchise Agreement, Section 6 3 of the Area Development Agreement	Items 6 and 11
o Marketing	Article 10 of the Franchise Agreement	Items 6, 11 and 13
p Indemnification	Section 18 4 of the Franchise Agreement, Section 14 4 of the Area Development Agreement	Items 12 and 17
q Owner s participation/ management/staffing	Section 7 13 of the Franchise Agreement	Item 15
r Records and reports	Sections 12 1 – 12 4 of the Franchise Agreement	Items 6 and 17
s Inspections and audits	Section 12 3 of the Franchise Agreement	Items 6 and 17
t Transfer	Article 14 of the Franchise Agreement, Articles 9 and 10 of the Area Development Agreement	Items 6 and 17
u Renewal	Sections 3 2-3 4 of the Franchise Agreement, Section 2 6 of the Area Development Agreement	Items 6 and 17
v Post-termination obligations	Article 17 of the Franchise Agreement Article 12 of the Area Development Agreement	Items 6 and 17
w Non-competition covenants	Section 15 2 – 15 4 of the Franchise Agreement, Article 13 of the Area Development Agreement	Item 17
x Dispute resolution	Article 19 of the Franchise Agreement, Article 15 of the Area Development Agreement	Item 17
y Taxes & Permits	Sections 4 5, 4 8, 5 4, 7 17 and 12 3 of the Franchise Agreement	Items 1, 7 and 11
z Computer hardware and software	Section 7 8 of the Franchise Agreement	Items 8 and 11
Other Security Interest	Section 4 9 of the Franchise Agreement	Item 10

ITEM 10
FINANCING

The Initial Franchise Fee is generally paid in full when you sign our Franchise Agreement We may at our option, finance a portion of the Initial Franchise Fee if you meet our then-current criteria for financing If we do provide financing, the amount financed will be payable in full, with interest at a rate equal to the Prime Rate of interest as published by the Western Edition of the Wall Street Journal, in up to 12 months after we sign the Franchise Agreement You must sign a Promissory Note and a Guarantee for the amount we finance Repayment of the amount financed will be secured by the assets of your Rocket Fizz Shop You may prepay the amount financed with no prepayment penalty If you default under your financing arrangement with us, or if you are in default under your Franchise Agreement, we may demand immediate payment of all principal and interest due under the Promissory Note You waive all rights of presentment, protest and demand, notice of protest, demand, dishonor and nonpayment, notice of acceleration, notice of intent to accelerate, and any and all other similar notices, except the notice of default to be given if you don t make your payments under the Promissory Note We do not plan to sell, assign or discount to a third party any financing arrangement disclosed above

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

Except as listed below, we are not required to provide any assistance to you

__Before Opening__

We have the following obligations to you before you open your Rocket Fizz Shop for business

1 __**Rocket Fizz Shop Site Selection Assistance**__ You are solely responsible for selection of the proposed site of your Rocket Fizz Shop, which will be subject to our review and acceptance Upon signing a Franchise Agreement, you must promptly locate a proposed site We may, without obligation, assist you in locating a proposed site, only after you sign the Franchise Agreement and pay the Initial Franchise Fee We will provide you with our site criteria that include the factors we consider in accepting Rocket Fizz Shop locations, such as general location and neighborhood, traffic patterns, parking, size, physical characteristics of existing buildings and lease terms (__**Franchise Agreement, Sections 5 1 and 5 3**__)

2 __**Site Design Assistance**__ We will provide you with a copy of our specifications for the decor and layout of a Rocket Fizz Shop and the required fixtures, equipment, furnishings, decor, trade dress and signs You are responsible for the costs of preparing architectural engineering and construction drawings and site and space layout and exterior signage plans You must use an approved architect and designer to design and construct your Rocket Fizz Shop You are responsible for the cost of construction and remodeling of your Rocket Fizz Shop (__**Franchise Agreement, Section 5 4**__)

3 __**Manuals**__ After you sign your Franchise Agreement we will loan you one copy of or otherwise provide you with access to our Manuals to use during the term of the Franchise Agreement by hard copy or via the intranet The Manuals contain our standard operational procedures, policies rules and regulations with which you must comply We may, from time to time, update or change the Manuals in our sole discretion (__**Franchise Agreement, Section 6 5**__) You will be given the opportunity to review the Manuals before you sign your Franchise Agreement You must operate your Rocket Fizz Shop in compliance with the terms of your Franchise Agreement and the Manuals Our Manual(s) consist of 62pages You alone will exercise day-to-day control over all operations, activities and elements of your Rocket Fizz Shop, including over your employees Under no circumstances will we do so or be deemed to do so The various requirements restrictions, prohibitions, specifications and procedures of the Rocket Fizz System with which you must comply under the Franchise Agreement and the Manuals do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Rocket Fizz Shop, but only constitute standards to which you must adhere when exercising your control over the day-to-day operations of your Rocket Fizz Shop consistent with our policies (__**Franchise Agreement, Section 7 1**__)

4 **Pre-Opening Initial Training Program** We will provide initial training at our corporate office for up to 3 persons you select, who must include the Principal Owner and the General Manager or other supervisorial or managerial personnel **(Franchise Agreement, Section 6 1)**

5 **Opening Inventory** R3 Distribution will sell you your opening inventory of Rocket Fizz Branded Products and Rocket Fizz Proprietary Products **(Franchise Agreement, Section 8 1)**

6 **Post-Opening On-Site Assistance** We will provide on-site training and assistance for approximately 3 – 4 days before and/or after your first Rocket Fizz Shop opens for business to the public On-site opening assistance will not be provided if you or any of your affiliates own or operate a Rocket Fizz Shop or if your Franchise Agreement is executed as a Renewal Franchise Agreement We will select the representatives who will provide the on-site training and the length of time that on-site training will be provided (**Franchise Agreement, Section 6 3**)

7 **Rocket Fizz Approved Suppliers** We will designate our Rocket Fizz Approved Suppliers for you after we sign your Franchise Agreement All Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and Non-Proprietary Products that we designate for use and sale at your Rocket Fizz Shop must be purchased from Rocket Fizz Approved Suppliers **(Franchise Agreement, Section 8 1)**

Post-Opening Obligations

We have the following obligations to you during the operation of your Rocket Fizz Shop

1 **Post-Opening Consultation** We may provide regular consultation and advice to you in response to inquiries from you regarding administrative and operating issues that you bring to our attention We may make recommendations that we deem appropriate to assist your efforts However, you alone will establish all requirements, consistent with our policies regarding (i) employment policies, hiring, firing, training, wage and hour requirements, record keeping, supervision, and discipline of employees, (ii) the individuals to whom you will offer and sell your products and services, and (iii) the suppliers from whom you obtain any products or services used in or at your Rocket Fizz Shop for which we have not established Rocket Fizz Approved Suppliers (**Franchise Agreement, Section 6 6**)

2 **Post-Opening Initial Training Programs** We may provide Post-Opening Initial Training Programs for your supervisorial and managerial personnel (**Franchise Agreement, Section 6 2**)

3 **Post-Opening On-Site Assistance** We will provide on-site training and assistance for approximately 3 – 4 days before and/or after your first Rocket Fizz Shop opens for business to the public (**Franchise Agreement, Section 6 3**)

4 **Post-Opening Additional Training Programs** We may provide additional and remedial training programs for new or replacement supervisorial or managerial personnel ('**Post-Opening Additional Training Programs**) (**Franchise Agreement, Section 6 4**)

5 **Rocket Fizz Authorized Products** We will designate Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and Non-Proprietary Products that you may or must stock and promote **(Franchise Agreement, Sections 8 1)**

6 **Inventory** R3 Distribution will sell you your continuing inventory of Rocket Fizz Proprietary Products **(Franchise Agreement, Section 8 1)**

7 **Pricing Guidelines** We may provide pricing guidelines for Rocket Fizz Authorized Products, subject to Applicable Law **(Franchise Agreement, Section 7 11)**

8 **Manuals** We will continue to provide you with access to our Manuals during the term of your Franchise Agreement which may include audio video, compact disks, computer software, other electronic media and/or written materials We may, from time to time update or change the Manuals in our sole discretion **(Franchise Agreement, Sections 6 5 and 7 6)**

9 **Rocket Fizz Marks and Rocket Fizz System** We will permit you to use the Rocket Fizz Marks and the Rocket Fizz System during the term of your Franchise Agreement **(Franchise Agreement, Section 2 1)**

10 **Confidential Information** We will provide you with access to our confidential information during the term of your Franchise Agreement **(Franchise Agreement, Section 11.1)**

11 **Post-Opening Inspections** We may examine your Rocket Fizz Shop to confer with your supervisorial or managerial personnel, inspect and check operations, inventory, furnishings, interior and exterior decor, supplies, fixtures and equipment, and determine whether your Rocket Fizz Shop is being operated in accordance with the Franchise Agreement Rocket Fizz System and the Manuals **(Franchise Agreement, Section 6 7)**

12 **Toll Free Telephone Number** We may now or in the future establish a toll free telephone number for the purpose of accepting and confirming customer orders nationwide, customer service, and customer follow-up and satisfaction surveys If we establish a toll free number, you must comply with our procedures for implementing the nationwide service as we specify in the Manuals or otherwise in writing **(Franchise Agreement, Section 6 9)**

Length of Time to Open Your Rocket Fizz Shop

You must open your Rocket Fizz Shop for business within 180 days after signing your Franchise Agreement, unless we agree otherwise **(Franchise Agreement, Section 5 5)**

A Rocket Fizz Shop usually opens for business 180 days after the Franchise Agreement is signed or the location is accepted Factors which may affect the length of time between signing of the Franchise Agreement and opening for business include the time necessary to identify a location which we will accept obtain any financing you need, obtain required permits and governmental agency approvals, fulfill local ordinance requirements, complete construction, remodeling, alteration, and improvement of the Franchised Location, including the installation of fixtures, equipment, and signs and complete the hiring and training of personnel Delay in construction may be caused by inclement weather, material or labor shortages labor actions slow deliveries, equipment shortages and similar factors

You may open a Rocket Fizz Shop under the Area Development Agreement only by signing a Franchise Agreement for that location As noted above, we estimate the length of time between signing a Franchise Agreement and the opening of your Rocket Fizz Shop is 180 days

Site Selection/Lease/Purchase of Real Estate

If you do not already have a location when you sign your Franchise Agreement you must lease or purchase a site for your Rocket Fizz Shop promptly after you sign the Franchise Agreement You may not construe any assistance we may provide, or our acceptance as a guarantee or other assurance that the proposed site will be successful Upon locating a proposed site, you will submit in writing certain information we request We will notify you in writing whether the site is accepted or rejected within about 30 days after we receive all of the information we require to evaluate the site You must submit your proposed lease to us to allow us at least 15 days to confirm that the required provisions in Section 5 3 of the Franchise Agreement have been included in the lease and/or that you and your landlord have executed an Option to Obtain Lease Assignment (**Exhibit C**) in the form we specify and you must provide us with a fully signed copy of any lease you sign following our acceptance (**Franchise Agreement Section 5 2**) We will consult with you regarding the terms of your Lease and your negotiations with your landlord at your request, however, you will be solely responsible for negotiating the terms of your Lease and deciding the terms of your Lease and should do so in consultation with legal counsel experienced in real estate law You must open your Rocket Fizz Shop within 180 days after signing your Franchise Agreement We will not unreasonably withhold our consent to your request for additional time to open your Rocket Fizz Shop You must submit your proposed lease to us to allow us at least 15 days to confirm that the required provisions in Section 5 3 of the Franchise Agreement have been included in the lease and that you and your landlord have signed an Option to Obtain Lease Assignment (**Exhibit C**) in the form we specify, and you must provide us with a fully signed copy of your Lease (**Franchise Agreement, Section 5 3**) Our acceptance of your lease is based solely on our own interests and does not represent any guarantee or endorsement by us of the Franchised Location or confirmation that the lease complies with applicable law or that the terms of the lease are favorable to you If we accept the proposed site, we will notify you of our preliminary acceptance of the site within about 30 days (or 15 days after you provide any supplemental information we request) Your lease must not (i) obligate us in any manner or (ii) contain any provision inconsistent with your Franchise Agreement In addition, your lease must provide for the following (i) the Lease may not be amended, assigned or sublet without our prior written consent, (ii) we have the right (but not the obligation) to succeed to your rights under the Lease if you fail to exercise any option to renew and/or extend the term of the Lease, (iii) if you default under the Lease, the Landlord must notify us in writing at least 15 days prior to the termination or non-renewal of the Lease, (iv) we have an option to assume the Lease upon the termination or expiration of the Lease for any reason by giving written notice of the election to you and the Landlord, (v) you have the unrestricted right, without the Landlord's consent, to assign or sublet the Franchised Location to us, or any franchisee or licensee approved by us, and (vi) we have the right to enter the Franchised Location to remove all of the Rocket Fizz Marks from the Franchised Location and modify the decor of the Franchised Location so that it no longer resembles, in whole or in part, an Rocket Fizz Shop if you fail to do so (**Franchise Agreement, Section 5 3**) You and we must agree on a site and you must obtain all permits required to construct, remodel renovate, and equip the Rocket Fizz Shop and open your Rocket Fizz Shop within 180 days after signing your Franchise Agreement, or we may terminate your Franchise Agreement (**Franchise Agreement, Sections 5 4 and 16 2 15**) If you are purchasing the Franchised Location, you must submit the contract for purchase and sale to us for approval at least 15 days before you sign it, and provide a fully signed copy of the contract to us within 15 days following closing

When you sign each Franchise Agreement under an Area Development Agreement, you must locate sites for your Rocket Fizz Shops We must approve the site and our then-current standards for Rocket Fizz Shop sites will apply After you have located a site, you must submit it to us for our review and request us to consider and approve the site Following receipt of our acceptance of a site you must negotiate a lease or purchase agreement for the site and submit a copy to us (**Area Development Agreement, Section 5 2**) We will then give you execution copies of our then-current Franchise Agreement for the proposed location You must return the signed Franchise Agreement to us within 30 days after you receive the execution copies of the Franchise Agreement (**<u>Area Development Agreement, Section 5 2</u>**) You may not enter into any Lease for a site unless and until we have approved the site and the Lease in writing (**<u>Area Development Agreement, Section 5 2</u>**)

You may not open your Rocket Fizz Shop at the Franchised Location for business until you have received our written authorization, which may be subject to our satisfactory inspection of the Rocket Fizz Shop at the Franchised Location (**<u>Franchise Agreement, Section 5 5</u>**)

<u>POS System, Security System, Computer Hardware and Software</u>

You must purchase and install, use and maintain a POS System that we designate and a back office computer and printer (including all related hardware and software), as specified in the Manuals or by us in writing Your POS System must be capable of accessing the Internet for the purpose of implementing software transmitting and receiving data, and for ordering and maintaining the POS System We will have independent access to your POS System The POS System must be electronically linked to us, and you must allow us to poll the POS System on a daily or other basis at the times and in the manner established by us, with or without notice, and to retrieve transaction information including sales, sales mix, inventory, usage, and other operations data that we deem appropriate We may require that you update upgrade or replace the POS System including hardware and/or software, upon written notice, provided that you will not be required to replace the POS System any more frequently than once every 3 years The POS System must include the required technology to permit you to accept online orders of Rocket Fizz products and services at your Rocket Fizz Shop and to accept and process Rocket Fizz gift cards sold in other Rocket Fizz Shops In addition, you must purchase, lease or license all computer hardware and software designated by us for your Rocket Fizz Shop at your expense During the term of your Franchise Agreement, you must maintain and update all computer hardware and software as required by us (**<u>Franchise Agreement, Section 7 8</u>**)

We estimate that the total cost for your POS system, and related hardware and software will range from $1,000 to $2,500, depending upon the configuration of the equipment you purchase, which is dictated by the needs of each Rocket Fizz Shop, and by the then-current price of computer hardware, which fluctuates over time You must purchase the POS System designated by us Annual maintenance costs to the POS System range from $400 to $600 per year You must upgrade the POS System if we instruct you to do so

<u>Internet</u>

We have registered the Internet domain name <u>www rocketfizz com</u> and have established a website using this domain name You acknowledge that the domain name is our sole property You may not use in any manner, any computer medium or electronic medium (for example, any Internet home page e-mail address, website domain name URL, bulletin board, newsgroup or other Internet related medium or activity) that contains the Rocket Fizz Marks, or any other words, symbols or terms confusingly similar to the Rocket Fizz Marks without our express prior written consent We may include on our Internet web site interior pages that identify all Rocket Fizz Shops, including your Rocket Fizz Shop (**<u>Franchise Agreement, Sections 10 5 and 10 6)</u>**

We have the sole right to market on the Internet and use the Rocket Fizz Marks on the Internet, including all use of websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, cobranding and other arrangements, and in all other forms of electronic media You may not separately register any domain name or any portion of a domain name containing the Rocket Fizz Marks or participate or market on any website or other form of electronic media (including social technology, social media and social networking platforms) using the Rocket Fizz Marks unless you first obtain written approval from us Your general conduct on the Internet or other forms of electronic media, including your use of the Rocket Fizz Marks or any advertising, is subject to the terms and conditions of the Franchise Agreement and any other rules, requirements or policies that we may identify (**Franchise Agreement Sections 2 3 and 10 5, 10 6 and 10 7**)

Intranet

We may, at our option, establish an Intranet through which our franchisees may communicate with each other, and through which we may communicate with you and may disseminate the Manuals, updates and other confidential information to you If we establish an Intranet, you must establish and maintain an electronic connection with the Intranet that allows us to send messages to and receive messages from you We will have sole discretion and control over all aspects of the Intranet, including the content and functionality of the Intranet You will have the privilege, but not the right to use the Intranet, subject to your compliance with our policies (**Franchise Agreement Section 7 23**)

Electronic Commerce

We may, in our discretion, use our websites described above or may establish another facility on the Internet for the purpose of engaging in the sale of products and services identified with the Rocket Fizz Marks, both within and outside of your Protected Area You may not use the Rocket Fizz Marks to advertise promote or sell any Rocket Fizz licensed sodas or candy or Rocket Fizz Branded Products through the Internet, nor may you offer or sell any services that are identified with the Rocket Fizz Marks or any memorabilia or other merchandise that bears the Rocket Fizz Marks through the Internet unless we expressly permitted you to do so (**Franchise Agreement, Section 10 8**)

Rocket Fizz Marketing Fund

You do not have to pay marketing fees to a Marketing Fund at the present time Under the terms of your Franchise Agreement, you may have to spend 1% - 2% of your Gross Revenue for Marketing Fund Fees (**Franchise Agreement, Section 10 1**) We may choose to establish the Marketing Fund at any time in our discretion, upon 90 days' notice If and when the Marketing Fund is implemented, company-owned and affiliate owned Rocket Fizz Shops may but are not required to, contribute to the Marketing Fund If they do, they will not be required to contribute in the same percentage as you and may stop contributing at any time without notice to you (**Franchise Agreement, Sections 10 1**) The Marketing Fund was not established as of December 31, 2017 Consequently there were no contributions to, or expenditures from, any Marketing Fund in 2017

Once the Marketing Fund is established, the Marketing Fund will pay for maintaining, administering and developing advertising, marketing, public relations, and/or promotional programs and materials and any other activities which the Marketing Fund s administrator believes will enhance the image of the Rocket Fizz System These will include the purchase of media and the placement of advertising, preparing and conducting advertising campaigns in print, radio and television, preparing direct mail advertising market research, employing advertising agencies, purchasing promotional items and conducting and administering promotions We anticipate that the advertising will be local, regional and national in scope (**Franchise Agreement, Section 10 1 1**)

We will select the Marketing Fund's administrator when the Marketing Fund is established The administrator will direct all advertising and promotional programs, with sole discretion over the creative concepts, materials, and media used in the programs, and the placement and allocation of the programs Once established the Marketing Fund will be used to maximize general public recognition and acceptance of the Rocket Fizz Marks for the benefit of the Rocket Fizz System, and the administrator will not be obligated, in administering the Marketing Fund to make expenditures for you which are equivalent or proportionate to your contribution, or to ensure that you benefit directly or pro rata from the advertising or promotion conducted under the Marketing Fund (**Franchise Agreement, Sections 10 1 2 and 10 1 3**)

Once the Marketing Fund is established, your contributions will be held in an account maintained by us The Marketing Fund and any earnings will not otherwise inure to our or the administrator's benefit All payments to the Marketing Fund will be maintained in a separate account and will not be used to defray any our expenses except for our reasonable costs and overhead related to the administration or direction of the Marketing Fund and advertising programs including costs of personnel for creating and implementing advertising, promotional and marketing programs An annual statement of the Marketing Fund's operations will be furnished to you upon your request The Marketing Fund's annual statement of operations will not be audited (**Franchise Agreement, Section 10 1 3**)

Once the Marketing Fund is established, any unused monies in the Marketing Fund at the end of a year will be used in the next year (**Franchise Agreement, Section 10 1 3**) Our printed materials and website may also contain references stating that Franchises Are Available and/or that Each Rocket Fizz Franchise Is Independently Owned and Operated to promote the sale of franchises for Rocket Fizz Franchised Businesses With this exception, no portion of the Marketing Fund will be used to solicit or to sell Rocket Fizz franchises to prospective franchisees (**Franchise Agreement, Section 10 1 3**)

Promotional Campaigns

We may conduct promotional campaigns on a national or regional basis to promote products or marketing themes You must participate in all promotional campaigns which we may establish for the region in which your Rocket Fizz Shop is located (**Franchise Agreement, Section 10 3**)

Advisory Council

We may in the future establish an Advisory Council for Rocket Fizz franchisees to work with us and to consult with us on marketing conducted by the Marketing Fund and any other matters that we deem appropriate If an Advisory Council is formed, it will act solely in an advisory capacity, will not have decision making authority, and will be comprised of our representatives and Rocket Fizz franchisees who may be chosen by us or elected by other Rocket Fizz franchisees All Rocket Fizz franchisees who serve on an Advisory Council must pay their own transportation costs food, lodging and similar costs to attend Advisory Council meetings We will have the right to form, change, merge or dissolve any Advisory Council at any time, in our discretion (**Franchise Agreement, Section 10 4**)

Pre-Opening Initial Training Program

We will provide an Initial Training Program in the Rocket Fizz System and methods of operation (the '**Initial Training Program**') at our training facilities in our corporate office or company-owned Rocket Fizz Shop located in Camarillo, California and/or your Franchised Location, for up to 3 supervisorial or managerial personnel selected by you who must include the Principal Owner and General Manager If you send more than 3 persons to the Initial Training Program, you must pay the Pre-Opening Additional Initial Training Fee per day for each additional trainee If the Rocket Fizz Shop is the first Rocket Fizz Shop you will operate, we will provide training, instructors, a training manual, and other materials at no charge to you and your supervisorial or managerial personnel The Initial Training Program will consist of approximately 70 hours of training that must be completed before the Rocket Fizz Shop opens for business You must pay all travel, living, compensation, and other expenses incurred by you to attend the Initial Training Program We will not provide the Initial Training Program if you or your affiliates currently owns or operates a Rocket Fizz Shop or if the Franchise Agreement is executed as a renewal Franchise Agreement (**Franchise Agreement, Sections 6 1 and 7 2**) Our Initial Training Program is described below

INITIAL TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION
Overview of company history, state industry and Rocket Fizz System and components	4 hours	0	Camarillo, California or other designated location
Merchandising	6 hours	0	Camarillo, California or other designated location
Hiring and Managing Good Employees	6 hours	0	Camarillo, California or other designated location
Ordering	12 hours	0	Camarillo, California or other designated location
Theory	6 hours	0	Camarillo California or other designated location
Register/POS System	16 hours	0	Camarillo, California and your franchised location
Marketing	6 hours	0	Camarillo, California or other designated location
Operations	14 hours	0	Camarillo, California or other designated location
TOTAL	**70 hours**	**0**	

The primary instructional material for the Initial Training Program will be the Manuals There will be no additional charge for training material. The Initial Training Program will be supervised by Richard Shane, Robert Powells Ryan Morgan, Angela Morgan, Marcus Mendoza Elle Watt and Debbie Anderson whose experience with us and in the subjects covered by the Initial Training Program is described in Item 2 of this Disclosure Document Our trainers have 4-8 years of experience with Rocket Fizz and 4-8 years of experience in the subjects taught Training will be conducted as often as necessary to ensure that franchisees complete training before their Rocket Fizz Shop opens for business.

Your Principal Owner and General Manager or other supervisorial or managerial personnel must faithfully attend all phases of the Initial Training Program and complete it to our satisfaction, as certified by us in writing. Your or their failure to successfully complete any aspect of the Initial Training Program, as we determine in our sole discretion, constitutes grounds for termination of your Franchise Agreement. (**<u>Franchise Agreement, Section 7.2</u>**) We may allow you to retake the Initial Training Program in our sole discretion. You must pay expenses of travel, lodging, meals and wages incurred by you and your employees while attending any of our training programs. If you request us to provide our Initial Training Program to more than 3 trainees prior to the Opening Date of the Rocket Fizz Shop, you must pay us our then-current Pre-Opening Additional Initial Training Fee for each additional trainee. (**<u>Franchise Agreement, Sections 6.2 and 7.4</u>**)

<u>Post-Opening Initial Training Programs</u>

We may, at your request and in our discretion, provide additional Initial Training Programs ("**Post-Opening Initial Training Programs**") for your new or replacement supervisorial or managerial personnel following the opening of your Rocket Fizz Shop. If you request us to provide our Initial Training Program for your new or replacement supervisorial or managerial personnel following the opening date of the Rocket Fizz Shop, you must pay us our then-current Post-Opening Additional Initial Training Fee for each additional trainee. In addition, you must pay all transportation costs, food, lodging and similar costs incurred in connection with your attendance at the Additional Initial Training Programs. (**<u>Franchise Agreement, Section 7.2</u>**)

<u>Post-Opening On-Site Assistance</u>

For your first Rocket Fizz Shop, we will provide on-site training and assistance at your Rocket Fizz Shop for approximately 3 – 4 days before and/or after your Rocket Fizz Shop opens for business to the public. We may require you to reimburse us for our trainers' travel expenses for all of on-site training. We will select the individuals providing the on-site training and the length of time that on-site training is provided. We will not provide on-site opening assistance for you if you or your affiliates own or operate a Rocket Fizz Shop or if your Franchise Agreement is executed as a renewal Franchise Agreement. (**<u>Franchise Agreement, Section 6.3</u>**)

<u>Post-Opening Additional Training Programs</u>

In our discretion, we may provide you or your Principal Owner and each General Manager or other supervisorial or managerial personnel with additional training programs ("**Post-Opening Additional Training Programs**"). You must pay us our then-current Post-Opening Additional Training Fee for each of our representatives that provides the Post-Opening Additional Training Programs to defray our direct costs of providing the Additional Training Programs. In addition, you must pay all transportation costs, food, lodging and similar costs incurred in connection with your attendance at the Additional Training Programs. **<u>Franchise Agreement, Sections 6.4 and 7.5</u>**)

<u>Franchisee Conference</u>

We may hold an annual Franchisee Conference for all Rocket Fizz franchisees each year The Principal Owner and each General Manager must attend the Franchisee Conference You must pay us a Franchise Conference Fee of up to $1,000 per person to reimburse us for a portion of the direct costs to provide the Franchisee Conference You must pay the Franchise Conference Fee upon demand at least 30 days before the date of the Franchisee Conference, whether or not you attend the Franchisee Conference (**Franchise Agreement, Section 7 27**)

ITEM 12
TERRITORY

Franchise Agreement

You will be permitted to operate your Rocket Fizz Shop at a specific location which we accept, as described in the Franchise Agreement (**Exhibit A**) You will not receive an exclusive territory You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control Our acceptance of your Franchised Location will be based upon a broad variety of factors which may include the viability of the then-current location and demographics including, number of households, household income, vehicular traffic, and number of Rocket Fizz Shops near the proposed new location You may face competition from other Rocket Fizz Shops that we or our affiliates franchise or own and that operate at traditional sites

You will be granted a protected territory which is generally equal to a radius of 1 - 5 miles (or more) from your Franchised Location (the **Protected Area**') We will establish your Protected Area on a case-by-case basis when we approve the Franchised Location Provided you are not in default under your Franchise Agreement, we will not own, operate sell or issue a Rocket Fizz Shop franchise to another franchisee in your Protected Area There are no other radius restrictions or minimum population requirements that limit where we can franchise or operate another Rocket Fizz Shop However, we may, in our discretion, use our websites described in Item 11 or may establish another facility on the Internet in order to sell products and services identified with the Rocket Fizz Marks, both within and outside of your Protected Area

You may not relocate your Rocket Fizz Shop to any other location without our prior written consent If we approve any relocation of your Rocket Fizz Shop, you must pay us a fee of $3,000 and de-identify the former location If you fail to de-identify your former Rocket Fizz Shop, you must reimburse and indemnify and hold us harmless from all costs and expenses, including attorney's fees due to your failure to de-identify

We expressly reserve the exclusive, unrestricted right, in our sole and absolute discretion, directly and indirectly to (i) develop, own and operate, and to grant franchises to third parties to develop own and operate, Rocket Fizz Shops outside your Protected Area, regardless of their proximity to your Rocket Fizz Shop, (ii) develop, own and operate, and to grant franchises to third parties to develop, own and operate any other business, other than a Competitive Business (defined below), under marks and systems different from the Rocket Fizz Marks and the Rocket Fizz System at any location within and outside of the Protected Area, regardless of their proximity to your Rocket Fizz Shop, (iii) sell or distribute, at retail or wholesale, directly or indirectly, or license others to sell or distribute, Rocket Fizz branded products at any location, within and outside the Protected Area, through the Internet mail order catalogs, direct mail advertising and through other distribution methods, and (iv) market on the Internet and use the Rocket Fizz Marks on the Internet, including all use of web sites, domain names, URLs, directory addresses email addresses metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media, (v) own or operate and to franchise or license others to own or operate Rocket Fizz Shops at any Non-Traditional Venue within and outside of your Protected Area regardless of their proximity to your Rocket Fizz Shop, (vi) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Rocket Fizz Shops and franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, (vii) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction) by any business providing products and services similar to those provided at Rocket Fizz Shops, or by another business even if such business operates, franchises and/or licenses **Competitive Businesses**', and (viii) engage in all other activities that your Franchise Agreement does not expressly prohibit We are not required to pay you any compensation if we exercise any of the rights specified above "**Non-Traditional Venues**" mean a broad variety of atypical sites, including a site or location within a captive market site, another primary business or in conjunction with other businesses "**Competitive Business**' means any business that offers soda pop, candy, novelty items and related products and services for sale to the public and any business that looks like, copies, imitates, or operates with similar trade dress or decor to Rocket Fizz Shops

You may not advertise or solicit business outside your Protected Area You have no right to acquire additional franchises, options, rights of first refusal or similar rights to acquire additional franchises, although you may apply for the right to operate additional Rocket Fizz Shops under separate Franchise Agreements

__Minimum Purchase Standards__

You must purchase sufficient Rocket Fizz Authorized Products to satisfy your Minimum Purchase Standards obligation to continuously maintain a 3 week volume or rotation of inventory in your Rocket Fizz Shop We can change our Minimum Purchase Standards at any time Initially, the Minimum Purchase Standards will be an estimate, but will later be based on your average weekly and quarterly sales at your Rocket Fizz Shop If you fail to satisfy the Minimum Purchase Standards or any replacement standards for 2 consecutive calendar quarters or 3 calendar quarters in any 18 calendar month period, we can reduce, eliminate or modify your Protected Area on 90 days written notice to you in addition to all other remedies available to us under your Franchise Agreement and applicable law We may revise our Minimum Purchase Standards on 90 days written notice to you Except for these Minimum Purchase Standards, the continuation of your location rights under your Franchise Agreement does not depend upon the volume of your purchases or sales

__Area Development Agreement__

Under the Area Development Agreement we grant you the right to develop and operate a specified number of Rocket Fizz Shops at venues in a specified Development Area, subject to our approval The Development Area may be one or more cities, counties states, or some other defined area During the term of the Area Development Agreement we will not operate or grant a license or franchise to any other person to operate a Rocket Fizz Shop in your Development Area You must sign an Area Development Agreement and pay us our Initial Development Fee of $10,000 for each Rocket Fizz Shop to be developed under your Area Development Agreement when you sign the Area Development Agreement You must sign a Franchise Agreement and pay our Initial Franchise Fee of $54,000 for your first Rocket Fizz Shop and $45,000 for each subsequent Rocket Fizz Shop that you will open under the Area Development Agreement We will credit $10 000 of your Development Fee against the Initial Franchise Fee for each subsequent Rocket Fizz Shop (not to exceed a credit of $10,000 for any single Rocket Fizz Shop), so you will only pay us $35,000 when you sign your Franchise Agreement for each subsequent Rocket Fizz Shop The Franchise Agreement for your first Rocket Fizz Shop will be in the form attached as **<u>Exhibit A</u>** to this Disclosure Document The Franchise Agreements you will sign for each additional Rocket Fizz Shop will be signed after we accept the site for each Rocket Fizz Shop and will be our then current form of Franchise Agreement that we are then offering to new franchisees, which may contain terms and conditions that are materially different from the form of Franchise Agreement attached to this Disclosure Document as **<u>Exhibit A</u>**

We expressly reserve the exclusive, unrestricted right, in our sole and absolute discretion directly and indirectly to (i) develop, own and operate, and to grant franchises to third parties to develop, own and operate, Rocket Fizz Shops outside the Development Area, regardless of their proximity to the Development Area, (ii) develop, own and operate, and to grant franchises to third parties to develop, own and operate any other business, other than a competitive business, under marks and systems different from the Rocket Fizz Marks and the Rocket Fizz System within and outside the Development Area, (iii) sell or distribute, at retail or wholesale, directly or indirectly or license others to sell or distribute, Rocket Fizz branded products within and outside the Development Area, through the Internet mail order catalogs, direct mail advertising and through other distribution methods (iv) market on the Internet and use the Rocket Fizz Marks on the Internet, including all use of web sites, domain names URLs, directory addresses email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media, (v) own or operate and to franchise or license others to own or operate Rocket Fizz Shops at any Non-Traditional Venue within and outside the Development Area regardless of their proximity to any Rocket Fizz Shops developed or under development by you, (vi) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Rocket Fizz Shops and franchise, license or create similar arrangements with respect to these businesses once acquired wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, (vii) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at Rocket Fizz Shops, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses, and (viii) engage in all other activities that your Area Development Agreement does not explicitly prohibit We are not required to pay you any compensation if we exercise any of the rights specified above Until the termination or expiration of the Area Development Agreement, you retain your right of exclusivity in your Development Area if you comply with your development and other obligations under the Area Development Agreement

If you fail to meet any of your obligations under the Area Development Agreement, including the development obligations, or commit a material breach of any Franchise Agreement you have signed under the Area Development Agreement, or a material breach of any other agreement between you and us, we may terminate your right to develop, open and operate new Rocket Fizz Shops in the Development Area The termination of your right to develop Rocket Fizz Shops in your Development Area, however, will not terminate any rights granted under the Franchise Agreements then in effect between you and us, absent a breach of the Franchise Agreement itself After the expiration of the term of your Area Development Agreement, we may own, operate franchise or license others to operate additional Rocket Fizz Shops anywhere without restriction, including in your Development Area, subject only to the territorial rights reserved to you in the individual Franchise Agreements

If you satisfy the Development Obligation and desire to develop, open and operate additional Rocket Fizz Shops in the Development Area, you will have the right (the **Additional Development Rights**") to extend the term of your Development Agreement for an additional 5 years If you desire to extend the term of your Development Agreement for an additional 5 years, you must no later than 180 days prior to the Expiration

Date, notify us in writing (the '**Additional Development Notice**) that you desire to do so and provide us with a proposal for the development and opening of additional Rocket Fizz Shops in the Development Area (the **Additional Development Obligation**), setting forth the number of additional Rocket Fizz Shops you propose to open and the proposed opening dates for each Rocket Fizz Shop during the extended term (**Area Development Agreement, Section 2.6**) We may, but have no obligation to, accept your proposed Additional Development Obligation or grant you the Additional Development Rights in our sole discretion

If we accept the proposed Additional Development Obligation, you and we will sign our then-current form of Area Development Agreement (the '**Additional Area Development Agreement**") for the Additional Development Obligation if, and only if (i) you have fully performed your obligations under your Area Development Agreement and all other agreements between us and are in good standing on the date of the Additional Development Notice and on the date we sign the Additional Area Development Agreement, (ii) you have demonstrated your then-current financial ability to timely implement and complete the Additional Development Obligation, (iii) you continue to operate the aggregate number of Rocket Fizz Shops in the Development Area as required by your initial development obligation, (iv) you sign the Additional Area Development Agreement and deliver it to us with the initial development fees payable to us for the Additional Development Rights and (v) you sign and deliver a general release to us in a form acceptable to us (**Area Development Agreement, Section 2 6 2**) You must sign our then-current Franchise Agreement and pay us our then-current initial franchise fee for each additional Rocket Fizz Shop you will open in the Development Area (**Area Development Agreement, Section 2.6 1**) If we elect not to grant you the Additional Development Rights, your Area Development Agreement will expire on its scheduled expiration date (**Area Development Agreement, Section 2 6 1**)

General

We have not established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark We describe earlier in this Item 12 what we may do anywhere and at any time

Neither we nor any parent or affiliate has established or presently intends to establish other franchised or company-owned facilities which provide similar products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent

ITEM 13
TRADEMARKS

As a Rocket Fizz franchisee, you are licensed to use and display the trade name **Rocket Fizz**' during the term of your Franchise Agreement and only for the operation of your Rocket Fizz Shop and the sale of Rocket Fizz Authorized Products You may not license or sublicense any trademarks service marks, trade names, logotypes or commercial symbols owned by us or our affiliate Rocket Fizz LLC is the owner of all right, title and interest in the following Rocket Fizz Marks registered on the Principal Register of the U S Patent and Trademark Office (**USPTO**)

MARK	REGISTRATION NUMBER	REGISTRATION DATE
	4 396,621	September 3, 2013
ROCKET FIZZ '	4,396,622	September 3, 2013
	3 677,570	September 1, 2009
'ROCKET FIZZ	3,677,569	September 1, 2009

We claim common law rights to the trade and service marks we license to you We will file all required affidavits when they become due, as prescribed by law

Rocket Fizz LLC has granted us a perpetual license to use the Rocket Fizz Marks for the franchising of Rocket Fizz Shops The license authorizes us to sell franchises for Rocket Fizz Shops Rocket Fizz LLC may only terminate the license for cause With the exception of this license, there are no agreements currently in effect or contemplated that would significantly limit our right to use or license the use of our marks in any manner There are no agreements currently in effect or contemplated that would significantly limit our right to use or license the use of the Rocket Fizz Marks in any manner There are no currently effective material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board the trademark administrator of any state or any court, or any opposition or cancellation proceeding, or any pending litigation involving the trade name Rocket Fizz or the licensed marks We are not aware of any agreements currently in effect that significantly limit our rights to use or license the use of the principal trademarks that are material to the franchise, nor are there any prior superior rights or infringing uses actually known to us that could materially affect your use of the licensed trade name, trademarks, or service marks We have not, however, conducted an exhaustive search of users of names which may be the same or similar to the Rocket Fizz Marks We are not aware of anyone other than the Operating Company who is using **Rocket Fizz**" as a trademark or service mark There may be similar uses to the Rocket Fizz Marks of which we are unaware, which could arise from prior users

You must use the trade name Rocket Fizz without any suffix or prefix attached to it to identify your Rocket Fizz Shop You are prohibited from using our trade name, trademarks, or service marks as part of any corporate name or using the Rocket Fizz trade name with any prefix, suffix, or other modifying words, terms, designs, or symbols You are obligated to file a fictitious business name statement and do all other things necessary to prevent the use of the Rocket Fizz trade name, trademarks or service marks by you from diminishing or destroying the legal protection to which they are entitled

You must notify us of any infringement of, challenge to, or unauthorized use of the licensed name or the Rocket Fizz Marks that comes to your attention, including any claim, suit or demand against you We may take actions we deem appropriate to protect our name or the Rocket Fizz Marks but we are not obligated by the Franchise Agreement to do so

We have the sole right to control any litigation involving our trade name or the Rocket Fizz Marks and to compromise or settle any claim, in our discretion at our sole cost and expense, using lawyers of our own choosing and you must cooperate fully in defending any claim and you may participate at your own expense in the defense or settlement You may not make any demand against any alleged infringer, prosecute any claim or settle or compromise any claim by a third party without our prior written consent You agree in the Franchise Agreement not to contest, directly or indirectly, our ownership, right, title, or interest in the Rocket Fizz Marks, or contest our sole right to register, use or license others to use those names and the Rocket Fizz Marks

We may add to, delete, or modify any or all of the Rocket Fizz Marks You must modify or discontinue the use of the Rocket Fizz Marks, at your expense, if we modify or discontinue it We will not compensate you if we modify or discontinue the Rocket Fizz Marks

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights in or to any patents There are no pending patent or copyright applications that are material to the franchise We have no registered copyrights, but we claim copyright protection for the Manuals and all advertising material that may be distributed by us We will loan you one copy of the Manuals for confidential use in the Rocket Fizz Shop You may not disclose, publish, sell, show or reproduce the Manuals and you must return the Manuals to us intact upon termination or expiration of the Franchise Agreement or Area Development Agreement

We regard our trade secrets, specifications and/or formulas and products and System of operating a Rocket Fizz Shop, and all the information contained in the Manuals, as proprietary information owned by us You agree as part of the Franchise Agreement, not to contest our exclusive ownership of the copyrights trade secrets, processes, methods procedures, formulae, techniques, and other proprietary information to which we claim exclusive rights You are not given any rights in other trade secrets or proprietary or confidential information developed by us in the future You must implement any reasonable procedures we may adopt to protect our trade secrets including restrictions on disclosures to your employees and requiring employees who will have access to our trade secrets to sign employment agreements containing non-disclosure and non-competition provisions

There are no prior superior rights or infringing uses actually known to us that could materially affect your use of the copyrights, trade secrets processes, methods, procedures, or other proprietary information described above There are no agreements currently in effect that limit our rights to use or license the above-mentioned copyrights in any manner

You must not, during or after the term of your Franchise Agreement divulge or use for the benefit of anyone else any confidential information, knowledge, or know-how concerning the Rocket Fizz System, or the methods of operation of the Rocket Fizz Shop (**Rocket Fizz Confidential Information** ') You may divulge Rocket Fizz Confidential Information only to supervisorial or managerial personnel who must have access to it to perform their employment duties All Rocket Fizz Confidential Information and other data (**Rocket Fizz Data**'), which we designate as confidential will be Rocket Fizz Confidential Information for purposes of your Franchise Agreement At our request you must require any supervisorial or managerial personnel having access to any Rocket Fizz Confidential Information to sign covenants that they will maintain the confidentiality of the information they receive during their employment at your Rocket Fizz Shop These covenants must be in a form we find satisfactory, and specifically identify us as a third party beneficiary of these covenants with the independent right to enforce them You must sign our standard form Confidentiality Agreement, in our discretion, if we provide you with confidential information before you sign our Franchise Agreement

All data pertaining to your Rocket Fizz Shop and all data you create or collect in connection with your operation of the Rocket Fizz Shop (collectively, '**Rocket Fizz Data**), including, data pertaining to, or otherwise concerning, the Rocket Fizz Shop customers and the names and other pertinent data, or that you otherwise collect including data uploaded to, or downloaded from your computer system is Rocket Fizz Confidential Information and is our sole property We have the right to review and use the Rocket Fizz Data in any manner that we deem appropriate without any compensation to you You just provide us with copies and/or originals of the Rocket Fizz Data within 5 days after our request for the Rocket Fizz Data at no cost to us and at any time during the term of your Franchise Agreement and upon the expiration and/or termination of your Franchise Agreement We license the use of the Rocket Fizz Data to you during the term of your Franchise Agreement, at no cost to you solely for your use in the operation of your Rocket Fizz Shop You must maintain the Rocket Fizz Data as secret and as Rocket Fizz Confidential Information and must not make any of the Rocket Fizz Data available to any unauthorized person without our prior written consent of and then only in the manner we permit

If you develop any new concept, process or improvement in the Rocket Fizz System (an **Improvement**), you must promptly notify us and provide us with all necessary related information, without compensation Any Improvement will become our sole property and we will be the sole owner of all related intellectual property rights You must assign any rights you may have or acquire in the Improvements to us, including the right to modify the Improvement, and you will waive and/or release all rights of restraint and moral rights to the Improvements You will assist us in obtaining and enforcing the intellectual property rights to any Improvement in any and all countries and you agree to execute and provide us with all necessary documentation for obtaining and enforcing such rights You will appoint us as your agent and attorney-in-fact to execute and file any documentation and to do all other lawful acts to further the prosecution and issuance of intellectual property right related to any Improvement

The goodwill associated with all phone and fax numbers, email addresses, domain names, websites or webpages, social media and other Internet addresses used in operation of the Rocket Fizz Shop is an asset that belongs to us Upon cancellation, termination or expiration of the Franchise Agreement, you will be deemed to have assigned to us or our designee all right, title and interest in and to these and/or services associated with the same You must sign the instruments we request to confirm the assignments and transfers to us

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

You must designate a Principal Owner acceptable to us who will be responsible for the operational decisions of your Rocket Fizz Shop Your Principal Owner must devote his or her full time to the Rocket Fizz Shop and must own at least 50% interest in your equity and voting rights (unless you are a publicly held entity or a wholly-owned subsidiary of a publicly-held entity) when you sign the Franchise Agreement Under certain circumstances we may waive the requirement that your Principal Owner must have a 50% interest in your equity and voting rights You must provide comprehensive initial training programs, additional training programs and remedial training programs for your General Managers and other supervisorial or managerial personnel and ensure that the Rocket Fizz Shop is at all times under the direct control of the Principal Owner or a General Manager or other supervisorial or managerial personnel who have been fully trained by you We may require each of your owners, General Managers and other supervisorial and managerial personnel who have access to any confidential information to sign a Confidentiality and Non-Disclosure Agreement in substantially the form of **Exhibit E**

If you are an entity all present and future owners of the equity or your voting rights, including spouses (and family members who live in the same household) must execute a written guarantee in a form we prescribe, personally, irrevocably and unconditionally guaranteeing, jointly and severally, with all other guarantors, the full payment and performance of your obligations to us and to our affiliates Upon each transfer or assignment of your interest in the Franchise Agreement or other change in your ownership interests, and at any other time we request, these holders must re-execute a written guarantee in a form we prescribe

All employees you hire or employ at your Rocket Fizz Shop will be your employees and your employees alone, and will not, for any purpose, be deemed to be our employees or subject to our direct or indirect control, most particularly with respect to any mandated or other insurance coverage, taxes or contributions, or requirements regarding withholdings, levied or fixed by any governmental authority You will file your own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation insurance payments for your employees and operations We will not have the power to hire or fire your employees Our authority under the Franchise Agreement to train and approve your supervisorial or managerial personnel for qualification to perform certain functions at your Rocket Fizz Shop does not directly or indirectly vest us with the power to hire, fire or control any of your personnel You and you alone will be solely responsible for all hiring and employment decisions and functions relating to your Rocket Fizz Shop, including those related to hiring firing, training, establishing remuneration, compliance with wage and hour requirements personnel policies, benefits, recordkeeping, supervision and discipline of employees, regardless of whether you have received advice from us on these subjects or not Any guidance we may give you regarding employment policies should be considered merely examples You will be responsible for establishing and implementing your own employment policies, and should do so in consultation with local legal counsel experienced in employment law

None of the provisions in the Confidentiality and Non-Disclosure Agreement are intended to prohibit or restrict any activity which prohibition or restriction violates your employees rights to engage in protected concerted activity under the National Labor Relations Act

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Except as described below, you must offer and sell all, and only, those goods and services that we approve (See Item 8) We may add delete, and change products that you may or must offer, in our unrestricted discretion There are no limits on our right to make changes You are not authorized to sell any products on the Internet that you purchase from us, our affiliates or other Rocket Fizz Approved Suppliers or that are otherwise sold from your Rocket Fizz Shop You must buy Rocket Fizz Branded Products and Rocket Fizz Proprietary Products only from R3 Distribution or our other Rocket Fizz Approved Suppliers You must purchase, use and maintain in stock a sufficient amount of Rocket Fizz Branded Products and Rocket Fizz Proprietary Products to operate your Rocket Fizz Shop You must comply with all merchandising and inventory requirements set forth in the Manuals or otherwise, including the requirement to maximize your Rocket Fizz Shop's space, change the window displays of your Rocket Fizz Shop a minimum of 6 times per year to reflect the season and/or major U S holidays during that season, and reorganize 25% of the inventory displays in your Rocket Fizz Shop each month

You may not operate any co-branding system without our prior written consent which may be withheld unless we recognize the co-branding chain as an approved co-brand for operation within Rocket Fizz Shops **Co-branding** includes the operation of an independent business, product line or operating system owned or licensed by another franchisor that is featured or incorporated within the Franchised Location or is adjacent to the Franchised Location and is operated in a manner likely to cause the public to perceive that it is related to your Rocket Fizz Shop We may, on occasion, require you to test market products and/or services at your Rocket Fizz Shop You must cooperate with us in conducting these test marketing programs and must comply with all rules and regulations established by us No vending, gaming machines, payphones, automatic teller machines, Internet kiosks or other mechanical or electrical devices are permitted in your Rocket Fizz Shop without our prior written consent

All ideas, concepts, techniques or materials that you create while you are an Rocket Fizz franchisee, whether or not protectable intellectual property, must be promptly disclosed to us and will become our exclusive property and a part of Rocket Fizz System as a work made for hire for us without compensation to you

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION
THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement and Area Development Agreement. You should read these provisions in the agreements attached to this Disclosure Document As described in Item 1, if you are signing your Franchise Agreement under an existing Area Development Agreement or with the renewal of an existing Franchise, some of these provisions may be modified to conform to the terms specified in your Area Development Agreement or your existing Franchise Agreement, as applicable

<u>FRANCHISE AGREEMENT</u>

PROVISION	SECTION IN FRANCHISE AGREEMENT (EXHIBIT A)	SUMMARY
a Length of the term of the franchise	Section 3 1	10 years
b Renewal or extension of the term	Section 3 2	Two 5 year terms
c Requirements for Franchisee to renew or extend	Section 3 2 – 3 3	You must notify us you wish to renew no less than 18 months prior to the expiration date of your Franchise Agreement, have complied with your obligations during the term of your Franchise Agreement, at our request,

PROVISION		SECTION IN FRANCHISE AGREEMENT (EXHIBIT A)	SUMMARY
			renovate or modernize your Rocket Fizz Shop to comply with our then-current standards for a new Rocket Fizz Shop, sign our then-current form of Franchise Agreement that may contain terms and conditions materially different from those in your original Franchise Agreement, satisfy our then-current training requirements, pay a renewal fee, sign a general release and provide us with a guarantee signed by all equity owners of the franchisee and their spouses (if the franchisee is an entity) The royalty and other payments under your renewal Franchise Agreement will be at the rates then applicable to new franchisees
d	Termination by Franchisee	Not Applicable	Not Applicable
e	Termination by Franchisor without cause	Not Applicable	Not Applicable
f	Termination by Franchisor with cause	Sections 16 1 – 16 3 and 16 5	We can terminate the Franchise Agreement if you materially default under your Franchise Agreement any other individual Franchise Agreement, any Area Development Agreement (other than solely for your failure to meet your development obligation), or any other agreement between you and us
g	"**Cause**" defined – curable defaults	Section 16 3	You have 5 days to cure non-payment of fees and 10 days to cure non-compliance with laws and defaults not listed in Section 16 2
h	"**Cause** defined non-curable defaults	Sections 16 1 and 16 2	Non curable defaults include bankruptcy, foreclosure, and insolvency, abandonment, unapproved transfers, repeated defaults, even if cured, misrepresentations in acquiring your license, health or safety violations, trademark misuse, conviction of a felony, failure, for a period of 10 days after notification of noncompliance, to comply with any state or local law or regulation applicable to the operation of the Rocket Fizz Shop, knowingly maintaining false books or records or submitting false reports or knowingly underreporting gross sales, materially misusing the Rocket Fizz Marks, making an unauthorized use of the trade secrets or confidential information, failing to purchase appropriate inventory, failure to meet the site selection requirements, enter a

PROVISION		SECTION IN FRANCHISE AGREEMENT (EXHIBIT A)	SUMMARY
			Lease or open the Rocket Fizz Shop within the applicable time periods provided for in the Franchise Agreement purchasing products from non-approved suppliers, and a breach of your obligations under the Franchise Agreement or any other agreement between you and us that is not capable of being cured by you
i	Franchisee s obligations on termination/ nonrenewal	Sections 17 1 - 17 4, 17 6 and 17 7	You must cease use of our trademarks, de-identify the Rocket Fizz Shop, pay all amounts due to us and return the Manuals You must pay us the sum of 2 multiplied by the total royalty fees paid (or if unpaid, payable) by you during the 12 months immediately preceding the effective date of termination to account for the actual damages that we will suffer as a result of the termination of the Franchise Agreement during the period that we estimate will expire while we search for a replacement franchise We may, at our option, assume all telephone numbers for the Rocket Fizz Shop You must at our option, cancel or assign to us your rights to any Internet websites or webpages or e-mail addresses or assumed, fictitious or corporate names which contain the Rocket Fizz Marks See also ' r below
j	Assignment of contract by Franchisor	Section 14 1	No restriction on our right to assign
k	**Transfer'** by Franchisee - defini tion	Section 14 2	Includes transfer of the Franchise Agreement or change in ownership of the business entity that owns it
l	Franchisor s approval of transfer by Franchisee	Section 14 2	Transfers require our prior written consent, which will not be unreasonably withheld
m	Conditions for Franchisor s approval of transfer	Sections 14 2-14 4	The proposed transferee must qualify, successfully complete our initial training program, sign our then-current Franchise Agreement (provided, that the term of the new Franchise Agreement will be the remaining term of the existing Franchise Agreement), provide us with a guarantee signed by all equity owners of the proposed franchisee and their spouses (if the proposed franchisee is an entity) and you must be in good standing, sign a

PROVISION		SECTION IN FRANCHISE AGREEMENT (EXHIBIT A)	SUMMARY
			general release, sign a guarantee of the transferee's obligations under the new Franchise Agreement in our favor and pay the transfer fee See also 'r below If the Franchise Agreement has been signed under an Area Development Agreement, except as described below you must concurrently assign all other existing Franchise Agreements to the same assignee
n	Franchisor's right of first refusal to acquire Franchisee s business	Section 14 3	We can match any offer for your business
o	Franchisor s option to purchase Franchisee's business	Section 17 5	When your Franchise Agreement expires or is terminated, we have the option to purchase the assets of the Rocket Fizz Shop and all of your assets related to the Rocket Fizz Shop
p	Death or disability of Franchisee	Section 14 5	Your spouse, heirs or personal representative has 180 days to purchase your interest or complete an assignment of your interest to a qualified, approved third party, subject to the transfer provisions
q	Non-competition covenants during the term of the franchise	Section 15 2	You are prohibited from (i) diverting any present or prospective Rocket Fizz customer to any competitor, or performing any other act injurious or prejudicial to the goodwill associated with the Rocket Fizz Marks and the Rocket Fizz System (ii) employing or seeking to employ any person who is or has been within the preceding 30 days employed by us or our affiliates as a salaried managerial employee, or otherwise inducing the person to leave his or her employment, or (iii) owning or having any interest in a competitive business to the Rocket Fizz Shop business
r	Non-competition covenants after the franchise is terminated or expires	Section 15 3	For 2 years following the expiration or termination of your Franchise Agreement, you cannot own or have any interest in a competitive business located at the Franchised Location or within 5 miles of any Rocket Fizz Shop of the Franchised Location If you violate the post-term covenant not to compete you must pay us, throughout the 2 year period following the termination, transfer, or expiration of your Franchise Agreement, 5% of all revenue derived

PROVISION	SECTION IN FRANCHISE AGREEMENT (EXHIBIT A)	SUMMARY
		from the operation of the Competitive Business, including the sale of any merchandise, other products and services at or from the Competitive Business, and all other income of every kind and nature of the Competitive Business
s Modification of the agreement	Section 6 5	The Franchise Agreement can be modified or amended only by written agreement of all of the parties The Manuals are subject to change at any time You must comply with any changes set forth in the Manuals
t Integration/ merger clause	Section 21 5	Only the terms of the Franchise Agreement and its attachments are binding (subject to applicable state law) No other representations or promises will be binding Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable Nothing in the Franchise Agreement or in any related exhibit is intended to disclaim the representations we made in this Disclosure Document
u Dispute resolution by mediation	Section 19 1	We must first attempt to resolve all disputes by mediation in a county in Nevada in which Franchisor has a principal place of business at the time the mediation is initiated, except for certain matters which may be brought in court
v Choice of forum	Section 19 2	All proceedings will be held in the state or federal courts in a county in Nevada in which we have a principal place of business at the time the action is initiated, subject to applicable state law See the State Specific Addenda (**Exhibit H**) attached to this Disclosure Document
w Choice of law	Section 19 2	Nevada, subject to the exception in Section 19 2 and applicable state law See the State Specific Addenda (**Exhibit H**) attached to this Disclosure Document

AREA DEVELOPMENT AGREEMENT

PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT (EXHIBIT B)	SUMMARY
a Length of the term of the Area Development	Artıcle 3	5 years
b Renewal or extensıon of the term	Sectıon 2 6	5 years
c Requırements for Area Developer to renew or extend	Sectıons 2 6	You must notıfy us you wısh to renew no less than 180 prıor to the expıratıon date of your Area Development Agreement, sıgn our then-current Area Development Agreement, whıch wıll contaın your addıtıonal development oblıgatıons durıng the renewal term, you must sıgn a general release, you may be asked to sıgn a Franchıse Agreement that contaıns terms and condıtıons materıally dıfferent from those ın your prevıous agreements, you must have fulfılled all of your oblıgatıons under the Area Development Agreement you must demonstrate your fınancıal abılıty to ımplement and complete your renewal development oblıgatıons, you must pay the renewal fee
d Termınatıon by Area Developer	Not Applıcable	Not Applıcable
e Termınatıon by Franchısor wıthout cause	Not Applıcable	Not Applıcable
f Termınatıon by Franchısor wıth **cause'**	Sectıon 11 5	We can termınate the Area Development Agreement ıf you default under your Area Development Agreement, an ındıvıdual Franchıse Agreement or any other agreement between you or your affılıates and us
g **' Cause '** defıned - curable defaults	Sectıon 11 3	You have 30 days to cure defaults under your Area Development Agreement, and ın the case of a breach or default ın the performance of your oblıgatıons under any Franchıse Agreement or other agreement between you and us, the notıce and cure provısıons of the Franchıse Agreement or other agreement wıll control
h **"Cause'** defıned – non-curable defaults	Sectıons 11 1 and 11 2	Non-curable defaults ınclude bankruptcy ınsolvency, unapproved transfers, faılure to meet your development oblıgatıons, any breach of the covenants not to compete set forth ın Sectıon 13, repeated defaults, even ıf cured unapproved transfers, termınatıon of any of your Franchıse

PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT (EXHIBIT B)	SUMMARY
		Agreements, conviction of a felony disclosure of confidential information, and a breach of your obligations under the Area Development Agreement or any other agreement between you and us that is not capable of being cured by you
i Area Developer s obligation on termination/non-renewal	Section 12 1	You will have no further right to develop or operate additional Rocket Fizz Shops which are not, at the time of termination, the subject of a then validly existing Franchise Agreement between you and us You may continue to own and operate all Rocket Fizz Shops under then validly existing Franchise Agreements
j Assignment of contract by Franchisor	Section 9 1	No restrictions on our right to assign
k **Transfer'** by Area Developer – defined	Section 9 2	Includes transfer of the agreement or changes in ownership of the business entity which owns it No shares of an Area Developer which is a business entity may be offered for sale through the public offering of securities Shares may be offered by private offering with our prior written consent
l Franchisor's approval of transfer by Area Developer	Section 9 2	Transfers require our prior written consent, which will not be unreasonably withheld
m Conditions for Franchisor s approval of transfer	Sections 9 2 1 and 9 4	Except as described below, you may not transfer any Franchise Agreement signed under the Area Development Agreement except with our written consent and a simultaneous assignment of the Area Development Agreement and all of the Franchise Agreements signed under the Area Development Agreement to the same assignee The proposed buyer must sign our then-current form of Franchise Agreement for each of your Rocket Fizz Shops then developed or under development The proposed transferee must qualify as a franchisee and sign our then-current Area Development Agreement and provide us with a guarantee signed by all equity owners of the proposed franchisee and their spouses (if the proposed transferee is an entity) and you must be in good standing, sign a general release, sign a guarantee of the transferee s obligations under new Area Development Agreement and pay the transfer fee See also r below

PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT (EXHIBIT B)	SUMMARY
n Franchisor s right of first refusal to acquire Area Developer's business	Section 9 3	We may match any offer to purchase your business
o Franchisor's option to purchase Area Developer s business	Not Applicable	Not Applicable
p Death or disability of Area Developer	Section 9 5	Your spouse, heirs or personal representative has 180 days to purchase your interest or complete an assignment of your interest to a qualified, approved third party, subject to the transfer provisions
q Non-competition covenants during the term of the franchise	Section 13 2	You are prohibited from (i) diverting any present or prospective Rocket Fizz customer to any competitor, or performing any other act injurious or prejudicial to the goodwill associated with the Rocket Fizz Marks and the Rocket Fizz System, (ii) employing or seeking to employ any person who is or has been within the preceding 30 days employed by us or our affiliates as a salaried managerial employee or otherwise inducing the person to leave his or her employment, or (iii) owning or having any interest in a competitive business to the Rocket Fizz Shop business
r Non-competition covenants after the franchise is terminated or expires	Section 13 3	For 2 years following the expiration or termination of your Area Development Agreement, you cannot own or have any interest in a competitive business at a Franchised Location except under another effective Franchise Agreement with us, or any location within a 5 mile radius a Franchised Location
s Modification of the Area Development Agreement	Section 6 3	The Area Development Agreement can be modified or amended only by written agreement of all of the parties
t Integration/merger clause	Section 18 6	Only the terms of the Area Development Agreement and its attachments are binding (subject to applicable state law) No other representations or promises will be binding Any representations or promises outside of the Disclosure Document and Area Development Agreement may not be enforceable Nothing in the Area Development Agreement or in any related exhibit is intended to disclaim the representations we made in this Disclosure Document
u Dispute resolution by mediation	Section 15 1	We must first attempt to resolve all disputes by mediation in the county in Nevada in which Franchisor has a principal place of business at the time the mediation is

PROVISION	SECTION IN AREA DEVELOPMENT AGREEMENT (EXHIBIT B)	SUMMARY
		initiated, except for certain matters which may be brought in court
v Choice of forum	Section 15 2	All proceedings will be held in the state or federal courts in a county in Nevada in which we have a principal place of business at the time the action is initiated, subject to applicable state law See the State Specific Addenda (**<u>Exhibit H</u>**) attached to this Disclosure Document
w Choice of law	Section 15 2	Nevada, subject to the exception in Section 19 2 and applicable state law See the State Specific Addenda (**<u>Exhibit H</u>**) attached to this Disclosure Document

ITEM 18
PUBLIC FIGURES

Rocket Fizz LLC has used the late Rowdy Roddy Piper to promote the franchise Mr Piper was paid to do so, but Mr Piper's estate has no management responsibility with us and no interest in us or any of our affiliates Mr Piper has his own branded soda as one of our Rocket Fizz Authorized Products and receives a small fee per case of soda sold through the Rocket Fizz System to compensate his estate for use of his likeness picture or name Rocket Fizz LLC has used television personality Wink Martindale to promote the franchise Mr Martindale was not paid to do so and has no management responsibility with us and has no interest in us or any of our affiliates Mr Martindale has his own branded soda as one of our Rocket Fizz Authorized Products and receives a small fee per case of soda sold through the Rocket Fizz System to compensate him for use of his likeness, picture or name Rocket Fizz LLC has used John 5, a celebrity American guitarist, to promote the franchise John 5 was not paid to do so and has no management responsibility with us and no interest in us or any of our affiliates John 5 has his own branded soda as one of our Rocket Fizz Authorized Products and receives a small fee per case of soda sold through the Rocket Fizz System to compensate him for use of his likeness, picture or name The late Judge Joseph A Wapner, a television personality and former star of the show The People's Court,' is related to one of our officers Judge Wapner s branded, proprietary root beer is one of our Rocket Fizz Authorized Products Judge Wapner made public appearances at the Camarillo California shop, and his pictures appear on the Rocket Fizz website Judge Wapner received a small fee per case of soda sold through the Rocket Fizz System to compensate him for use of his likeness, picture or name Judge Wapner's estate has no interest in the Franchisor or any of its affiliates Nicole 'Snooki' Polizzi, an American reality television personality and former star of the show 'Jersey Shore', has her own branded wild cherry soda as one of our Rocket Fizz Authorized Products Snooki has made a public appearance at the Valencia, California and Westwood, California shops and her pictures appear on the Rocket Fizz website Snooki s wild cherry soda also has its own website at <u>www snookisoda com</u> which includes a link for Rocket Fizz Franchise Opportunity" Snooki receives a fee per case of soda sold through the Rocket Fizz System to compensate her for use of her likeness, picture or name Snooki has no interest in the Franchisor or any of its affiliates

Rocket Fizz, LLC has used the late Ritchie Valens to promote the franchise Mr Valens estate is paid a quarterly license fee to do so, but his estate has no management responsibility with us and no interest in us or any of our affiliates Mr Valens has his own branded soda as one of our Rocket Fizz Authorized Products and his estate receives a small fee per case of soda sold through the Rocket Fizz System to compensate his estate for use of his likeness, picture or name Rocket Fizz, LLC has used the late Farrah Fawcett to promote the franchise The Farrah Fawcett Foundation is paid a quarterly royalty fee to do so, but the foundation has no management responsibility with us and no interest in us or any of our affiliates Ms Fawcett has her own branded soda as one of our Rocket Fizz Authorized Products and the Farrah Fawcett Foundation receives a small fee per case of soda sold through the Rocket Fizz System to compensate the foundation for use of her likeness, picture or name Rocket Fizz, LLC has used the movie character King Kong to promote the franchise The licensor for King Kong is paid a quarterly royalty fee to do so, but the Licensor has no management responsibility with us and no interest in us or any of our affiliates King Kong has its own branded soda as one of our Rocket Fizz Authorized Products and its licensor receives a small fee per case of soda sold through the Rocket Fizz System to compensate the licensor for use of King Kong s likeness, picture or name Rocket Fizz, LLC has used the music group KISS to promote the franchise KISS is paid a quarterly royalty fee to do so, but KISS has no management responsibility with us and no interest in us or any of our affiliates KISS has their own branded soda as one of our Rocket Fizz Authorized Products and they receive a small fee per case of soda sold through the Rocket Fizz System to compensate them for use of their likeness, picture or name

Although he is not a public figure, our President, Robert Powells, appeared on Undercover Boss in January 2015, in an episode that continues to be replayed worldwide Mr Powells was not compensated for this promotion over and above his normal compensation as our President

With these exceptions no public figures are involved in the actual management or control of Franchisor

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

Before signing any documents or making any investment, you must make your own independent investigation regarding the purchase of a Rocket Fizz Shop including independent market and industry reviews and comparisons and talking to current and former Rocket Fizz franchisees You must consult with your own independent advisors, such as attorneys and accountants, to assist in determining the suitability of this investment for you

Your individual financial results may differ substantially from the results stated in this financial performance representation Written substantiation for the financial performance representations made in this Item 19 will be made available to you upon reasonable request

Some Rocket Fizz Shops have earned these amounts Your individual results may differ There is no assurance you will earn as much

GROUP A

2017 GROSS REVENUE, COST OF GOODS PURCHASED AND GROSS PROFIT, AT 14 FRANCHISEE-OWNED ROCKET FIZZ SHOPS (SEE NOTES 1, 9 and 10)

	AVERAGE (NOTE 5)	MEDIAN (NOTE 6)	NUMBER AND % OF ROCKET FIZZ SHOPS THAT EXCEEDED AVERAGE (NOTE 5)		NUMBER AND % OF ROCKET FIZZ SHOPS THAT DID NOT EXCEED AVERAGE (NOTE 5)		HIGHEST IN GROUP (NOTE 7)	% OF HIGHEST GROSS REVENUE (NOTE 7)	LOWEST IN GROUP (NOTE 8)	% OF LOWEST GROSS REVENUE (NOTE 8)
GROSS REVENUE (NOTE 2)	$628,947	$581,435	5	36%	9	64%	$815,385	100%	$487 363	100%
COST OF GOODS PURCHASED (NOTE 3)	$256,855	$235,435	5	36%	9	64%	$347,701	43%	$232,410	48%
GROSS PROFIT (NOTE 4)	$372,092	$345,940	5	36%	9	64%	$467,684	57%	$254,953	52%

GROUP B

2017 GROSS REVENUE, COST OF GOODS PURCHASED AND GROSS PROFIT, AT 14 FRANCHISEE-OWNED ROCKET FIZZ SHOPS (SEE NOTES 1, 9 and 10)

	AVERAGE (NOTE 5)	MEDIAN (NOTE 6)	NUMBER AND % OF ROCKET FIZZ SHOPS THAT EXCEEDED AVERAGE (NOTE 5)		NUMBER AND % OF ROCKET FIZZ SHOPS THAT DID NOT EXCEED AVERAGE (NOTE 5)		HIGHEST IN GROUP (NOTE 7)	% OF HIGHEST GROSS REVENUE (NOTE 7)	LOWEST IN GROUP (NOTE 8)	% OF LOWEST GROSS REVENUE (NOTE 8)
GROSS REVENUE (NOTE 2)	$416,852	$419 549	7	50%	7	50%	$469,550	100%	$368 422	100%
COST OF GOODS PURCHASED (NOTE 3)	$171 165	$173,919	8	57%	6	43%	$198,836	42%	$185,340	50%
GROSS PROFIT (NOTE 4)	$245,688	$245,630	8	57%	6	43%	$270,713	58%	$183,082	50%

GROUP C
2017 GROSS REVENUE, COST OF GOODS PURCHASED AND GROSS PROFIT,
AT 14 FRANCHISEE-OWNED ROCKET FIZZ SHOPS (SEE NOTES 1, 9 and 10)

	AVERAGE (NOTE 5)	MEDIAN (NOTE 6)	NUMBER AND % OF ROCKET FIZZ SHOPS THAT EXCEEDED AVERAGE (NOTE 5)		NUMBER AND % OF ROCKET FIZZ SHOPS THAT DID NOT EXCEED AVERAGE (NOTE 5)		HIGHEST IN GROUP (NOTE 7)	% OF HIGHEST GROSS REVENUE (NOTE 7)	LOWEST IN GROUP (NOTE 8)	% OF LOWEST GROSS REVENUE (NOTE 8)
GROSS REVENUE (NOTE 2)	$311,851	$305,905	6	43%	8	57%	$363,295	100%	$275,406	100%
COST OF GOODS PURCHASED (NOTE 3)	$132,397	$129,221	5	36%	9	64%	$131,233	36%	$127,209	46%
GROSS PROFIT (NOTE 4)	$179,454	$176,684	7	50%	7	50%	$232,062	64%	$148 197	54%

GROUP D
2017 GROSS REVENUE, COST OF GOODS PURCHASED AND GROSS PROFIT,
AT 14 FRANCHISEE-OWNED ROCKET FIZZ SHOPS (SEE NOTES 1, 9 and 10)

	AVERAGE (NOTE 5)	MEDIAN (NOTE 6)	NUMBER AND % OF ROCKET FIZZ SHOPS THAT EXCEEDED AVERAGE (NOTE 5)		NUMBER AND % OF ROCKET FIZZ SHOPS THAT DID NOT EXCEED AVERAGE (NOTE 5)		HIGHEST IN GROUP (NOTE 7)	% OF HIGHEST GROSS REVENUE (NOTE 7)	LOWEST IN GROUP (NOTE 8)	% OF LOWEST GROSS REVENUE (NOTE 8)
GROSS REVENUE (NOTE 2)	$216,352	$231,508	9	64%	5	36%	$260 487	100%	$124,988	100%
COST OF GOODS PURCHASED (NOTE 3)	$84,142	$96,311	8	57%	6	43%	$99,744	38%	$49,318	39%
GROSS PROFIT (NOTE 4)	$132,211	$135 198	8	57%	6	43%	$160,743	62%	$75,670	61%

NOTE 1

Group A includes actual historical unaudited information we have accumulated for the top performing 14 Rocket Fizz Shops that were owned and operated by 14 of our franchisees in 2017 Group B includes actual historical unaudited information we have accumulated for the second top performing 14 Rocket Fizz Shops that were owned and operated by 14 of our franchisees in 2017 Group C includes actual historical unaudited information we have accumulated for the second bottom performing 14 Rocket Fizz Shops that were owned and operated by 14 of our franchisees in 2017 Group D includes actual historical unaudited information we have accumulated for the bottom performing 14 Rocket Fizz Shops that were owned and operated by 14 of our franchisees in 2017 All of these franchised Rocket Fizz Shops are operations similar to the franchise offered in this Disclosure Document

The figures in Groups A, B, C, and D are taken from reports submitted to us by certain Rocket Fizz franchisees on their Gross Revenue (as defined in Note 2), Cost of Goods Purchased (as defined in Note 3), and Gross Profit (as defined in Note 4)

On December 31, 2017, there were a total of 74 franchised Rocket Fizz Shops owned and operated by our franchisees 14 franchised Rocket Fizz Shops are included in each of Group A, B, C, and D, for a total of 56 Rocket Fizz Shops, which is 75 7% of the 74 franchised Rocket Fizz Shops in operation on December 31, 2017 All 56 franchised Rocket Fizz Shops included in Groups A, B, C, and D were open and operating for more than one year as of December 31, 2017 The 56 franchised Rocket Fizz Shops included in Groups A, B, C and D were selected because the information was available to us and believed to be complete, accurate and reliable Similar information for the remaining 18 franchised Rocket Fizz Shops was excluded because the Rocket Fizz Shop was not open and operating for more than one year as of December 31 2017, or was transferred to a new owner in 2017, or the information was either unavailable to us or believed to be incomplete inaccurate or unreliable All information is unaudited

NOTE 2

The Average and Median Gross Revenue for 14 franchised Rocket Fizz Shops included in each of Groups A, B, C and D appears in the first row For purposes of Groups A, B, C and D, "**Gross Revenue**' means the aggregate of the total of all revenues derived from sales of any nature or kind whatsoever from each Rocket Fizz Shop included in Groups A B C and D, whether evidenced by cash services, property, barter, or other means of exchange, including orders taken in or from the Rocket Fizz Shop although filled elsewhere Gross Revenue includes all proceeds from the sale of coupons, gift certificates or vouchers Gross Revenue excludes the amount of bona fide refunds paid to customers and the amount of sales or use taxes actually paid to any governmental authority and the retail price of any coupons, gift certificates and vouchers when they are redeemed

NOTE 3

The Average and Median Cost of Goods Purchased for 14 franchised Rocket Fizz Shops included in each of Groups A, B C and D appears in the second row For purposes of Groups A, B, C and D, **Cost of Goods Purchased**' means our franchisees expenses for candy, soda wall items (tin signs, concert posters & photos), novelties, small toys and gag gifts, Rocket Fizz Branded Products, selling supplies and shipping/freight charges

NOTE 4

The Average and Median Gross Profit for 14 franchised Rocket Fizz Shops included in each of Groups A, B, C and D appears in the third row For purposes of Groups A, B, C and D, "**Gross Profit** means Gross Revenue less Cost of Goods Purchased

NOTE 5

The first column states the Averages in each of the 3 different categories for the 14 franchised Rocket Fizz Shops included in each of Groups A, B, C and D For purposes of Groups A B, C and D, **Average** means the sum in each category divided by the total number of franchised Rocket Fizz Shops included in each of Groups A, B, C and D (14) The third and fourth columns state the number and percentage of Rocket Fizz Shops that either exceeded or did not exceed the Average Gross Revenue, Cost of Goods Purchased and Gross Profit included in each of Groups A, B, C and D For example, in 2017

(i) 5 of the 14 franchised Rocket Fizz Shops included in Group A or 36% of the 14 franchised Rocket Fizz Shops included in Group A, had Gross Revenue that were greater than the 14 franchised Rocket Fizz Shops' Average Gross Revenue of $628 947, and 9 of the 14 franchised Rocket Fizz Shops included in Group A, or 64% of the 14 franchised Rocket Fizz Shops included in Group A, had Gross Revenue that were less than the 14 franchised Rocket Fizz Shops Average Gross Revenue of $628,947

(ii) 8 of the 14 franchised Rocket Fizz Shops included in Group B, or 57% of the 14 franchised Rocket Fizz Shops included in Group B, had Cost of Goods Purchased that was less than the 14 franchised Rocket Fizz Shops Average Cost of Goods Purchased of $171,165 and 6 of the 14 franchised Rocket Fizz Shops included in Group B, or 43% of the 14 franchised Rocket Fizz Shops included in Group B, had Cost of Goods Purchased that was greater than the 14 franchised Rocket Fizz Shops Average Cost of Goods Purchased of $171,165

(iii) 7 of the 14 franchised Rocket Fizz Shops included in Group C, or 50% of the 14 franchised Rocket Fizz Shops included in Group C, had a Gross Profit that was greater than the 14 franchised Rocket Fizz Shops' Average Gross Profit of $179,454, and 7 of the 14 franchised Rocket Fizz Shops included in Group C, or 50% of the 14 franchised Rocket Fizz Shops included in Group C, had a Gross Profit that was less than the 14 franchised Rocket Fizz Shops' Average Gross Profit of $179,454

Inclusion of all 74 franchised Rocket Fizz Shops rather than just the 14 franchised Rocket Fizz Shops included in each of Groups A, B, C and D could increase or decrease the Average Gross Revenue, Average Cost of Goods Purchased, and Average Gross Profit in Groups A, B, C and D Rocket Fizz Shops operating in low population density areas will also have lower sales than locations in high population density areas Your results will vary based on your regional demographic density, competitive factors and your ability

NOTE 6

The second column states the Median in each of the 3 different categories for the 14 franchised Rocket Fizz Shops included in each of Groups A, B C and D For purposes of Groups A, B, C and D, **Median"** means the midpoint dollar and percentage value in each category across all 14 franchised Rocket Fizz Shops included in each of Groups A B, C and D for 2017 Because values are presented for an even number of Rocket Fizz Shops (14), the Median for a category is determined by taking the mean (average) of the two middlemost values in that category, which is reached by adding those two values together and then dividing the sum by two For example, the two middlemost values for Gross Revenue for the 14 franchised Rocket Fizz Shops included in Group D were $242,151 81 and $220,864 96 Therefore, the Median value for Gross Revenue for the 14 franchised Rocket

Fizz Shops included in Group D was $231,508 ($242,151 81 plus $220,864 96 = $463,016 77 and $463 016 77 divided by 2 = $231,508 39)

NOTE 7

The fifth column states the highest Gross Revenue, Cost of Goods Purchased and Gross Profit among the 14 franchised Rocket Fizz Shops included in each of Groups A, B, C and D The sixth column states the highest Cost of Goods Purchased and Gross Profit as a percentage of the highest Gross Revenue in Groups A, B, C and D

NOTE 8

The seventh column states the lowest Gross Revenue, Cost of Goods Purchased and Gross Profit among the 14 franchised Rocket Fizz Shops included in each of Groups A, B, C and D The eighth column states the lowest Cost of Goods Purchased and Gross Profit as a percentage of the lowest Gross Revenue in Groups A B, C and D

NOTE 9

Your individual operating results will be affected by a multitude of factors, including general economic conditions, regional market variations, the demographics of an area lifestyles of customers in your market area, the location of your Rocket Fizz Shop, other market characteristics, the extent, duration and effectiveness of your marketing and promotional efforts, fluctuations in the cost of inventory and supplies, variations in disposable income and population, competition in the market for beverages, energy drinks, candy and confectionaries in general, consumer preferences and the like, as well as your business abilities and efforts, and may differ substantially from the financial performance representations provided in this Item 19 Rocket Fizz Shops operating in low population density areas will also have lower sales than locations in high population density areas Your results will vary based on your regional demographic density, competitive factors and your ability You should consult other sources and your financial advisors to obtain additional information necessary to develop estimates of the gross revenues, cost of goods purchased, operating expenses and net income you may expect

NOTE 10

The information provided in this Item 19 is the only information we authorize regarding performance of any Rocket Fizz Shop We do not furnish, or authorize our salespersons or anyone else to furnish any oral or written information concerning the actual or potential sales, costs income or profits of a Rocket Fizz Shop Actual results may vary from business to business and we cannot estimate the results of any particular business Before signing any documents or making any investment, you must make your own independent investigation regarding the possible reward of a Rocket Fizz Shop, including independent market and industry reviews and comparisons and talking to current and former Rocket Fizz franchisees You must consult with your own independent advisors, such as attorneys and accountants, to assist in determining the suitability of this investment for you

Other than the financial performance representations listed above, we do not make any representations about a franchisee s future financial performance or the past financial performance of company-owned or franchised outlets We also do not authorize our employees or representatives to make any such representations either orally or in writing If you are purchasing an existing outlet, however we may provide you with the actual records of that outlet If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Richard Shane at 770 Mays

Boulevard, #5400, Inclme Vıllage, Nevada 89450 Telephone (650) 315-4882, and e-maıl nch@rocketfizz com, the Federal Trade Commıssıon, and the appropnate state regulatory agencıes

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO 1
SYSTEM-WIDE OUTLET SUMMARY
FOR FISCAL YEARS 2015 to 2017

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchısed				
	2015	51	66	+15
	2016	66	74	+8
	2017	74	83	+9
Company Owned				
	2015	2	3	+1
	2016	3	7	+4
	2017	7	7	0
Total Outlets				
	2015	53	69	+16
	2016	69	81	+12
	2017	81	90	+9

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TABLE NO 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
FOR FISCAL YEARS 2015 to 2017

State	Year	Number of Transfers
California		
	2015	2
	2016	0
	2017	0
Colorado		
	2015	1
	2016	0
	2017	0
Florida		
	2015	0
	2016	0
	2017	2
Illinois		
	2015	0
	2016	0
	2017	1
Nebraska		
	2015	0
	2016	0
	2017	0
Oregon		
	2015	1
	2016	0
	2017	0
Texas		
	2015	1
	2016	1
	2017	0
Utah		
	2015	1
	2016	0
	2017	0
Virginia		
	2015	1
	2016	0
	2017	0
Wyoming		
	2015	0
	2016	0
	2017	1

State	Year	Number of Transfers
Total Outlets		
	2015	7
	2016	1
	2017	4

TABLE NO 3
STATUS OF FRANCHISED OUTLETS
FOR FISCAL YEARS 2015 TO 2017

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Arizona								
	2015	1	1	0	0	0	0	2
	2016	2	1	0	0	0	0	3
	2017	3	0	0	0	0	0	3
Arkansas								
	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
California								
	2015	17	2	1	0	0	0	18
	2016	18	0	1	0	2	0	15
	2017	15	1	0	0	1	2	13
Colorado								
	2015	6	2	0	0	1	0	7
	2016	7	0	0	0	0	0	7
	2017	7	2	0	0	0	0	9
Florida								
	2015	4	0	0	0	0	0	4
	2016	4	1	0	0	0	0	5
	2017	5	1	1	0	0	0	5
Georgia								
	2015	0	1	0	0	0	0	1
	2016	1	2	0	0	0	0	3
	2017	3	2	0	0	0	0	5
Illinois								
	2015	1	2	0	0	0	0	3
	2016	3	0	1	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2017	2	0	0	0	0	0	2
Indiana								
	2015	2	1	0	0	0	0	3
	2016	3	0	0	0	0	0	3
	2017	3	1	0	0	0	0	4
Iowa								
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Kansas								
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Louisiana								
	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Michigan								
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	2	0	0	0	0	2
Missouri								
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Nebraska								
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Nevada								
	2015	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2016	2	0	1	0	0	0	1
	2017	1	0	0	0	0	0	1
New Jersey								
	2015	0	1	0	0	0	0	1
	2016	1	2	0	0	0	0	3
	2017	3	0	1	0	0	0	2
New York								
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
North Carolina								
	2015	1	2	0	0	0	0	3
	2016	3	2	0	0	0	0	5
	2017	5	1	0	0	0	0	6
Ohio								
	2015	1	1	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Oklahoma								
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Oregon								
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	1	0	1
	2017	1	0	0	0	0	0	1
Pennsylvania								
	2015	0	1	0	0	0	0	1
	2016	1	2	0	0	0	0	3
	2017	3	0	0	0	0	0	3
South Carolina								

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Tennessee								
	2015	1	1	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Texas								
	2015	6	1	0	0	0	0	7
	2016	7	1	5	0	0	0	3
	2017	3	2	0	0	0	0	5
Utah								
	2015	2	0	1	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Virginia								
	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Washington								
	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Wyoming								
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Total Outlets								
	2015	51	17	2	0	1	0	66
	2016	66	19	8	0	3	0	74
	2017	74	14	2	0	1	2	83

TABLE NO 4
STATUS OF COMPANY OWNED OUTLETS
FOR FISCAL 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
California							
	2015	2	0	0	0	0	2
	2016	2	2	2	1	0	5
	2017	5	0	1	1	0	5
Colorado							
	2015	0	0	1	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Oregon							
	2015	0	0	0	0	0	0
	2016	0	0	1	0	0	1
	2017	1	0	0	0	0	1
Total							
	2015	2	0	1	0	0	3
	2016	3	2	3	1	0	7
	2017	7	0	1	1	0	7

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TABLE NO 5
PROJECTED OPENINGS AS OF DECEMBER 31, 2017

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISED OUTLET IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLET IN THE NEXT FISCAL YEAR
Arizona	1	0	0
Arkansas	1	0	0
California	4	1	0
Colorado	1	0	0
Florida	8	1	0
Georgia	1	0	0
Illinois	2	0	0
Indiana	0	0	0
Kansas	0	0	0
Louisiana	1	0	0
Michigan	7	2	0
North Carolina	4	0	0
New Jersey	4	1	0
New York	4	0	0
Oklahoma	2	0	0
Ohio	1	0	0
Pennsylvania	1	1	0
South Carolina	0	0	0
Tennessee	3	0	0
Texas	3	0	0
Utah	1	0	0
Washington	0	0	0
TOTAL	49	6	0

Attached as **Exhibit J** to this Disclosure Document are (i) the names, addresses and telephone numbers of the owners of the Rocket Fizz Existing Franchised Shops as of December 31, 2017 (ii) the names, cities, states and current business telephone numbers (or if unknown, last known home telephone numbers) of every franchisee who has had an outlet terminated, canceled, not renewed reacquired by franchisor or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during 2017 or who has not communicated with us within 10 weeks of the Disclosure Document issuance date, (iii) the names, cities, states and current business telephone numbers (or if unknown, last known home telephone numbers) of every franchisee who has transferred an outlet to a new owner in 2017 and (iv) the names, cities, states and current business telephone numbers (or if unknown, last known home telephone numbers) of every franchisee who signed a Franchise Agreement, but whose outlets have not yet opened as of December 31, 2017

There are no independent franchisee organizations that have asked to be included in this Disclosure Document

During the last 3 fiscal years we have signed confidentiality clauses with current and/or former franchisees In some instances, current and/or former franchisees sign provisions restricting their ability to speak openly about their experience with us You may wish to speak with current and former franchisees, but be aware that not all of the franchisees will be able to communicate with you

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

ITEM 21
FINANCIAL STATEMENTS

Our fiscal year end is December 31 Attached to this Disclosure Document as **Exhibit K** are audited financial statements as of December 31, 2017, 2016, and 2015

ITEM 22
CONTRACTS

Attached

Exhibit A is a copy of our Franchise Agreement
Exhibit B is a copy of our Area Development Agreement
Exhibit C is a copy of our Option to Obtain Lease Assignment
Exhibit D is a copy of our Confidentiality Agreement for Prospective Franchisees
Exhibit E is a copy of our Non-Disclosure and Confidentiality Agreement for Employees of Franchisee
Exhibit F is a copy of our General Release
Exhibit H is a copy of our State Specific Addenda
Exhibit I is a copy of our Franchise Compliance Certificate

ITEM 23
RECEIPTS

2 copies of an acknowledgment of your receipt of this Disclosure Document appear as **Exhibit M** Please return one copy to us and retain the other for your records

EXHIBIT A TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

RPM SUMMIT GROUP, LLC

FRANCHISE AGREEMENT
NUMBER _____

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

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EXHIBITS

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT
NUMBER _____

THIS FRANCHISE AGREEMENT (the "**Agreement**") is made and entered into as of ___________ (the **Effective Date**") by and between **RPM SUMMIT GROUP, LLC** a Nevada limited liability company ('**Franchisor**), on the one hand, and the individuals or Entity identified as **Franchisee** on Exhibit B, on the other hand, who are individually referred to as a **Party**', and collectively referred to as the '**Parties**', with reference to the following facts

A Franchisor and its Affiliates, as the result of the expenditure of time, skill effort and money have developed the Rocket Fizz System for the establishment and operation of retail stores that sell unique, old-fashioned style soda pop flavors, cutting-edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items Rocket Fizz Shops operate under the trade names and service marks **Rocket Fizz Soda Pop and Candy Shops** and **Rocket Fizz**' and other related trademarks, service marks, logos and commercial symbols (collectively, the "**Rocket Fizz Marks**)

B Franchisee desires to obtain a license and franchise to operate one Rocket Fizz retail store (the **Rocket Fizz Shop**"), under the Rocket Fizz Marks and in strict accordance with the Rocket Fizz System and the standards and specifications established by Franchisor, and Franchisor is willing to grant Franchisee a license and franchise in accordance with the terms of this Agreement

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS

1 **DEFINITIONS**

Capitalized terms not defined elsewhere in this Agreement shall have the following meanings

"**Abandon** means (i) Franchisee s failure at any time to keep the Rocket Fizz Shop open and operating for business for a period of five (5) consecutive days except as provided in the Rocket Fizz Manuals (ii) Franchisee s failure to keep the Rocket Fizz Shop open and operating for any period after which it is not unreasonable under the facts and circumstances for Franchisor to conclude that Franchisee does not intend to continue to operate the Rocket Fizz Shop, unless the failure to operate is due to Force Majeure (subject to Franchisee s continuing compliance with this Agreement), (iii) Franchisee s failure to actively and continuously maintain and answer the telephone listed by Franchisee for the Rocket Fizz Shop solely with the Rocket Fizz name, (iv) Franchisee s inability to continue operation of the Rocket Fizz Shop at the Franchised Location, or (v) a closure of the Rocket Fizz Shop required by Applicable Law

'**Affiliate**" or "**Affiliates** mean any Person or Entity that controls, is controlled by, or is under common control with, a Party to this Agreement Control of a Person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person or Entity whether by contract or otherwise

Applicable Law means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority with jurisdiction over the operation of the Rocket Fizz Shop that are in effect on or after the Effective Date, as they may be amended from time to time

Assignment means (i) the offer, sale, or negotiations for the sale of any rights under this Agreement to any third party, (ii) the direct or indirect sale, assignment transfer, pledge, donation, encumbrance, by operation of law or otherwise, of any interest in this Agreement or the right to use the Rocket Fizz System or the Rocket Fizz Marks to any third party, (iii) the death or incapacity of any Owner owning ten percent (10%) or more of the Equity or voting power of Franchisee, (iv) the offer or sale of securities of Franchisee pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum, (v) the sale, assignment, transfer, conveyance gift, pledge, mortgage, or other encumbrance of more than ten percent (10%) in the aggregate, whether in one or more transactions, of the Equity or voting power of Franchisee, by operation of law or otherwise or any other events or transactions which, directly or indirectly, effectively changes control of Franchisee (vi) the issuance of any securities by Franchisee which itself or in combination with any other transactions results in the Owners, as constituted on the Execution Date, owning less than sixty percent (60%) of the outstanding Equity or voting power of Franchisee, and (vi) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of Franchisee, however effected

Co-Branding' means the operation of an independent business, product line or operating system owned or licensed by another Entity (not Franchisor) that is featured or incorporated within the Rocket Fizz Shop or is adjacent to the Rocket Fizz Shop and operated in a manner likely to cause the public to perceive it is related to the Rocket Fizz Shop An example would be an independent retail store or counter installed within the Rocket Fizz Shop

"Competitive Business means any business that offers soda pop, candy, novelty items and related products and services for sale to the public and any business that looks like, copies, imitates, or operates with similar trade dress or decor to Rocket Fizz Shops

Constituents" means past, present and future Affiliates, parents, subsidiaries divisions, partners, members, trustees, receivers executors, representatives, administrators, owners, shareholders distributors, parents, predecessors officers, directors, agents managers, principals, employees, insurers, successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents managers, principals members, employees, insurers, successors, assigns, representatives and attorneys of each of the foregoing

"Crisis Management Event' means any event that occurs at or about the Rocket Fizz Shop that has or may cause harm or injury to customers or employees, including without limitation, food contamination, food spoilage/poisoning, food tampering/sabotage, contagious diseases, natural disasters, terrorist acts shootings or any other circumstance which may damage the Rocket Fizz System, the Rocket Fizz Marks, or the image or reputation of Franchisor and its Affiliates

Default' means any breach of, or failure to comply with, any of the terms or conditions of an agreement

"Electronic Commerce' means offering and selling merchandise and services associated with the Rocket Fizz Marks, and receiving and accepting orders and payment for the merchandise and services, directly or indirectly through any means of electronic communication, including receiving and accepting orders over the Internet

Electronic Signature" means any electronic symbol and/or process attached to or logically associated with a document and executed by a Party with the intent to sign such document, including facsimile, email, or other electronic signatures

' Entity' means any limited liability company, partnership, trust association, corporation or other entity which is not an individual If Franchisee is an Entity, the Entity shall conduct no business other than the operation of the Rocket Fizz Shop

Equity means capital stock, membership interests, partnership rights or other equity ownership interests of an Entity

"**Expiration Date**' means the tenth (10th) anniversary of the Opening Date

Extension Fee means the $5,000 fee that Franchisee must pay Franchisor to extend the Renewal Term for the Extension Term

' **Extension Term Expiration Date** means the fifth (5th) anniversary of the commencement date of the Extension Term

' **Force Majeure**' means any event that (i) was reasonably unforeseeable as of the Effective Date, (ii) is beyond the reasonable control directly or indirectly, of a Party, (iii) could not reasonably have been prevented or avoided by that Party with the exercise of reasonable efforts and due diligence, (iv) does not result from the fault or negligence of that Party or its agents, employees or contractors and (v) causes performance by that Party to be delayed, in whole or in part or unable to partially or wholly perform its obligations under this Agreement Neither an act or failure to act by a Governmental Authority, nor the performance, non performance or exercise of rights under any agreement with Franchisee by any lender, landlord, contractor or other Person, or Franchisee s financial inability to perform or Franchisee s insolvency, shall be an event of Force Majeure under this Agreement, except to the extent that such act, failure to act, performance non-performance or exercise of rights results from an act which is otherwise an event of Force Majeure

Franchisee Conference Fee" means the fee Franchisee must pay Franchisor towards the cost of each Annual Franchise Conference held by Franchisor in an amount not to exceed $1,000 per person

Franchisee Recommended Suppliers" means suppliers of Non-Proprietary Products who are recommended by Franchisee to become Rocket Fizz Approved Suppliers

' **Franchised Location** means the site of the Rocket Fizz Shop located at the address set forth on **<u>Exhibit B</u>**

' **Franchisor Recommended Suppliers** means suppliers of products other than Rocket Fizz Authorized Products who are recommended to Franchisee by Franchisor

General Manager' means an individual who is responsible for overseeing the operation of the Rocket Fizz Shop in the absence of the Principal Owner

"**General Release** means the form of general release prescribed by Franchisor of any and all known and unknown obligations, liabilities demands, costs, expenses damages claims, actions and causes of action, of whatever nature, character or description against Franchisor and its Constituents A General Release will cover future consequences of acts, omissions events and circumstances predating the date of the General Release, but will not release, in advance, future acts, omissions or events which have not occurred at the time the General Release is executed

Good Standing" means Franchisee is in substantial compliance with the material requirements of this Agreement, the Rocket Fizz Manuals and all other agreements then in effect between Franchisor or its Affiliates, and Franchisee, and has substantially cured each curable Default for which Franchisor has issued a Notice of Default to Franchisee within the time periods set forth in <u>Article 16</u> Franchisee shall not be in Good Standing if any Default by Franchisee is not capable of being cured

Governmental Authority' means all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities

'**Grand Opening Marketing Expenditure**' means the amount Franchisee must spend for a promotional campaign for the grand opening of the Rocket Fizz Shop in an amount not to exceed $2,000

'**Gross Revenue**' means the total of all revenues derived from sales of any nature or kind whatsoever from the Rocket Fizz Shop, whether evidenced by cash, services, property, barter, or other means of exchange, including orders taken in or from the Rocket Fizz Shop although filled elsewhere '**Gross Revenue**' shall include all proceeds from the sale of coupons, gift certificates or vouchers **Gross Revenue**" shall exclude the amount of bona fide refunds paid to customers and the amount of any sales or use taxes actually paid to any Governmental Authority by Franchisee and the retail price of any coupons, gift certificates and vouchers when they are redeemed

Initial Franchise Fee means the $54,000 initial fee that Franchisee must pay Franchisor for the right to operate the Rocket Fizz Shop under this Agreement

Initial Term" means the ten (10) year period commencing on the Effective Date and ending on the Expiration Date

Landlord means the owner of the Franchised Location who enters into a Lease with Franchisee for the Franchised Location

'**Lease** shall mean any agreement, however denominated, that allows Franchisee to occupy the Franchised Location owned by a Landlord, including any lease, sublease, concession agreement, license and similar arrangement between Franchisee and a Landlord

Local Store Marketing Expenditure' means the percentage of Gross Revenue that Franchisor may require Franchisee to spend each calendar month for local promotion and marketing of the Rocket Fizz Shop if and when Franchisor elects to require a Local Store Marketing Expenditure, which initially shall not exceed one percent (1%) to two percent (2%) of Gross Revenue Franchisor shall have the right to establish and adjust the amount of the Local Store Marketing Expenditure at any time and from time to time during the Term upon ninety (90) days prior written notice from Franchisor to Franchisee, to an amount not to exceed two percent (2%) of Gross Revenue

'**Marketing Fund**" means the fund that Franchisor may elect to establish to promote the Rocket Fizz Marks and all Rocket Fizz Shops

Marketing Fund Fees' means the monthly fees that that Franchisor may require Franchisee to pay to the Marketing Fund as a percentage of the Gross Revenue of the Rocket Fizz Shop if and when Franchisor elects to establish a Marketing Fund following the Effective Date, which initially shall not exceed one percent (1%) to two percent (2%) of Gross Revenue Franchisor shall have the right to establish and adjust the amount of the Marketing Fund Fee at any time and from time to time during the Term upon ninety (90) days prior written notice from Franchisor to Franchisee, to an amount not to exceed two percent (2%) of Gross Revenue

'**Minimum Purchase Standards**' means Franchisee s obligation to continuously maintain a three (3) week volume or rotation of inventory in the Rocket Fizz Shop

"**NACHA** means the National Automated Clearing House Association, an organization that establishes the standards and rules followed by financial institutions for transferring payments

"**Non-Proprietary Products** means food and beverage products raw materials, fixtures, furnishings, equipment, uniforms, supplies, paper goods, services, packaging, forms POS Systems, computer hardware, software, modems and peripheral equipment and other products, supplies services and equipment other than Rocket Fizz Branded Products and Rocket Fizz Proprietary Products, that Franchisee may or must use, offer and sell at the Rocket Fizz Shops

Non-Traditional Venues means a broad variety of atypical sites including, without limitation a site or location within a captive market site, another primary business or in conjunction with other businesses or at institutional settings such as office buildings, business complexes, arenas, stadiums and entertainment venues, recreational facilities, airports, train stations travel plazas, toll road facilities and other transportation terminals, educational, medical, governmental and other types of institutional facilities, sites in retail locations (for example, a kiosk within a grocery store) and casinos

Notice of Default" means a written notice from one Party to another Party demanding the cure of a Default and demanding that the defaulting Party provide evidence of the cure to the other Party, if the Default is curable

Open , **'Opened** and **'Opening"** mean that Franchisee has received written authorization from Franchisor and all applicable Governmental Authorities to commence business operations at a Rocket Fizz Shop and has actually begun to offer Rocket Fizz Authorized Products for sale to the public from the Rocket Fizz Shop

Opening Date' means the day that (i) Franchisee receives written authorization from Franchisor and all applicable Governmental Authorities to commence business operations at the Rocket Fizz Shop, and (ii) Franchisee actually begins to offer Rocket Fizz Authorized Products for sale to the public from the Rocket Fizz Shop, whichever occurs last, which shall be no later than the first anniversary of the Effective Date as set forth on **Exhibit B**

"**Owner'** means each of the individuals listed on **Exhibit C** and each future direct or indirect shareholder, member, general or limited partner, trustee, or other Equity owner of Franchisee If Franchisee is an Entity, each Owner and each Owner s spouse shall jointly and severally guarantee Franchisee s payment and performance of its obligations under this Agreement under a Guarantee in the form of **Exhibit D**

Payment Network means Visa, MasterCard and any credit or debit card network issuing credit or debit cards and/or their duly authorized entities agents or affiliates

' **Payment Processors"** means all credit card, debit card and/or ACH processors whose services Franchisor may require Franchisee to utilize, as well as payment gateway service providers

"**Payment Rules** means the operating rules and regulations of Payment Processors and any applicable Payment Network, as in effect from time to time

'**Person** means any natural person or Entity

Post-Opening Additional Initial Training Fee means the $1 500 weekly fee that Franchisee shall pay Franchisor for each trainee if Franchisee requests Franchisor to provide its Initial Training Program for new or replacement supervisorial or managerial personnel of Franchisee following the Opening Date of the Rocket Fizz Shop

' **Post-Opening Additional Training Fee'** means the $500 - $700 daily fee Franchisee shall pay Franchisor for Additional Training Programs provided by Franchisor for each of Franchisor s representatives who provides Additional Training Programs for Franchisee not to exceed a maximum of $1 500

Pre-Opening Additional Initial Training Fee means the $500 daily fee Franchisee shall pay Franchisor for each additional trainee if Franchisee requests Franchisor to provide its Initial Training Program to more than three (3) supervisorial or managerial personnel selected by Franchisee prior to the Opening Date of the Rocket Fizz Shop

Principal Owner' means the individual designated by Franchisee on **Exhibit C**, and accepted by Franchisor, to serve as the primary operator of the Rocket Fizz Shop to serve as the authorized representative of Franchisee, who shall have at least a fifty percent (50%) interest in the Equity of Franchisee, who shall act as Franchisee's representative in all matters with Franchisor, as Franchisee's liaison with Franchisor and the Owners, who shall have the authority to act on behalf of Franchisee without the participation of any other Owner

Relocation Fee means the $3,000 fee that Franchisee must pay Franchisor if Franchisee requests Franchisor to consent to a relocation of the Rocket Fizz Shop

Renewal Fee means the $5,000 fee that Franchisee must pay Franchisor to extend the Initial Term for the Renewal Term

Renewal Term Expiration Date means the fifth anniversary of the commencement date of the Renewal Term
' **Restricted Persons** means Franchisee, and each of its Owners and Affiliates, and the respective officers, directors, shareholders, managers, members and Affiliates of each of them, and the spouses of each of the foregoing who are individuals

Rocket Fizz Approved Suppliers means suppliers of Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and Non-Proprietary Products, and ancillary services food products, beverages, packaging, supplies, furniture, fixtures and equipment for Rocket Fizz Shops that have been accepted and approved by Franchisor because they have demonstrated to Franchisor their ability to supply products and services for Rocket Fizz Shops meeting Franchisor's specifications as to brand names, models, contents, quality, freshness compliance with governmental standards and regulations, reliability with respect to delivery and consistency in the quality of their products or services Franchisor and its Affiliates may be Rocket Fizz Approved Suppliers

' **Rocket Fizz Authorized Products** means all Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and Non-Proprietary Products authorized by Franchisor for sale or use at Rocket Fizz Shops and any products now existing or developed in the future that are sold and/or manufactured in strict accordance with Franchisor s standards and specifications, including specifications as to brand names which may include, without limitation, pre-packaged confection and beverage products, packaging, clothing, souvenirs and novelty items

Rocket Fizz Branded Products' means any product now existing or developed in the future that bears any of the Rocket Fizz Marks, including products that are prepared, sold and/or manufactured in strict accordance with Franchisor s standards and specifications, including clothing, souvenirs and novelty items

' **Rocket Fizz Franchise Agreements** means Franchise Agreements between Franchisor and other Rocket Fizz Franchisees for Rocket Fizz Shops

"**Rocket Fizz Franchisees'** means parties other than Franchisee who enter into Rocket Fizz Franchise Agreements with Franchisor to develop, own and operate Rocket Fizz Shops

' **Rocket Fizz Manuals'** means Franchisor's operations manuals, which may consist of one or more manuals, and any other written directives related to the Rocket Fizz System, as they may be amended issued and revised from time to time

Rocket Fizz Proprietary Products' means only those products that are produced or manufactured strictly in accordance with Rocket Fizz Trade Secrets or that Franchisor otherwise designates as proprietary

'**Rocket Fizz Shop** means a full, standard size, 'brick and mortar retail facility located in a free-standing building, mall or a shopping center accessible to the general public and operated by Franchisee that operates under the Rocket Fizz Marks and Rocket Fizz System

Rocket Fizz System means Franchisor's operating methods and business practices related to Rocket Fizz Shops, the relationship between Franchisor and its franchisees, interior and exterior Rocket Fizz Shop design, other items of trade dress specifications for equipment, fixtures and uniforms and defined product and merchandise offerings, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures management and technical training programs marketing and public relations programs and Franchisor's website, all as Franchisor may modify the same from time to time

'**Rocket Fizz Trade Secrets** means proprietary and confidential information, including, the Rocket Fizz Confidential Information pricing, specifications, procedures, policies concepts, systems know-how, plans, software, strategies and methods and techniques of operating a Rocket Fizz Shop and selling Rocket Fizz Authorized Products, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that Franchisee can show was already lawfully in Franchisee's possession before receipt from Franchisor

"**Term** means, as the context of this Agreement indicates, the Initial Term unless this Agreement is extended for one or more Renewal Terms, in which case "**Term** shall mean both the Initial Term and the Renewal Terms

Then-Current" means, as the context of this Agreement indicates, (i) the form of agreement then-currently provided by Franchisor to similarly situated prospective Rocket Fizz Franchisees which may contain terms and conditions that are materially different from this Agreement, or if not then being so provided, then a form of agreement selected by Franchisor in its discretion which previously has been delivered to and executed by a Rocket Fizz Franchisee or area developer of Franchisor, (ii) the fees then-currently charged by Franchisor for services provided by Franchisor or its Affiliates (iii) the then-current qualifications or financial conditions required by Franchisor for Rocket Fizz Franchisees or (iv) then-current appearance, design standards and equipment specifications applicable to the Rocket Fizz Shop

"**Transfer Fee** means the fee that Franchisee must pay Franchisor as a condition precedent to an Assignment of this Agreement in an amount equal to twenty percent (20%) of Franchisor's Then-Current initial franchise fee charged to new Rocket Fizz Franchisees plus Franchisor s out of pocket costs associated with the Assignment, including reasonable attorneys' fees

'**Website** means an interactive electronic document contained in a network of computers linked by communication software that refers to the Rocket Fizz Shop, the Rocket Fizz Marks Franchisor or the Rocket Fizz System, and includes Internet and World Wide Web home pages

2 **GRANT**

2 1 Grant Franchisor hereby awards Franchisee, and Franchisee hereby accepts, the right license and obligation during the Initial Term, to use and display the Rocket Fizz Marks and to use the Rocket Fizz System to continually operate one (1) Rocket Fizz Shop at and only at, the Franchised Location, upon the terms and subject to the provisions of this Agreement and all ancillary documents binding the Parties Franchisee shall utilize the Franchised Location only for the operation of the Rocket Fizz Shop Franchisee shall not subcontract, sublicense, sublease, share, divide or partition this Agreement or enter into any agreement with any third party

providing for the right to operate the Rocket Fizz Shop or to use the Rocket Fizz Marks or the Rocket Fizz System and nothing in this Agreement will be construed as granting Franchisee the right to do so

2 2 **Protected Area** Except as provided in Section 2 3, during the Initial Term, and provided that Franchisee is not in Default of this Agreement or any other agreement between Franchisor or its Affiliates and Franchisee, Franchisor shall not own, operate sell or issue a franchise for any other Rocket Fizz Shop that will be located within the ' **Protected Area** set forth on **Exhibit A** The license granted to Franchisee under this Agreement is nonexclusive, and except as provided in this Section 2 2, Franchisee shall have no territorial or protective rights

2 3 **Rights Reserved by Franchisor** Franchisor and its Affiliates reserve all other rights with respect to the Rocket Fizz System, the Rocket Fizz Marks and Rocket Fizz Shops, including the exclusive right, in their discretion, directly or indirectly, without granting Franchisee any rights in the same, to (i) develop, own and operate, and to grant franchises to third parties to develop, own and operate, Rocket Fizz Shops outside the Protected Area, without restriction regardless of their proximity to the Protected Area (ii) develop, own and operate, and to grant franchises to third parties to develop, own and operate any other business, other than a Competitive Business, under marks and systems different from the Rocket Fizz Marks and the Rocket Fizz System within and outside the Protected Area, regardless of their proximity to the Protected Area, (iii) sell or distribute, at retail or wholesale, directly or indirectly, or license others to sell or distribute, Rocket Fizz Branded Products and Rocket Fizz Proprietary Products within and outside the Protected Area, regardless of their proximity to the Protected Area, through the Internet, mail order catalogs, direct mail advertising and through other distribution methods, (iv) market on the Internet and use the Rocket Fizz Marks on the Internet, including all use of Websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media, (v) develop own or operate and to grant franchises or licenses to third parties to develop, own or operate Rocket Fizz Shops at Non-Traditional Venues within and outside of the Protected Area regardless of their proximity to the Rocket Fizz Shop, (vi) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Rocket Fizz Shops and franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, (vii) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at Rocket Fizz Shops, or by another business, even if such business operates franchises and/or licenses Competitive Businesses, and (viii) engage in all other activities that this Agreement does not expressly prohibit

3 **INITIAL, RENEWAL AND EXTENSION TERMS**

3 1 **Initial Term** The ten (10) year Initial Term shall commence on the Effective Date and shall expire on the Expiration Date, unless sooner terminated as provided in this Agreement If the Lease for the Franchised Location terminates or expires before the end of the Initial Term and the Rocket Fizz Shop is not relocated in accordance with Section 5 6, this Agreement will terminate on the termination or expiration fate of the Lease If Franchisee does not elect to renew the Initial Term under Section 3 2, this Agreement shall expire on the Expiration Date

3 2 **Renewal and Extension Rights** Subject to the conditions contained in Section 3 3 at the expiration of the Initial Term, Franchisee shall have the right (the '**Renewal Right**) to enter into Franchisor s Then-Current franchise agreement (a ' **Renewal Franchise Agreement**) to extend the Initial Term for a five (5) year period (the **Renewal Term**) The Renewal Franchise Agreement shall likewise grant Franchisee the right (the ' **Extension Right**") to enter into Franchisor s Then-Current franchise agreement (an '**Extension Franchise Agreement**') to extend the Renewal Term for a five (5) year period (the '**Extension Term** ') If Franchisee desires to exercise the Renewal Right and the Extension Right, Franchisee shall, not less than six (6) calendar months nor more than twelve (12) calendar months prior to the Expiration Date or Renewal Term Expiration Date as the case may be, notify Franchisor in writing (the **Renewal Notice** or **Extension Notice**) that Franchisee desires to extend the

Initial Term for the duration of the Renewal Term or extend the Renewal Term for the duration of the Extension Term If Franchisee exercises the Renewal Right, this Agreement shall terminate on the Renewal Term Expiration Date If Franchisee exercises the Extension Right, this Agreement shall terminate on the Extension Term Expiration Date This Agreement is not otherwise renewable

3 3 **<u>Renewal and Extension Conditions and Procedures</u>** To protect the Rocket Fizz System, the Rocket Fizz Marks the Rocket Fizz Trade Secrets and the goodwill associated with the same

3 3 1 The Initial Term may be extended by Franchisee only if all of the following conditions precedent are satisfied prior to the Expiration Date (i) Franchisee shall have fully performed all of its obligations under this Agreement, any Area Development Agreement and all other agreements binding the Parties and shall be in Good Standing on the date of the Renewal Notice, on the date of Franchisor's execution of the Renewal Franchise Agreement and on the Expiration Date, (ii) Franchisee shall prior to the commencement date of the Renewal Term, undertake and complete at its expense, the remodeling, renovation, modernization, and refurbishing of the Franchised Location and the Rocket Fizz Shop to comply with Franchisor's Then-Current specifications and standards for new Rocket Fizz Shops, (iii) Franchisee shall not have committed three (3) or more material Defaults during any eighteen (18) calendar month period during the Initial Term which were subject to notices of Default issued by Franchisor, whether or not the Defaults were cured, (iv) Franchisee shall have presented evidence satisfactory to Franchisor that Franchisee has the right to remain in possession of the Franchised Location for the duration of the Renewal Term, (v) Franchisee shall, prior to the commencement date of the Renewal Term, comply with Franchisor's Then-Current qualification and training requirements, (vi) Franchisee shall continue to comply with the terms and conditions of this Agreement, (vii) Franchisee shall have satisfied Franchisor's Then-Current qualifications and training requirements, (viii) Franchisee shall have executed and delivered to Franchisor a General Release, (ix) if Franchisee is an Entity, each Owner and each Owner s spouse of Franchisee shall have executed and delivered to Franchisor a personal guarantee, in a form then satisfactory to Franchisor, jointly and severally guaranteeing Franchisee s performance of its obligations under the Renewal Franchise Agreement, (x) Franchisee shall have paid Franchisor a Renewal Fee when Franchisee delivers the Renewal Notice to Franchisor, and (xi) Franchisee shall have executed the Renewal Franchise Agreement and delivered it to Franchisor

3 3 2 Following the expiration of any waiting periods required by Applicable Law and no more than thirty (30) days after Franchisee receives a franchise disclosure document (a "**Disclosure Document**) from Franchisor, if applicable, and the execution copies of the Renewal Franchise Agreement, Franchisee shall execute the copies of the Renewal Franchise Agreement and return them to Franchisor If Franchisee has exercised the Renewal Right in accordance with <u>Section 3 2</u> and satisfied all of the conditions in this <u>Section 3 3</u>, Franchisor shall execute the Renewal Franchise Agreement If Franchisee fails to perform any of the acts or deliver any of the notices required under this <u>Article 3</u> in a timely fashion, the failure to do so shall be deemed an election by Franchisee not to exercise the Renewal Right and shall automatically cause the Renewal Right to lapse and expire

3 3 3 The Renewal Term may be extended by Franchisee only if all of the following conditions precedent are satisfied prior to the Renewal Term Expiration Date (i) Franchisee shall have fully performed all of its obligations under this Agreement, any Area Development Agreement and all other agreements binding the Parties and shall be in Good Standing on the date of the Extension Notice, on the date of Franchisor's execution of the Extension Franchise Agreement and on the Renewal Term Expiration Date, (ii) Franchisee shall, prior to the commencement date of the Extension Term undertake and complete at its expense, the remodeling, renovation, modernization or refurbishing of the Franchised Location and the Rocket Fizz Shop to comply with Franchisor's Then-Current specifications and standards for new Rocket Fizz Shops, (iii) Franchisee shall not have committed two (2) or more material Defaults during any twelve (12) calendar month period during the Renewal Term which were subject to notices of Default issued by Franchisor, whether or not the Defaults were cured (iv) Franchisee shall have presented evidence satisfactory to Franchisor that Franchisee has the right to remain in possession of the Franchised Location for the duration of the Extension Term, (v) Franchisee shall prior to the

commencement date of the Extension Term comply with Franchisor s Then-Current qualification and training requirements, (vi) Franchisee shall continue to comply with the terms and conditions of this Agreement (vii) Franchisee shall have satisfied Franchisor s Then-Current qualifications and training requirements, (viii) Franchisee shall have executed and delivered to Franchisor a General Release, (ix) if Franchisee is an Entity, each Owner and each Owner s spouse of Franchisee shall have executed and delivered to Franchisor a personal guarantee, in a form then satisfactory to Franchisor jointly and severally guaranteeing Franchisee s performance of its obligations under the Extension Franchise Agreement (x) Franchisee shall have paid Franchisor an Extension Fee when Franchisee issues the Extension Notice to Franchisor, and (xi) Franchisee shall have executed the Extension Franchise Agreement and delivered it to Franchisor

3 3 4 Following the expiration of any waiting periods required by Applicable Law and no more than thirty (30) days after Franchisee receives a Disclosure Document from Franchisor, if applicable, and the execution copies of the Extension Franchise Agreement, Franchisee shall execute the copies of the Extension Franchise Agreement and return them to Franchisor If Franchisee has exercised the Extension Right in accordance with Section 3 2 and satisfied all of the conditions in this Section 3 3, Franchisor shall execute the Extension Franchise Agreement If Franchisee fails to perform any of the acts or deliver any of the notices required under this Article 3 in a timely fashion the failure to do so shall be deemed an election by Franchisee not to exercise the Extension Right and shall automatically cause the Extension Right to lapse and expire

3 4 **Notice Required by Law** If Applicable Law requires Franchisor to give notice to Franchisee prior to the expiration of the Initial Term or Renewal Term, as the case may be, this Agreement shall remain in effect on a week-to-week basis until Franchisor has given the notice required by Applicable Law If Franchisor is not offering new franchises, is in the process of revising amending or renewing its form of franchise agreement or franchise disclosure document, or is not lawfully able to offer Franchisee its Then-Current form of franchise agreement, at the time Franchisee delivers its Renewal Notice, Franchisor may, in its discretion (i) offer to renew this Agreement upon the same terms set forth in this Agreement for a Renewal Term or Extension Term determined in accordance with Section 3 2, or (ii) offer to extend the Term on a week-to-week basis following the expiration of the Term for as long as it deems necessary or appropriate so that it may lawfully offer its Then-Current form of franchise agreement

3 5 **Month-to-Month Agreement** If Franchisee does not sign Franchisor s Then-Current Franchise Agreement prior to the Expiration Date and Franchisee continues to accept the benefits of this Agreement after it expires, then at Franchisor's option, this Agreement may be treated either as (i) expired as of the Expiration Date with Franchisee then operating without a license to do so and in violation of Franchisor s rights or (ii) continued on a month-to-month basis (' **Month-to-Month Agreement**) until one party provides the other with written notice of such party's intent to terminate the Month-to-Month Agreement in which case the Month-to-Month Agreement will terminate thirty (30) days after receipt of the notice to terminate the Month-to-Month Agreement, or such longer notice period as is required by Applicable Law In the latter case all of Franchisee s obligations shall remain in full force and effect during the Month-to-Month Agreement as if this Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall be deemed to take effect upon termination of the Month-to-Month Agreement

4 FEES

4 1 **Initial Franchise Fee** On the Effective Date, Franchisee shall pay Franchisor the $54 000 Initial Franchise Fee in the manner provided in Section 4 7 The Initial Franchise Fee shall be non-refundable, in whole or in part, when paid Franchisor may in its sole and absolute discretion, elect to finance a portion of the Initial Franchise Fee Upon Franchisor's request, Franchisee shall execute our Then-Current Promissory Note for the amount financed If Franchisee is an Entity, each Owner and their spouses shall jointly and severally guarantee the

payment and performance of the provisions of the Promissory Note under a Guarantee in the form attached to this Agreement as **Exhibit D**

4 2 **Royalty Fees** Franchisee shall pay Franchisor, in the manner provided in Section 4 7, a monthly royalty fee equal to the greater of $900 or five percent (5%) of the Gross Revenue of the Rocket Fizz Shop (the ' **Royalty Fee**), without deduction, abatement or offset The Royalty Fee shall be paid on the first day of each calendar month on the Gross Revenue of the Rocket Fizz Shop during the preceding calendar month Each payment shall be accompanied by a statement of Gross Revenue for the preceding calendar month, certified as complete and accurate by the Principal Owner

4 3 **Marketing Fund Fees** If Franchisor elects to establish a Marketing Fund, Franchisee shall pay a monthly Marketing Fund Fee to the Marketing Fund in the amount designated by Franchisor from time to time, in the manner provided in Section 4 7, without deduction, abatement or offset In addition, Franchisor may from time to time offer Franchisee the opportunity to purchase point of sale advertising materials, posters, flyers, product displays, templates and other promotional materials for the Rocket Fizz Shop at Franchisor's direct costs for the same

4 4 **POS System Support Fee** Franchisee shall comply with all requirements in the Rocket Fizz Manuals regarding the mandatory purchase and use of a computerized point of sale system (including all related hardware and software) in the operation of the Rocket Fizz Shop (the '**POS System**) and shall pay Franchisor a monthly user software support fee of $70 - $140 (the ' **POS System Support Fee**) for the use of the POS System, without deduction, abatement or offset Franchisor shall have the right to increase the POS System Support Fee from time to time upon ninety (90) days prior notice to Franchisee

4 5 **Other Payments** Franchisee shall promptly pay Franchisor and its Affiliates, as applicable, when due or on demand, without deduction, abatement or offset (i) all amounts advanced by Franchisor or which Franchisor has paid or for which Franchisor has become obligated to pay on behalf of Franchisee for any reason whatsoever and (ii) all amounts due to Franchisor or its Affiliates for purchases of Rocket Fizz Branded Products and Rocket Fizz Proprietary Products by Franchisee

4 6 **Finance and Administrative Fee** If Franchisee fails to pay any amount due to Franchisor under this Agreement by the date payment is due, or if any electronic payment is unpaid because of insufficient funds or otherwise, Franchisee shall additionally be obligated to pay Franchisor a fee (a **Finance and Administrative Fee**) on demand without deduction, abatement or offset, in an amount to be designated by Franchisor based upon the amount due to Franchisor, the administrative time that Franchisor must devote to collection of the amount due and the period of time that the payment remains outstanding, not as a penalty but as a reimbursement for Franchisor's costs and expenses to provide the administrative services to collect the amount due The Parties acknowledge and agree that it would be impossible and impracticable to determine the precise amount of the costs and expenses that Franchisor will incur if Franchisor must devote to collect the amount due and further acknowledge and agree that the Finance and Administrative Fee is a reasonable good faith estimate of those costs and expenses This Section 4 6 does not constitute an agreement by Franchisor to accept any payment after the date payment is due or a commitment by Franchisor to extend credit to, or otherwise finance, Franchisee, and Franchisee s failure to pay all amounts when due shall constitute grounds for termination of this Agreement notwithstanding this Section 4 6

4 7 **Manner of Payment** Franchisee shall make all payments due to Franchisor or its Affiliates from Franchisee s bank account by electronic funds transfer (**EFT**) or other automatic payment mechanism that Franchisor may designate Promptly upon Franchisor s request, Franchisee shall execute and deliver to Franchisor the EFT payment form attached to this Agreement as **Exhibit E** and all pre-authorized check forms and other instruments or drafts required by Franchisor s bank, payable against Franchisee s bank account, to enable

Franchisor to draw Franchisee s Royalty Fees and other sums payable under the terms of this Agreement Franchisee shall maintain a single bank account for all EFT payments and shall maintain such minimum balance in this account in the amount that Franchisor may reasonably specify from time to time to insure that all payments due to Franchisor and its Affiliates can be paid in full when drawn from the account Franchisee shall not alter or close this account except with Franchisor's prior written approval Any failure by Franchisee to implement an EFT system in strict accordance with Franchisor's instructions shall constitute a material Default of this Agreement All payments by Franchisee shall be made in US Dollars free and clear of any tax, deduction, offset or withholding of any kind Franchisee shall register for and collect and report sales tax in compliance with all Applicable Laws All taxes and penalties thereon, presently or in the future levied on the payments due to Franchisor under this Agreement shall be fully borne by Franchisee

4 8 **Application of Funds** If Franchisee shall be delinquent in the payment of any obligation to Franchisor under this Agreement, or under any other agreement with Franchisor, Franchisor shall have the absolute right to apply any payments received from Franchisee to any obligation owed, whether under this Agreement or otherwise, notwithstanding any contrary designation by Franchisee as to application

4 9 **Security Interest** Franchisee hereby grants Franchisor a security interest in and to all leasehold improvements, fixtures, furnishings and equipment inventory supplies and vehicles located at or used in connection with the Rocket Fizz Shop, now or hereafter acquired by Franchisee, together will all accounts, payment intangibles, attachments, accessories, additions, substitutions and replacements, all cash and non-cash proceeds derived from insurance or the disposition of the assets, all rights of Franchisee to use the Rocket Fizz Marks, trade names, trade styles, patents, copyrights and their registrations, Rocket Fizz Trade Secret information and other proprietary rights, and all rights granted, owned or licensed to Franchisee under this Agreement for the use of the Rocket Fizz Marks, trade names, trade styles patents, copyrights Rocket Fizz Trade Secret information and other proprietary rights, to secure payment and performance of all debts, liabilities and obligations of any kind, whenever and however incurred, from Franchisee to Franchisor Franchisee hereby authorizes Franchisor to, prepare and file all Uniform Commercial Code (and comparable) financing statements and other documents necessary or desirable to evidence, perfect and continue the priority of this security interest under the Uniform Commercial Code wherever applicable If Franchisee is in Good Standing under this Agreement and all other agreements between Franchisor or its Affiliates, and Franchisee, Franchisor shall, upon request of Franchisee, execute a written subordination of its security interest to lenders providing equipment or other financing for the Rocket Fizz Shop If Franchisee is in Default of any of the terms and conditions of this Agreement, Franchisor may, in its discretion, exercise its rights with respect to its security interest In that event, Franchisee shall remain liable for any deficiency remaining due to Franchisor and shall be entitled to recover any surplus which results after the application of the proceeds derived from the enforcement of the security interest

5 FRANCHISED LOCATION, CONSTRUCTION AND OPENING FOR BUSINESS

5 1 **Franchised Location** The Rocket Fizz Shop shall be located at the Franchised Location If the address of the Franchised Location has not been inserted in the blank space on **Exhibit B** on the Effective Date, Franchisee shall promptly locate one or more proposed sites that meet Franchisor s Then-Current standards and specifications Franchisor shall provide Franchisee with Franchisor's site criteria following the Parties' execution of this Agreement When Franchisee identifies a proposed site for the Rocket Fizz Shop, Franchisee shall submit to Franchisor all demographic and other information regarding the proposed site and neighboring areas that Franchisor shall require, in the form prescribed by Franchisor, and shall request Franchisor to consider and approve the site ('**Site Review Request**") Franchisor shall approve, reject or request additional information regarding a proposed site within thirty (30) days after Franchisor receives all of the information that Franchisor requires to evaluate the site If Franchisor accepts a proposed site as a Franchised Location, Franchisor shall notify Franchisee of Franchisor's preliminarily acceptance of the Franchised Location (the **Preliminary Acceptance**'), which shall be subject to the successful negotiation by Franchisee of a final Lease or purchase agreement for the

Franchised Location Following Preliminary Acceptance of the Franchised Location by Franchisor, Franchisee shall promptly negotiate a Lease for the site and shall submit a copy of the proposed Lease to Franchisor to allow Franchisor at least fifteen (15) days to confirm that the provisions set forth in <u>Section 5 3</u> have been included in the proposed Lease and/or that the Landlord and Franchise have executed an Option to Obtain Lease Assignment in the form specified by Franchisor Franchisee shall not enter into any Lease for a site unless and until Franchisor has approved the site and the Lease in writing Following Franchisee's execution of the Lease for the Franchised Location, the Parties shall complete and execute an addendum to **<u>Exhibit B</u>** to identify the Franchised Location

5 2 **<u>Obligation of Franchisee</u>** Franchisee shall promptly obtain a fully executed Lease for a Franchised Location Franchisor may voluntarily (without obligation) assist Franchisee in locating an acceptable site for the Rocket Fizz Shop, however, neither Franchisor's assistance, if any, nor Franchisor s acceptance of a Rocket Fizz Shop site, whether initially proposed by Franchisee or by Franchisor, shall be construed to insure or guarantee the profitable or successful operation of the Rocket Fizz Shop at any site by Franchisee Franchisor's acceptance of any proposed Lease is based solely on Franchisor's own interests and does not represent any guarantee or endorsement by Franchisor of the site or confirmation that the Lease complies with Applicable Law or that the terms of the Lease are favorable to Franchisee Franchisee acknowledges and agrees that although Franchisor may consult with Franchisee regarding the terms of a Lease and the negotiations with a Landlord, it is Franchisee s sole responsibility to negotiate, review and approve the Lease or purchase agreement for the Rocket Fizz Shop and should do so in consultation with legal counsel experienced in real estate law Franchisor makes no representations or warranties as to the success of a Rocket Fizz Shop at any site or as to any other matter of any kind relating to a site Franchisee may not construe any assistance Franchisor may provide, or Franchisor s approval of a site or a Lease, as a guarantee or other assurance that the proposed Rocket Fizz Shop at the site will be successful Franchisee acknowledges and agrees that it is Franchisee s sole responsibility to identify and obtain the Franchised Location for the Rocket Fizz Shop to be developed under this Agreement and Franchisor hereby expressly disclaims any responsibility therefor

5 3 **<u>Lease for Franchised Location</u>** Franchisee shall not create any obligations on Franchisor's behalf or grant the Landlord any rights against Franchisor, or agree to any term, condition or covenant in the Lease which is inconsistent with any provision of this Agreement Franchisee shall deliver a fully executed copy of the Lease to Franchisor in the form and on the terms previously accepted by Franchisor, without further request by Franchisor The Lease shall provide, unless Franchisor otherwise consents in writing prior to the execution of the Lease that (i) the Lease may not be amended, assigned or sublet without Franchisor s prior written consent, (ii) Franchisor shall have the right (but not the obligation) to succeed to Franchisee s rights under the Lease if Franchisee fails to exercise any option to renew, and or extend the term of the Lease, (iii) upon Franchisee s Default under the Lease, the Landlord shall notify Franchisor in writing at least fifteen (15) days prior to the termination or non-renewal of the Lease, (iv) Franchisor shall have an option to assume the Lease upon the termination or expiration of the Lease for any reason by giving written notice of the election to Franchisee and the Landlord (v) Franchisee shall have the unrestricted right, without the Landlord s consent, to assign or sublet the Franchised Location to Franchisor, or any Rocket Fizz Franchisee or licensee approved by Franchisor, and (vi) Franchisor shall have the right to enter the Franchised Location to remove all of the Rocket Fizz Marks from the Franchised Location and modify the decor of the Franchised Location so that it no longer resembles a Rocket Fizz Shop, in whole or in part, if Franchisee fails to do so If Franchisor elects to succeed to Franchisee s rights under the Lease, Franchisee shall assign to Franchisor all of its right title and interest in and to the Lease and take all further action that Franchisor, in its sole and absolute discretion, may deem necessary or advisable to effect the Assignment within ten (10) days after written demand by Franchisor to do so

5 4 **<u>Construction</u>** Franchisor shall make available at no charge to Franchisee, Franchisor s specifications for the decor and layout of a prototype Rocket Fizz Shop and the required fixtures, equipment, furnishings, decor, trade dress and signs Franchisee shall be responsible for the costs of preparing architectural engineering and construction drawings and site and space layout and exterior signage plans for the Rocket Fizz Shop Franchisee

shall, at its own expense, adapt the specifications for a prototype Rocket Fizz Shop to conform to the characteristics of the Franchised Location and shall submit the final plans to Franchisor within forty-five (45) days after Franchisee obtains possession of the Franchised Location Franchisor shall review and accept or reject the plans within fifteen (15) days after receiving them from Franchisee Before commencing any renovation or construction, Franchisee shall employ a licensed architect and engineer approved in advance by Franchisor to prepare preliminary and final architectural and engineering drawings and specifications for the Rocket Fizz Shop in accordance with Franchisor s standard architectural plans and specifications for a prototype Rocket Fizz Shop Franchisee shall, at its own expense obtain all zoning classifications, permits, and clearances for construction and shall, subject only to Force Majeure, complete construction of the Rocket Fizz Shop within one hundred eighty (180) days after the Effective Date Franchisee's failure to locate an acceptable site, enter a Lease or open the Rocket Fizz Shop within the applicable time periods provided for in this Article 5 shall be deemed to be material Default under this Agreement Franchisee shall notify Franchisor of the anticipated construction completion date and, within a reasonable time after construction is completed Franchisor shall have the right, but not the obligation, to conduct a final inspection of the Rocket Fizz Shop

5 5 **Open for Business** The Rocket Fizz Shop shall Open For Business no later than one hundred eighty days (180) after the Effective Date, unless Franchisor extends the date for the required Opening Date of the Rocket Fizz Shop in writing Franchisor shall not unreasonably withhold its consent to Franchisee s request for additional time to Open the Rocket Fizz Shop without cause To protect the Rocket Fizz System, the Rocket Fizz Marks the Rocket Fizz Trade Secrets and the goodwill associated with the same, Franchisee shall not Open the Rocket Fizz Shop or offer Rocket Fizz Authorized Products to the public without the express written authorization of Franchisor, which authorization may be conditioned upon Franchisee s strict compliance with the specifications of the approved final plans and Rocket Fizz System standards, the completion of the Initial Training Program by the Principal Owner and the General Manager and Franchisee s compliance with staffing and other requirements Franchisee shall Open the Rocket Fizz Shop for business following receipt of a temporary or permanent certificate of occupancy and no more than ten (10) days after receipt of Franchisor s written authorization to Open Following the Opening Date, the Parties shall complete and execute an addendum to **Exhibit B** to designate the Opening Date

5 6 **Relocation of Rocket Fizz Shop** To protect the Rocket Fizz System the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, Franchisee may not relocate the Rocket Fizz Shop without Franchisor s prior written consent Franchisee shall pay Franchisor a Relocation Fee when Franchisee requests Franchisor's consent to a relocation of the Rocket Fizz Shop Franchisee may only relocate the Rocket Fizz Shop within the protected Territory If Franchisor consents to a relocation, Franchisee shall de-identify the former Franchised Location in the manner described in Section 17 1 and shall reimburse and indemnify and hold Franchisor harmless from any direct and indirect losses, costs and expenses including attorney s fees, arising out of Franchisee's failure to do so If Franchisor consents to a relocation of the Rocket Fizz Shop, Franchisee shall have twelve (12) calendar months from the date of Franchisor s approval of the new Franchised Location to secure the new Franchised Location and to Open and operate the Rocket Fizz Shop at the new Franchised Location Once Franchisee has identified the new Franchised Location, Franchisor has approved it, and the Lease has been submitted to Franchisor to allow Franchisor at least fifteen (15) days to confirm that the provisions set forth in Section 5 3 have been included in the proposed Lease and that the Landlord and Franchise have executed an Option to Obtain Lease Assignment in the form specified by Franchisor, Franchisor will prepare an addendum to **Exhibit B** and provide it to Franchisee If Franchisee fails to secure the new Franchised Location within twelve (12) calendar months of the date of Franchisor's approval of the new Franchised Location, Franchisor, in its discretion, may extend the time for Franchisee to do so, however, Franchisor shall then have the right to estimate and bill Franchisee for Royalty Fees for the time period following the expiration of the twelve (12) calendar month period (a **Relocation Assessment**") based upon the Royalty Fees received for the Rocket Fizz Shop during the identical periods of the last preceding calendar year plus an additional ten percent (10%) of such amount or, if the Rocket Fizz Shop was not in operation during the identical period of the last preceding calendar year a Relocation

Assessment based upon the average Royalty Fees paid during the number of calendar months the original Rocket Fizz Shop was in operation plus an additional ten percent (10%) of that amount

6 OBLIGATIONS OF FRANCHISOR

6 1 **Pre-Opening Initial Training Program** Prior to the Opening Date of the Rocket Fizz Shop, Franchisor shall provide an Initial Training Program in the Rocket Fizz System and methods of operation (the **Initial Training Program**) at Franchisor s training facilities in Camarillo, California and/or at the Rocket Fizz Shop or another Rocket Fizz Shop, for up to three (3) supervisorial or managerial personnel of Franchisee selected by Franchisee who must include the Principal Owner and General Manager, at no charge to Franchisee The Initial Training Program will consist of approximately seventy (70) hours of training prior to the Opening Date of the Rocket Fizz Shop and must be completed before the Rocket Fizz Shop Opens for business The Initial Training Program shall not be provided by Franchisor if (i) Franchisee or any Affiliate of Franchisee owns or operates a Rocket Fizz Shop as of the Effective Date, or (ii) this Agreement is executed as a Renewal Franchise Agreement Franchisor shall determine the contents and manner of conducting the Initial Training Program in its discretion, however, the Initial Training Program will be structured to provide practical training in the implementation and operation of a Rocket Fizz Shop and may include, without limitation topics such as inventory controls, Rocket Fizz System standards, marketing and customer service techniques and administrative reports

6 2 **Post-Opening Additional Initial Training Programs** Following the Opening Date of the Rocket Fizz Shop, Franchisor may, at Franchisee s request and at Franchisor s discretion, provide additional Initial Training Programs (' **Post-Opening Initial Training Programs**') for new or replacement supervisorial or managerial personnel of Franchisee In addition, Franchisee shall pay all transportation costs, food lodging and similar costs incurred in connection with attendance at the Post-Opening Initial Training Programs

6 3 **On-Site Assistance** For Franchisee s first Rocket Fizz Shop, Franchisor will provide on-site training and assistance for approximately three (3) days to four (4) days before and/or after Franchisee s Rocket Fizz Shop Opens to the public On-site opening assistance shall not be provided by Franchisor if (i) Franchisee or any Affiliate of Franchisee owns or operates a Rocket Fizz Shop as of the Effective Date, or (ii) this Agreement is executed as a Renewal Franchise Agreement Franchisor shall select the representatives who will provide the on-site training and the length of time that on-site training will be provided Franchisee may be required to pay all transportation costs, food, lodging and similar costs incurred in connection with the attendance of Franchisor s representatives at the Rocket Fizz Shop for the pre-opening and post-opening on-site assistance

6 4 **Post-Opening Additional Training Programs** In addition, following the Opening Date of the Rocket Fizz Shop, Franchisor may, at Franchisor's discretion from time to time (i) require the Principal Owner and each General Manager and/or other supervisorial or managerial personnel of Franchisee to attend or (ii) make available to the Principal Owner and each General Manager and/or other supervisorial or managerial personnel of Franchisee, additional and remedial training programs (**Post-Opening Additional Training Programs**)

6 5 **Rocket Fizz Manuals** Franchisor will loan one copy or provide Franchisee with access to its current Rocket Fizz Manuals which may include audio, video, compact disks, computer software, other electronic media and/or written materials At Franchisor's option, Franchisor may post some or all of the Rocket Fizz Manuals on a restricted Website, intranet, or extranet to which Franchisee will have access The Rocket Fizz Manuals may change from time to time The Rocket Fizz Manuals are, and at all times shall remain Franchisor s sole property and shall promptly be returned to Franchisor upon expiration, termination or an Assignment of this Agreement The Rocket Fizz Manuals contain both mandatory and recommended specifications, standards procedures rules and other information pertinent to the Rocket Fizz System and Franchisee s obligations under this Agreement The Rocket Fizz Manuals, as modified by Franchisor from time to time are an integral part of this Agreement and all provisions now or hereafter contained in the Rocket Fizz Manuals or otherwise communicated to Franchisee

in writing are expressly incorporated into this Agreement by this reference and made a part of this Agreement Franchisor reserves the right to modify the Rocket Fizz Manuals from time to time to reflect changes that it may implement in the mandatory and recommended specifications, standards and operating procedures of the Rocket Fizz System

6 6 **Post-Opening Consultation** Following the Opening Date of the Rocket Fizz Shop, Franchisor may provide regular consultation and advice to Franchisee in response to Franchisee's inquiries about specific administrative and operating issues that Franchisee brings to Franchisor s attention including, without limitation, mandatory and recommended specifications, standards and operating procedures of the Rocket Fizz System Franchisor s consultation and advice may be provided by telephone, in writing, electronically in person, or by other means Franchisee shall log into Franchisor s Website on a weekly basis to check for updates on administrative and operating issues and shall download all materials that may be provided by Franchisor Franchisee acknowledges and agrees that the results of Franchisee's efforts to operate a Rocket Fizz Shop rests solely with Franchisee Franchisor may make recommendations that it deems appropriate to assist Franchisee's efforts However, Franchisee alone shall establish all requirements consistent with the policies of Franchisor, regarding (i) employment policies, hiring, firing, training, wage and hour requirements, record keeping, supervision and discipline of employees, (ii) the individuals to whom Franchisee will offer and sell its products and services, and (iii) the suppliers from whom Franchisee obtains any products or services used in or at the Shop for which Franchisor has not established Rocket Fizz Approved Suppliers

6 7 **Post-Opening Inspections** To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, following the Opening Date of the Rocket Fizz Shop, Franchisor's authorized representatives shall have the right, but not the obligation, from time to time to enter the Rocket Fizz Shop during business hours, to examine the Rocket Fizz Shop, to confer with Franchisee's supervisorial and managerial personnel, inspect and check operations inventory furnishings, interior and exterior decor, supplies, fixtures and equipment, and determine whether the Rocket Fizz Shop is being operated in accordance with this Agreement, the Rocket Fizz System and the Manuals Franchisor shall use reasonable efforts to avoid materially disrupting the operation of the Rocket Fizz Shop during an inspection

6 8 **Assignment** Upon the occurrence of an Assignment, the Proposed Buyer must be trained by Franchisor as a condition to the granting of Franchisor s consent to the Assignment All costs for this training shall be included in the Transfer Fee payable by Franchisee in accordance with Section 14 4 7

6 9 **Toll Free Telephone Number** Franchisor has the right, but not the obligation, to establish and maintain a toll free telephone number for the purpose of accepting and confirming customer orders nationwide, customer service, and customer follow-up and satisfaction surveys If Franchisor establishes a toll free number, Franchisee shall comply with Franchisor's procedures for implementing the nationwide service as Franchisor specifies in the Manuals or otherwise in writing

7 OBLIGATIONS OF FRANCHISEE

To protect the Rocket Fizz System the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same

7 1 **Rocket Fizz System** Franchisee shall operate the Rocket Fizz Shop in compliance with the terms of this Agreement and the Rocket Fizz Manuals Franchisee acknowledges and agrees that Franchisee alone shall exercise day-to-day control over all operations activities and elements of the Rocket Fizz Shop, including over Franchisee's employees, and that under no circumstance shall Franchisor do so or be deemed to do so Franchisee further acknowledges and agrees that the various requirements, restrictions, prohibitions, specifications and procedures of the Rocket Fizz System that Franchisee must comply with under this Agreement the Rocket Fizz

Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Rocket Fizz Shop, which Franchisee alone controls, but only constitute standards Franchisee must adhere to when exercising Franchisee s control over the day-to-day operations of the Rocket Fizz Shop consistent with the policies of Franchisor Franchisee shall comply with Franchisor's standards and shall operate the Rocket Fizz Shop in conformity with the methods, standards, and specifications that Franchisor may from time to time prescribe in the Rocket Fizz Manuals or otherwise Franchisee shall comply, at Franchisee's expense, with all modifications prescribed by Franchisor and shall implement changes to the Rocket Fizz System within the time periods specified by Franchisor following Franchisee s receipt of notice from Franchisor to do so Franchisee shall refrain from deviating from the methods standards and specifications without Franchisor s prior written consent and from otherwise operating in any manner which reflects adversely on the Rocket Fizz Marks or the Rocket Fizz System Since every detail of the Rocket Fizz System is essential in order to develop and maintain quality operating standards, to increase the demand for the products and services sold by Rocket Fizz Shops under the Rocket Fizz System and to protect the Rocket Fizz Marks and reputation and goodwill, Franchisor shall have the right to disapprove, as it believes necessary any modification of, or addition to, the Rocket Fizz System suggested by Franchisee that is reasonably likely to have an adverse material effect on the Rocket Fizz System, the Rocket Fizz Marks or Franchisor s reputation or goodwill

7 2 **Pre-Opening Initial Training Program** Up to three (3) of Franchisee s supervisorial and managerial personnel shall attend and complete to Franchisor s satisfaction the Initial Training Program Franchisee shall not commence operation of the Rocket Fizz Shop until the Initial Training Program has been completed to Franchisor's satisfaction Franchisee shall pay all travel, living compensation, and other expenses, if any, incurred by Franchisee for the Principal Owner, General Manager and other supervisorial or managerial personnel to attend the Initial Training Program Franchisee acknowledges that because of Franchisor s superior skill and knowledge with respect to the training and skill required to manage a Rocket Fizz Shop, Franchisor, in its sole discretion, shall determine if Franchisee, the Principal Owner the General Manager and/or other supervisorial or managerial personnel have satisfactorily completed the Initial Training Program If the Principal Owner (i) fails to complete the Initial Training Program within five (5) calendar months after the Effective Date (ii) does not complete the Initial Training Program to Franchisor s satisfaction, (iii) does not, during the Initial Training Program, appear to possess the skills necessary to properly fulfill and discharge the demands and responsibilities required by the Rocket Fizz System or this Agreement or (iv) is not acceptable to become a franchisee of Franchisor for any reason whatsoever, in Franchisor s sole and absolute discretion Franchisor may terminate this Agreement upon five (5) days written notice to Franchisee and this Agreement shall thereafter be of no further force or effect Franchisor shall have the right to retain the Initial Franchise Fee The Parties acknowledge and agree that the actual damages to be suffered by Franchisor in this circumstance are difficult, if not impossible to determine, and that, under all the facts and circumstances, this calculation of Franchisor s potential damages and retention of the Initial Franchise Fee by Franchisor, are a reasonable, good-faith estimate of those damages

7 3 **Pre-Opening Additional Initial Training** We will provide pre-opening additional training (**Pre-Opening Additional Training**") for up to three (3) of Franchisee s supervisorial and managerial personnel Franchisee shall pay all transportation costs, food, lodging and similar costs incurred in connection with the attendance of Franchisor's representatives and Franchisee s supervisorial or managerial personnel at the Pre-Opening Additional Initial Training Programs If Franchisee designates more than three (3) trainees to attend the Pre-Opening Initial Training Franchisee shall pay Franchisor a Pre-Opening Additional Initial Training Fee per day for each additional trainee

7 4 **Post-Opening Additional Initial Training Programs** If, following the Opening Date of the Rocket Fizz Shop, Franchisee requests Franchisor to provide additional Initial Training Programs for new or replacement supervisorial or managerial personnel, Franchisee shall pay Franchisor its Then-Current Post-Opening Additional Initial Training Fee for each trainee to defray Franchisor s direct costs to provide the additional Post-Opening Initial Training Programs Franchisee shall pay all transportation costs, food, lodging and similar costs incurred

in connection with the attendance of Franchisor s representatives and Franchisee s supervisorial or managerial personnel at the Post-Opening Initial Training Programs

7 5 **Post-Opening Additional Training Programs** Following the Opening Date of the Rocket Fizz Shop, Franchisee the Principal Owner and each General Manager and/or other supervisorial or managerial personnel shall attend Additional Training Programs as required by Franchisor Franchisee shall pay Franchisor its Then-Current Post-Opening Additional Training Fee for each of Franchisor s representatives who provides Additional Training Programs to defray Franchisor's direct costs to provide the Additional Training Programs In addition, Franchisee shall pay all transportation costs food lodging and similar costs incurred in connection with the attendance of Franchisor s representatives and Franchisee s supervisorial or managerial personnel at the Additional Training Programs

7 6 **Rocket Fizz Manuals** Franchisee shall treat all information contained in the Rocket Fizz Manuals as Rocket Fizz Confidential Information and shall use all reasonable efforts to keep the information confidential Franchisee shall not, without Franchisor s prior written consent, copy duplicate record or otherwise reproduce the Rocket Fizz Manuals, in whole or in part, or otherwise make them available to any Person not required to have access to their contents in order to carry out their employment functions Franchisee shall comply with all mandatory requirements now or hereafter included in the Rocket Fizz Manuals, and acknowledges and agrees that a Default under any mandatory requirement of the Rocket Fizz Manuals shall constitute a Default under this Agreement and grounds for termination Franchisee shall immediately conform its operations to all revisions in mandatory specifications, standards, operating procedures and rules prescribed by Franchisor

7 7 **Post-Opening Inspections** Following the Opening Date of the Rocket Fizz Shop, if any inspection of the Rocket Fizz Shop by Franchisor indicates any deficiency or unsatisfactory condition at the Rocket Fizz Shop Franchisor will notify Franchisee in writing of the deficiencies and Franchisee shall promptly correct, remedy or repair the same If any inspection indicates any deficiency or unsatisfactory condition which requires a re-inspection of the Rocket Fizz Shop within a period of thirty (30) days, Franchisee shall pay Franchisor, upon demand, the sum of $500 for each re-inspection of the Rocket Fizz Shop and shall, in addition, reimburse Franchisor for its out of pocket expenses for the re-inspection, including for transportation costs, food lodging and similar costs In addition, if Franchisor believes, in its business judgment that any inspection reveals that material continuing operating deficiencies exist at the Rocket Fizz Shop, Franchisee shall permit Franchisor to place its managers or other representatives in the Rocket Fizz Shop on a temporary basis to provide Franchisee and its supervisorial and managerial employees with Post-Opening Additional Training Programs until the material operating deficiencies are corrected to comply with the requirements of the Rocket Fizz System If Franchisor elects to do so, Franchisee shall pay all wages, transportation costs, food, lodging and similar costs incurred by Franchisor for its managers and representatives' attendance at the Rocket Fizz Shop

7 8 **POS System, Security System, Computer Hardware and Software** Franchisee shall purchase, use and maintain the POS System, a back office computer and printer, including all related hardware and software, cameras and a DVR, televisions, and a sound system, each as specified in the Rocket Fizz Manuals or otherwise by Franchisor in writing for the Rocket Fizz Shop The POS System shall at all times be capable of accessing the Internet for the purpose of implementing software, transmitting and receiving data, and accessing the Internet for ordering and maintaining the POS System The POS System shall be electronically linked to Franchisor and Franchisee shall allow Franchisor to poll the POS System on a daily or other basis at the times and in the manner established by Franchisor with or without notice, and to retrieve transaction information including sales, menu mix, usage, and other operations data that Franchisor deems appropriate Franchisor may require Franchisee to update, upgrade or replace the POS System including hardware and/or software from time to time, upon written notice provided that Franchisee shall not be required to replace the POS System any more frequently than once every three (3) years The POS System must include the required technology to permit Franchisee to accept online orders of Rocket Fizz Products and services at the Rocket Fizz Shop and to accept and process Rocket Fizz gift

cards sold in other Rocket Fizz Shops In addition, Franchisee shall purchase, lease or license all computer hardware and software designated by Franchisor for the Rocket Fizz Shop at Franchisee s expense During the Term, Franchisee shall maintain and update all computer hardware and software as required by Franchisor

7 9 **Rocket Fizz Authorized Products** Franchisee shall advertise, offer and sell all and only Rocket Fizz Authorized Products that have been approved by Franchisor for sale at or from the Rocket Fizz Shop All Rocket Fizz Authorized Products shall be sold and distributed under the names designated by Franchisor and strictly in accordance with Franchisor s methods, standards, and specifications Franchisor shall provide Franchisee with updated lists of Rocket Fizz Authorized Products as necessary which may be updated as frequently weekly basis Franchisee shall, upon receipt of written notice from Franchisor, add, remove or update Rocket Fizz Authorized Products according to Franchisor's instructions Franchisee shall have up to sixty (60) days after receipt of written notice to comply with updated lists of Rocket Fizz Authorized Products Franchisee shall not remove any Rocket Fizz Authorized Product from the Rocket Fizz Shop without Franchisor s written consent All Rocket Fizz Authorized Products shall be sold by Franchisee only at retail Franchisee shall not sell any Rocket Fizz Authorized Products outside of the Rocket Fizz Shop or to any customer for resale by the customer Franchisee shall purchase all Rocket Fizz Authorized Products from Rocket Fizz Approved Suppliers unless otherwise permitted by this Agreement

7 10 **Minimum Purchase Standards** Franchisee shall purchase sufficient Rocket Fizz Authorized Products to comply with Franchisor s Minimum Purchase Standards for the Rocket Fizz Shop Franchisor may change the Minimum Purchase Standards for the Rocket Fizz Shop at any time Initially, the Minimum Purchase Standards will be an estimate, but will later be based on Franchisee's average weekly and quarterly sales from the Rocket Fizz Shop In addition to all other remedies available to Franchisor under this Agreement and Applicable Law if Franchisee fails to satisfy the Minimum Purchase Standards or any replacement standards for two (2) consecutive calendar quarters or three (3) calendar quarters in any eighteen (18) calendar month period, Franchisor shall have the right to reduce, eliminate or modify Franchisee s rights with respect to the Protected Area on ninety (90) days written notice to Franchisee Franchisor may revise the Minimum Purchase Standards on ninety (90) days written notice to Franchisee

7 11 **Prices** Subject to Applicable Law, Franchisor shall have the right to establish pricing guidelines for Rocket Fizz Authorized Products and, subject to Applicable Law, Franchisee shall comply with and be bound by prices which may be established by Franchisor Subject to Applicable Law, Franchisee shall honor the terms of all promotional or discount programs that Franchisor may offer to the public for Rocket Fizz Shops and shall comply with all pricing policies that Franchisor may specify including minimum and maximum price policies, minimum advertised price policies and unilateral price policies Franchisee shall also provide products and services designated by Franchisor on terms Franchisor specifies, including free-of-charge Franchisee shall not issue coupons or discounts of any type for use at the Rocket Fizz Shop except as approved by Franchisor in writing, which may be withheld in Franchisor's sole and absolute discretion

7 12 **Merchandising and Inventory Requirements** Franchisee shall comply with all merchandising and inventory requirements set forth in the Rocket Fizz Manuals or otherwise, including the requirement to maximize the Rocket Fizz Shop's space, change the window displays in the Rocket Fizz Shop a minimum of six (6) times per calendar year to reflect the season and/or major US holidays during that season and reorganize twenty-five percent (25%) of the inventory display in the Rocket Fizz Shop each calendar month Franchisee's failure to comply with the terms of this Section 7 12 shall constitute a material Default under this Agreement

7 13 **Oversight and Management** The Principal Owner shall be responsible for oversight of the day-to-day operations of the Rocket Fizz Shop and shall devote his full time and best efforts solely to operation of the Rocket Fizz Shop operated by Franchisee and to no other business activities The Rocket Fizz Shop shall be under the direct control of a General Manager in the absence of the Principal Owner Following the Opening Date of the

Rocket Fizz Shop, Franchisee shall provide comprehensive initial training programs additional training programs and remedial training programs for its supervisorial and managerial personnel and other employees and shall ensure that the Rocket Fizz Shop is at all times under the direct control of a General Manager and other employees who have been fully trained by Franchisee and are solely dedicated to operation of the Rocket Fizz Shop Each General Manager shall have a skill level, training and experience commensurate with the demands of the position and conform in all respects with Franchisor's high standards for quality innovative products and consistent and courteous customer service

7 14 **Compliance with Applicable Law** Franchisee shall operate the Rocket Fizz Shop 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 Laws Franchisee shall not cause or allow any part of the Rocket Fizz Shop or the Franchised Location to be used for any immoral or illegal purpose Franchisee shall in all dealings with its customers suppliers, and public officials adhere to high standards of honesty, integrity, fair dealing and ethical conduct and refrain from engaging in any action which will cause Franchisor to be in violation of any Applicable Law If Franchisee shall receive any notice, report, fine test results or the like from any applicable department of health (or other similar Governmental Authority), Franchisee shall promptly send a copy of the same to Franchisor

7 15 **Hours** Subject to Applicable Law, the Rocket Fizz Shop shall be open and operational at least twelve (12) hours per day, seven (7) days per week or as otherwise prescribed by Franchisor depending upon the location of the Rocket Fizz Shop Franchisee shall continually operate the Rocket Fizz Shop throughout the Term Franchisee shall diligently and efficiently exercise its best efforts to achieve the maximum Gross Revenue possible from its Franchised Location, and shall remain open for longer hours if additional opening hours are reasonably required to maximize operations and sales

7 16 **Signs** Franchisee shall maintain approved signs and/or awnings at, on or near the front of the Rocket Fizz Shop, identifying the Franchised Location as a Rocket Fizz Shop which shall conform in all respects to Franchisor's specifications and requirements and the layout and design plan approved for the Franchised Location, subject only to restrictions imposed by Applicable Law

7 17 **Franchisee Employee Policies** Franchisee shall maintain a competent, conscientious, and trained staff and shall take all steps necessary to ensure that its employees preserve good customer relations, render competent, prompt, courteous, and knowledgeable service and meet the minimum standards that Franchisor may establish from time to time in the Rocket Fizz Manuals or otherwise All employees hired by or working for Franchisee shall be the employees of Franchisee, and Franchisee alone, and shall not, for any purpose be deemed to be the employees of Franchisor or subject to Franchisor's direct or indirect control, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any Governmental Authority Franchisee and Franchisor will each file their own tax, regulatory and payroll reports and be responsible for all employee benefits and workers compensation insurance payments with respect to their respective employees and operations Franchisee acknowledges and agrees that Franchisor will not have the power to hire or fire Franchisee s employees Franchisee expressly agrees, and will never contend otherwise, that Franchisor s authority under this Agreement to certify Franchisee s supervisorial or managerial personnel for qualification to perform certain functions at the Rocket Fizz Shop does not directly or indirectly vest in Franchisor the power to hire, fire or control any of Franchisee s personnel Franchisee alone shall be solely responsible for all hiring and employment decisions and functions relating to the Rocket Fizz Shop, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies benefits recordkeeping, supervision and discipline of employees, regardless of whether Franchisee has received advice from Franchisor on these subjects or not Franchisee acknowledges and agrees that any guidance Franchisee receives from Franchisor regarding employment policies should be considered as examples, that Franchisee alone is responsible

for establishing and implementing its own employment policies, and that Franchisee understands that Franchisee should do so in consultation with local legal counsel experienced in employment law Franchisee shall immediately defend, reimburse and hold Franchisor harmless from any direct or indirect losses, costs and expenses, including attorney's fees, arising out of any claim made by or for the benefit of any employee of Franchisee against Franchisor regarding employment decisions and employee functions at the Rocket Fizz Shop, including, without limitation, those related to hiring, firing, training, wage and hour requirements, record keeping, supervision and discipline of employees Franchisee shall take all action necessary to ensure that Franchisee s employees understand and acknowledge that they are not employees of Franchisor, including, without limitation, requiring Franchisee s employees to sign a written acknowledgement that Franchisee is an independently owned and operated franchisee and their sole employer in a form specified by Franchisor in the Manuals or otherwise in writing from time to time Franchisee shall cause all employees, while working in the Rocket Fizz Shop to wear Rocket Fizz career apparel with the color, design and other specifications that Franchisor may designate from time to time and to present a neat and clean appearance If Franchisor removes a type of uniform utilized by Franchisee from the list of approved uniforms, Franchisee shall have thirty (30) days from receipt of written notice of removal to discontinue use of its existing inventory of uniforms and obtain and use the approved type of uniform

7 18 **Vending or Other Machines** Except with Franchisor's written approval, Franchisee shall not cause or permit vending, gaming machines pay telephones, automatic teller machines, Internet kiosks or any other mechanical or electrical device to be installed or maintained at the Rocket Fizz Shop

7 19 **Co-Branding** Franchisee may not engage in any co-branding in or in connection with the Rocket Fizz Shop except with Franchisor's prior written consent Franchisor may approve any co-branding chain or arrangement in its discretion, and only if Franchisor has recognized that co-branding chain as an approved co-brand for operation within Rocket Fizz Shops

7 20 **Customer Complaints and Cooperation** Franchisee shall respond promptly to each customer inquiry or complaint and resolve all reasonable complaints to the customer's satisfaction At Franchisor s request, Franchisee shall use and display in the Rocket Fizz Shop during all operating hours customer comment cards in the manner specified in the Rocket Fizz Manuals Franchisee shall, from time to time, purchase from Franchisor or a Rocket Fizz Approved Supplier and maintain in the Rocket Fizz Shop, a supply of postage prepaid customer comment cards reasonably adequate to meet Franchisee s needs Franchisee shall at all times cooperate with Franchisor and other franchisees of Franchisor and shall actively participate in any and all sales, public relations, marketing, cooperative marketing and purchasing programs or promotional programs which may be developed and implemented by Franchisor which call for the cooperation of Franchisee and other franchisees of Franchisor Franchisee shall further cooperate in any additional programs which may be established and designated by Franchisor from time to time including participating in coupon programs, the system-wide use of gift cards, and other similar programs for the benefit of the Rocket Fizz System and shall comply with Franchisor s rules and regulations established from time to time in connection herewith Franchisee shall cooperate with Franchisor in connection with the test marketing of products and services at the Rocket Fizz Shop and shall comply with Franchisor's rules and regulations established from time to time in connection herewith

7 21 **Adequate Reserves and Working Capital** Franchisee shall, at all times, maintain adequate reserves and working capital sufficient for Franchisee to fulfill all of Franchisee s obligations under this Agreement and to cover the risks and contingencies of the Rocket Fizz Shop for at least three (3) calendar months

7 22 **Re-Imaging of Rocket Fizz Shop** Franchisee shall at its own expense, make the alterations, additions, or modifications to the Rocket Fizz Shop that Franchisor may reasonably require to accommodate changes made by Franchisor to the Rocket Fizz System Franchisee shall have ninety (90) days from receipt of notice from

Franchisor regarding re-imaging requirements in which to make the required alterations, additions or modifications to the Rocket Fizz Shop

7 23 **Intranet** If Franchisor establishes a Rocket Fizz franchisee Intranet, Franchisee shall have the mere privilege to use the Intranet subject to Franchisee s strict compliance with the standards and specifications, protocols and restrictions that Franchisor may establish from time to time In the Rocket Fizz Manuals and otherwise Franchisee acknowledges that as administrator of the Intranet, Franchisor may access and view any communication posted on the Intranet Franchisee further acknowledges that the Intranet facility and all communications that are posted to it will become Franchisor s property, free of any claims of privacy or privilege that Franchisee or any other Person may assert Upon receipt of notice from Franchisor that Franchisor has established an Intranet, Franchisee shall establish and continually maintain an electronic connection with the Intranet as specified in the Rocket Fizz Manuals that allows Franchisor to send messages to and receive messages from Franchisee If Franchisee shall Default under this Agreement or any other agreement with Franchisor Franchisor may, in addition to, and without limiting any other rights and remedies available to Franchisor, disable or terminate Franchisee s access to the Intranet without Franchisor having any liability to Franchisee

7 24 **Improvements** If Franchisee develops any new concept, process or improvement in the Rocket Fizz System (an **Improvement**'), Franchisee shall promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation Any Improvement shall become the sole property of Franchisor and Franchisor shall be the sole owner of all related intellectual property rights Franchisee hereby assigns to Franchisor any rights Franchisee may have or acquire in the Improvements, including the right to modify the Improvement and Franchisee waives and/or releases all rights of restraint and moral rights therein and thereto Franchisee shall assist Franchisor in obtaining and enforcing the intellectual property rights to any Improvement in any and all countries and further agrees to execute and provide Franchisor with all necessary documentation for obtaining and enforcing those rights Franchisee hereby irrevocably designates and appoints Franchisor as Franchisee s agent and attorney-in-fact to execute and file any the documentation and to do all other lawful acts to further the prosecution and issuance of intellectual property rights related to any Improvement If the foregoing provisions of this Section 7 24 are found to be invalid or otherwise unenforceable, Franchisee hereby grants Franchisor a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense to use of the Improvement to the extent the use or sublicense would, absent this Agreement directly or indirectly infringe Franchisee's rights therein

7 25 **Refurbishment of Rocket Fizz Shop** At Franchisor s request, but not more often than once every five (5) years unless sooner required by the Lease, Franchisee shall refurbish the Rocket Fizz Shop, at its own expense, to conform to the building design, trade dress, color schemes, and presentation of the Rocket Fizz Marks in a manner consistent with the Then-Current public image for new or remodeled Rocket Fizz Shops, including, without limitation, replacement or renovation of equipment remodeling, redecoration, and modifications to existing improvements and reasonable structural changes that Franchisor may reasonably require or that may be required by Applicable Law Franchisee s costs for the required refurbishment shall not exceed $15 000 for the interior of the Rocket Fizz Shop or $10,000 for the exterior of the Rocket Fizz Shop

7 26 **Notifications and Crisis Management Events** Franchisee shall notify Franchisor in writing within (i) twenty-four (24) hours, and confirm in writing within two (2) days thereafter, of any investigation or violation, actual or alleged, of any Applicable Laws related to the Rocket Fizz Shop, and (ii) five (5) days of the commencement of any investigation, action, suit or proceeding or of the issuance of any order, writ injunction award, or decree of any court agency, or other Governmental Authority which may adversely affect the operation or financial condition of the Rocket Fizz Shop Franchisee shall immediately inform Franchisor s Chief Executive Officer (or as otherwise instructed in the Rocket Fizz Manuals) by telephone of the occurrence of a Crisis Management Event Franchisee shall cooperate fully with Franchisor with respect to Franchisor s response to a Crisis Management Event

7 27 **Franchise Conference** Franchisor may hold a Franchise Conference for all Rocket Fizz Franchisees each year The Principal Owner and each General Manager shall attend the Annual Franchise Conference Franchisee shall pay Franchisor a Franchisee Conference Fee up to $1,000 for each person Franchisee selects to attend the Franchise Conference to reimburse Franchisor for a portion of the direct costs to provide the Franchise Conference Franchisee shall pay the Franchise Conference Fee upon demand at least thirty (30) days before the date of the Franchise Conference, whether or not Franchisee attends the Franchise Conference

7 28 **Credit Cards** Franchisee shall honor all credit, charge, courtesy and cash cards approved by Franchisor in writing To the extent Franchisee shall store, process, transmit or otherwise access or possess cardholder data in connection with the sale of Rocket Fizz Authorized Products, Franchisee shall maintain the security of cardholder data and adhere to the then-current Payment Card Industry Data Security Standards (**PCI DSS**'), currently found at www pcisecuritystandards org, for the protection of cardholder data throughout the Term Franchisee shall be and remain responsible for the security of cardholder data in the possession or control of any subcontractors Franchisee engages to process credit cards All subcontractors must be identified to and approved by Franchisor in writing prior to sharing cardholder data with the subcontractor Franchisee shall, if requested to do so by Franchisor, provide appropriate documentation to Franchisor to demonstrate compliance with applicable PCI DSS requirements by Franchisee and all identified subcontractors

7 29 **Gift Cards and Loyalty Programs** Franchisee shall not create or issue any gift certificates or gift cards and shall only sell gift certificates or gift cards that have been issued by Franchisor that are accepted at all Rocket Fizz Shops Franchisee shall participate in all gift certificate and/or gift card administration programs as may be designated by Franchisor from time to time Franchisee shall honor all coupons, gift certificates, gift cards and other programs or promotions as directed by Franchisor Franchisee shall fully participate in all customer loyalty or frequent customer programs now or in the future adopted or approved by Franchisor Franchisee shall not issue coupons or discounts of any type for use at the Rocket Fizz Shop except as approved by Franchisor in writing, which may be withheld in Franchisor s sole and absolute discretion In addition Franchisee shall purchase enroll in or subscribe to, as applicable, all CRM, social media analytics, and online and mobile ordering software or programs as specified by Franchisor in the Rocket Fizz Manuals or otherwise in writing Franchisor reserves the right to change the Rocket Fizz Approved Suppliers of these or similar services in Franchisor s sole discretion Franchisee shall change, purchase or subscribe to the additional programs or software, as applicable, immediately upon notice from Franchisor to do so

7 30 **Music and Music Licensing Fees** Franchisee shall use a computer based, on-demand music provider to play copyrighted music at the Rocket Fizz Shop Franchisee shall play only the music and music selections approved by Franchisor as set forth in the Manuals or otherwise in writing Franchisee shall continually maintain the right to play copyrighted music at the Rocket Fizz Shop during business hours Franchisee acknowledges and agrees that Franchisee may be required directly or indirectly to pay a music licensing fee directly to The American Society of Composers, Authors, and Publishers (**ASCAP**) Broadcast Music, Incorporated (**BMI**) or other required performance rights organizations for the right to play copyrighted music at the Rocket Fizz Shop

7 31 **Data Security Safeguards** Franchisee shall exert Franchisee s best efforts to protect its customers against a cyber-event, including, without limitation, a data breach or other identity theft or theft of personal information (collectively, a **Cyber Event**') If a Cyber Event occurs, regardless of whether the Cyber Event affects only the Rocket Fizz Shop, Franchisor reserves the right, but shall not have any obligation, to perform and/or control and/or cause its third-party consultants to perform and/or control all aspects of the response to the Cyber Event including, without limitation the investigation, containment and resolution of the Cyber Event and all communications within the Rocket Fizz franchise system and with vendors and suppliers Governmental Authorities and the general public Franchisor s control of the response to a Cyber Event may potentially affect

or interrupt operations of the Rocket Fizz Shop but shall not create any liability for Franchisor or additional rights for Franchisee, entitle Franchisee to damages or relieve Franchisee of Franchisee's indemnification obligations under Section 18 4 Franchisee shall reimburse Franchisor for all of Franchisor s out-of-pocket costs and expenses incurred in responding to and remedying any Cyber Event caused solely by Franchisee or the Rocket Fizz Shop Franchisee shall at all times be compliant with (i) the NACHA ACH Security Framework, (ii) the Payment Rules, (iii) Applicable Law regarding data privacy, data security and security breaches, and (iv) Franchisor's security policies and guidelines all as may be adopted and/or amended from time to time (collectively **Data Security Safeguards'**) Franchisee shall obtain advice from Franchisee's own legal and security consultants to ensure that Franchisee operates the Rocket Fizz Shop at all times in full compliance with the Data Security Safeguards Notwithstanding Franchisor's right to perform and/or control all aspects of a response to a Cyber Event Franchisor shall make commercially reasonable efforts to coordinate its response with Franchisee and Franchisee s insurance carrier(s) and to cooperate with Franchisee s insurance carrier(s) regarding insurance coverage of the Cyber Event to the extent reasonably practicable under the circumstances

7 32 **Payment of Debts** Franchisee shall be solely responsible for selecting, retaining and paying Franchisee's employees, the payment of all invoices for the purchase of goods and services used in connection with operating the Rocket Fizz Shop and determining whether, and on what terms, to obtain any financing or credit which Franchisee deems advisable or necessary for the opening and operation of the Rocket Fizz Shop Franchisee shall pay all obligations and liabilities to suppliers, lessors and creditors on a timely basis Franchisee shall indemnify Franchisor if Franchisor is held responsible for any debts owed by Franchisee if Franchisor elects to pay any of Franchisee's obligations in order to preserve the relationship between suppliers and Rocket Ship franchisees Franchisee shall make prompt payment of all federal, state and local taxes, including individual and corporate taxes, sales and use taxes, franchise taxes gross receipts taxes, employee withholding taxes, FICA taxes, and personal property and real estate taxes arising from Franchisee s operation of the Rocket Fizz Shop Franchisee shall indemnify Franchisor if Franchisor is held responsible for any of these taxes

8 SUPPLIERS AND PRODUCTS

To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same

8 1 **Rocket Fizz Approved Suppliers** Franchisee shall purchase all Rocket Fizz Authorized Products directly from Rocket Fizz Approved Suppliers Franchisor may designate a single or multiple Rocket Fizz Approved Suppliers for any given product or service and may concentrate purchases with one or more Rocket Fizz Approved Suppliers in its business judgment Franchisor shall designate its Rocket Fizz Approved Suppliers for Franchisee following the Effective Date and shall update its designations as necessary from time to time Franchisor and its Affiliates are Rocket Fizz Approved Suppliers of Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and certain Non-Proprietary Products and may act as the sole Rocket Fizz Approved Suppliers of the Rocket Fizz Branded Products and Rocket Fizz Proprietary Products Franchisor may add, delete, and change Rocket Fizz Authorized Products that Franchisee may or must offer, in Franchisor s unrestricted discretion, and may change Rocket Fizz Approved Suppliers from time to time There are no limits on Franchisor s right to make such changes Franchisor may designate a single or multiple Rocket Fizz Approved Suppliers for any Rocket Fizz Authorized Product and may concentrate purchases with one or more Rocket Fizz Approved Suppliers Franchisor may operate an online portal that Franchisee can use to buy Rocket Fizz Branded Products and Rocket Fizz Proprietary Products marketing materials and handbooks directly from Rocket Fizz Approved Suppliers Franchisee may receive preferential pricing from Rocket Fizz Approved Suppliers due to its status as a franchisee of Franchisor Franchisee acknowledges and agrees that Franchisee's relationships with Rocket Fizz Approved Suppliers are Franchisee s and Franchisee s alone Franchisee further acknowledges and agrees that any claims Franchisee may have against a Rocket Fizz Approved Supplier shall be asserted against the Rocket Fizz Approved Supplier in question and not against Franchisor Franchisee shall provide Franchisor with notice

of any claims or actions Franchisee intends to assert against any Rocket Fizz Approved Suppliers and Franchisor shall use diligent efforts to assist Franchisee in resolving Franchisee s claims against a Rocket Fizz Approved Supplier

8 2 **Franchisee Recommended Suppliers** If Franchisee desires to purchase authorized Non-Proprietary Products from a supplier rather than from Franchisor, its Affiliates or a Rocket Fizz Approved Supplier, Franchisee shall deliver written notice to Franchisor identifying the Franchisee Recommended Supplier and shall provide Franchisor with reasonable financial, operational and other information regarding the Franchisee Recommended Supplier necessary for Franchisor to assess the Franchisee Recommended Supplier Franchisor shall notify Franchisee of Franchisor's decision within sixty (60) days after Franchisor s receipt of the necessary information from Franchisee If Franchisor does not approve or disapprove of a Franchisee Recommended Supplier within sixty (60) days, the Franchisee Recommended Supplier shall be deemed disapproved As a condition of its approval, Franchisor may require a Franchisee Recommended Supplier to agree in writing to (i) provide, from time to time upon Franchisor s request, free samples of the Non-Proprietary Product the Franchisee Recommended Supplier intends to supply to Franchisee, (ii) faithfully comply with Franchisor s specifications for the Non-Proprietary Products to be sold by the Franchisee Recommended Supplier (iii) sell any Non-Proprietary Products bearing the Rocket Fizz Marks only to franchisees of Franchisor and only under a trademark license agreement with Franchisor, (iv) provide Franchisor, upon request, with duplicate purchase invoices issued to Franchisee for Franchisor's records and inspection purposes, and (v) otherwise comply with Franchisor's reasonable requests Further, Franchisor may require Franchisee or the Franchisee Recommended Supplier to reimburse Franchisor for all of Franchisor's reasonably actual costs in reviewing the application of the Franchisee Recommended Supplier and all current and future reasonable costs and expenses, including transportation costs, food, lodging and similar costs incurred, related to inspecting, re-inspecting and auditing the Franchisee Recommended Suppliers' facilities, equipment, and products, and all product testing costs paid by Franchisor to third parties and to pay Franchisor, in advance, a deposit of up to $1,000, before Franchisor inspects the Franchisee Recommended Supplier s facilities Franchisor may revoke its approval of a previously approved Franchisee Recommended Supplier if the Franchisee Recommended Supplier does not continue to satisfy Franchisor's criteria

8 3 **Purchases from Franchisor or its Affiliates** All Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and any Non-Proprietary Products shall be purchased in accordance with the purchase order format issued from time to time by Franchisor or its Affiliates and at the prices and on delivery terms and other terms offered to similarly situated Rocket Fizz Franchisees Franchisor and its Affiliates in their sole discretion, may establish the credit terms, if any, upon which they will accept Franchisee s orders, and may require Franchisee to pay for orders by credit card on a cash-in-advance or cash-on-delivery basis by certified check On the expiration or termination of this Agreement or in the event of any Default by Franchisee under this Agreement (i) Neither Franchisor nor its Affiliates shall be obliged to fill or ship any orders then pending or, in the case of termination or non-renewal, made any time thereafter by Franchisee and may among other things, only deliver the quantities reasonably necessary to supply Franchisee s needs prior to the expiration or termination of this Agreement (ii) Franchisor may demand and require all Authorized Suppliers, including its Affiliates, to cease all sales of Rocket Fizz Authorized Products to Franchisee until all Defaults have been cured to Franchisor's satisfaction and (iii) Franchisor may withdraw all discounts offered to Franchisee by Approved Suppliers for Rocket Fizz Authorized Products and may require Franchisee to pay the non-discounted or list price for those Rocket Fizz Authorized Products until the Default has been cured to Franchisor s reasonable satisfaction Franchisor and its Affiliates shall have the right, in their sole discretion but not the obligation, to extend credit to Franchisee, or to extend credit to other Rocket Fizz Franchisee but not to Franchisee based upon the individual circumstances of Franchisee and each other Rocket Fizz Franchisee Neither Franchisor nor its Affiliates shall be liable to Franchisee for any delay or delivery failure caused by Force Majeure

8 4 **Commitment by Franchisee** The Parties acknowledge and agree that the amount of the Royalty Fees set forth in Section 4 2 are based, in part, on Franchisee s agreement and commitment in this Agreement to purchase Rocket Fizz Authorized Products only from Rocket Fizz Approved Suppliers The Parties further acknowledge and agree that the mutual expectations of the Parties that Franchisee will faithfully purchase Rocket Fizz Authorized Products only from Rocket Fizz Approved Suppliers will be fully enforceable form part of the underlying financial and business model upon which Franchisee s relationship with Franchisor is structured and upon which the amount of the Royalty Fees have been established

8 5 **Violation Assessments** Franchisee acknowledges and agrees that the success of the Rocket Fizz System is based, in part, on the consistency, quality and variety of the products sold from Rocket Fizz Shops and that the purchase and sale of products other than Rocket Fizz Authorized Products or purchases of products from vendors other than Rocket Fizz Approved Suppliers Franchisor Recommended Suppliers and Franchisee Recommended Suppliers who have been approved by Franchisor would cause market confusion and harm to the Rocket Fizz Marks, the Rocket Fizz System and the goodwill associated with the same Consequently, any violation of Section 8 1, Section 8 2 or Section 8 3 by Franchisee shall constitute a material Default under this Agreement and shall entitle Franchisor to terminate this Agreement In addition to all other remedies available to Franchisor under this Agreement and Applicable Law, if Franchisee is in Default under Section 8 1, Section 8 2 or Section 8 3, Franchisee shall pay Franchisor, upon demand, $1,000 per day for each day that Franchisee is in Default under Section 8 1, Section 8 2 or Section 8 3, until the date that Franchisor determines that Franchisee is no longer in Default In this regard, the Parties acknowledge and agree that it would be impossible and impracticable to determine the precise amount of the damages, costs and expenses that Franchisor will incur if Franchisee violates Section 8 1, Section 8 2 or Section 8 3 due to the complications inherent in determining the exact amount of revenue lost by Franchisor and the uncertainty regarding the extent of the damage to the Rocket Fizz Marks, the Rocket Fizz System and, the goodwill associated with the same The Parties further acknowledge and agree that $1,000 per day is a reasonable good faith estimate of those damages, costs and expenses In addition, if Franchisor is required to travel to the Rocket Fizz Shop because of suspected or actual violations of Section 8 1, Section 8 2 or Section 8 3 Franchisee shall pay all transportation costs, food, lodging and similar costs incurred in connection with Franchisor s representative s attendance at the Rocket Fizz Shop

8 6 **Rebates** Franchisor and/or its Affiliates may receive rebates or allowances from certain Rocket Fizz Approved Suppliers, Franchisor Recommended Suppliers and Franchisee Recommended Suppliers on purchases of Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and Non-Proprietary Products made by Franchisee and other Rocket Fizz Franchisees Rebates and allowances will generally be a percentage of the revenue derived by the Rocket Fizz Approved Supplier Franchisor Recommended Suppliers and Franchisee Recommended Suppliers from sales to Rocket Fizz Shops, will be included in Franchisor's general revenue and may be used by Franchisor for a variety of purposes including ongoing programs, education, marketing, advertising, seminars and conferences, the handling of inquiries and complaints from franchisees customers and for general and administrative expenses Franchisor may use these rebate and allowance funds received for any purpose in its sole and absolute discretion

9 ROCKET FIZZ MARKS

Franchisor and its Affiliates continue to develop, use and control the use of the Rocket Fizz Marks in order to identify for the public the source of services and products marketed under the Rocket Fizz Marks and the Rocket Fizz System, and to represent the Rocket Fizz System s high standards of quality, appearance and service To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same

9 1 **Ownership and Goodwill of Rocket Fizz Marks** Franchisee acknowledges that its right to use the Rocket Fizz Marks is derived solely from this Agreement and is limited to use in operating as Franchisee pursuant to and

in compliance with this Agreement Any unauthorized use of the Rocket Fizz Marks by Franchisee shall constitute a breach of this Agreement and an infringement of Franchisor's rights in and to the Rocket Fizz Marks Franchisee acknowledges and agrees that as between Franchisor and Franchisee (i) Franchisor owns the Rocket Fizz Marks and the Rocket Fizz System, (ii) Franchisee owns no goodwill or rights in the Rocket Fizz Marks or the Rocket Fizz System except for the license granted by this Agreement and (iii) Franchisee s use of the Rocket Fizz Marks and any goodwill established by that use shall inure to the exclusive benefit of Franchisor Franchisee agrees not to contest or assist any other Person to contest, the validity of Franchisor s rights and interest in the Rocket Fizz Marks or the Rocket Fizz System either during the Term or after this Agreement terminates or expires

9 2 **Limitations on Use** Franchisee shall not use any Rocket Fizz Marks (i) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos licensed to Franchisee under this Agreement), (ii) in connection with unauthorized services or products, (iii) as part of any domain name or electronic address maintained on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system, or (iv) in any other manner not expressly authorized in writing by Franchisor Franchisee shall give all notices of trademark and service mark registration that Franchisor specifies and shall use and obtain all fictitious or assumed name registrations required by Franchisor or under Applicable Law Franchisee further agrees that no service mark other than the Rocket Fizz Marks specified by Franchisor shall be used in marketing, promoting, or operating the Rocket Fizz Shop

9 3 **Modifications** Franchisor reserves the right to (i) modify or discontinue licensing any of the Rocket Fizz Marks, (ii) add new names, marks, designs, logos or commercial symbols to the Rocket Fizz Marks and require that Franchisee use them, and (iii) require that Franchisee introduce or observe new practices as part of the Rocket Fizz System in operating the Rocket Fizz Shop Franchisee acknowledges and agrees that the term **Rocket Fizz Marks"** means the specific names, marks, designs, logos or commercial symbols licensed by Franchisor at any given point in time, subject to Franchisor s right to impose changes Franchisee shall comply, at Franchisee's sole expense, with Franchisor's directions regarding changes in the Rocket Fizz Marks and Rocket Fizz System within a reasonable time after written notice from Franchisor Franchisor shall have no liability to Franchisee for any cost, expense, loss or damage that Franchisee incurs in complying with Franchisor's directions and conforming to required changes

9 4 **Defense of Rocket Fizz Marks and Rocket Fizz System** Franchisor shall have the sole right, either alone or with its Affiliates to handle disputes with Franchisees and third parties concerning Franchisor s or Franchisor s Affiliates' ownership of, rights in, or Franchisee s use of, the Rocket Fizz Marks or the Rocket Fizz System Franchisee shall immediately notify Franchisor in writing if Franchisee receives notice, or is informed, of any (i) improper use of any of the Rocket Fizz Marks or elements of the Rocket Fizz System including misuse by Franchisees, (ii) use by any third party of any mark, design logo or commercial symbol which in Franchisee s judgment, may be confusingly similar to any of the Rocket Fizz Marks, (iii) use by any third party of any business practice which, in Franchisee s judgment, unfairly simulates the Rocket Fizz System in a manner likely to confuse or deceive the public, or (iv) claim, challenge, suit or demand asserted against Franchisee based upon Franchisee's use of the Rocket Fizz Marks or the Rocket Fizz System Franchisor and its Affiliates shall have sole discretion to take all action as it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the Rocket Fizz Marks or the Rocket Fizz System Franchisee shall not settle or compromise any claim, suit or demand asserted against it and agrees to be bound by Franchisor s decisions in handling disputes regarding the Rocket Fizz Marks and the Rocket Fizz System Franchisee shall cooperate fully with Franchisor and execute all documents and perform all actions as may in Franchisor's judgment, be necessary, appropriate or advisable in the defense of all claims suits or demands and to protect and maintain Franchisor s rights in the Rocket Fizz Marks and the Rocket Fizz System Unless it is established that a third party claim asserted against Franchisee is based directly upon Franchisee s misuse of the Rocket Fizz Marks or the Rocket Fizz System, Franchisor agrees to defend Franchisee against the third party claim and indemnify Franchisee for any losses resulting therefore,

provided Franchisee has notified Franchisor as soon as practical after learning of the claim and fully cooperates in the defense of the action Because Franchisor will defend the third party claim, Franchisee is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter

10 **MARKETING**

To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same

10 1 **Marketing Fund** Franchisor may elect to establish a Marketing Fund to promote the Rocket Fizz Marks and all Rocket Fizz Shops upon ninety (90) days prior notice to Franchisee If and when the Marketing Fund is established by Franchisor, Franchisee shall contribute to the Marketing Fund the amount of Marketing Fund Fees specified by Franchisor from time to time Once established, the Marketing Fund shall be administered by Franchisor and shall be used to meet the costs of conducting marketing and promotional activities Franchisor retains sole discretion over all marketing and public relations programs and activities financed by the Marketing Fund, including the creative concepts, materials and endorsements used and the geographic market, media placement and allocation Company-owned and Affiliate owned Rocket Fizz Shops may, but are not required to, contribute to the Marketing Fund If they do, they may not be required to contribute in the same percentage as Franchisee and may stop contributing at any time without notice to Franchisee

10 1 1 The Marketing Fund may be used to pay the costs of preparing and producing associated materials and programs as Franchisor determines, including video, audio and written marketing materials employing marketing agencies, sponsorship of sporting, charitable or similar events, administering regional and multi-regional marketing programs including purchasing direct mail and other media marketing, and employing marketing agencies to assist with marketing efforts, supporting public relations, market research and other marketing and promotional activities, campaigns, test marketing, marketing surveys, public relations activities, Website design and development/operation for portal, Internet Intranet and URL services, social media, technology programs electronic application design and development and for 800 or similar numbers All expenditures are at the sole discretion of Franchisor Franchisor may spend in any calendar year more or less than the total contributions to the Marketing Fund in that calendar year Franchisor may borrow from Franchisor or other lenders on behalf of the Marketing Fund to cover deficits of the Marketing Fund or cause the Marketing Fund to invest any surplus for future use by the Marketing Fund Upon request, Franchisor will prepare an annual accounting of the Marketing Fund and will distribute it to Rocket Fizz Franchisees, once a year, that will state the total amount of money collected and spent by the Marketing Fund during the previous year and list by general category, the manner in which Franchisor spent the money The report will not be separately audited but will be examined as part of the overall annual audit of Franchisor s books

10 1 2 Franchisee acknowledges that the Marketing Fund is intended to maximize general public recognition of and the acceptance of the Rocket Fizz brand for the benefit of the Rocket Fizz System as a whole Franchisor undertakes no obligation in administering the Marketing Fund, to make expenditures for Franchisee that are equivalent or proportionate to its contribution, or to insure that any particular Franchisee benefits directly or pro rata from marketing or promotion conducted with the Marketing Fund

10 1 3 Franchisor will maintain the Marketing Fund in an account separate from Franchisor s other monies, and will not use it to defray any of Franchisor s expenses except for reasonable administrative and marketing wages and costs and overhead which Franchisor may incur in activities related to administering the Marketing Fund and marketing programs for Rocket Fizz Franchisees Franchisor's printed materials and Website may also contain references stating that 'Franchises Are Available' and/or that Each Rocket Fizz Franchise Is Independently Owned and Operated to promote the sale of franchises for Rocket Fizz Shops With this exception,

no portion of the Marketing Fund will be used to solicit or to sell Rocket Fizz franchises to prospective Rocket Fizz Franchisees The Marketing Fund is not and will not be an asset of Franchisor Any Marketing Fund Fees collected in a calendar year but not spent in that calendar year will be carried over to the next calendar year Franchisor shall have the right, in its sole discretion, to terminate the collection and disbursement of Marketing Fund Fees upon ninety (90) days prior written notice to Franchisee Upon termination, Franchisor shall disburse the remaining Marketing Fund Fees on hand only for the purposes authorized by this <u>Article 10</u> Franchisor shall prepare an annual unaudited accounting of the expenditures of the Marketing Fund which will be provided to Franchisee upon written request The Marketing Fund s accounting of its expenditures will not be audited

10 2 **<u>Grand Opening Marketing Expenditure, Grand Opening Events</u>** At least sixty (60) days before the Opening Date of the Rocket Fizz Shop, Franchisee shall develop and provide Franchisor with a promotional campaign plan for the grand opening of the Rocket Fizz Shop Franchisee shall spend the required Grand Opening Marketing Expenditure within thirty (30) days before and thirty (30) days after, the Opening Date Franchisee shall provide Franchisor with copies of all invoices, statements canceled checks or other forms of payment which have been issued by Franchisee which evidence the Grand Opening Marketing Expenditure and payment by Franchisee of the amounts required by this <u>Section 10 2</u> for the grand opening marketing campaign for the Rocket Fizz Shop within thirty (30) days of the Opening Date If Franchisee fails to provide Franchisor with such evidence of payment, or if Franchisee fails to spend the amount required by this <u>Section 10 2</u>, Franchisee shall immediately pay the Marketing Fund the difference between the amount that Franchisee actually spent on the grand opening marketing campaign and the required Grand Opening Marketing Expenditure In addition to the Grand Opening Marketing Expenditure, Franchisee shall conduct grand opening events and promotions as required and directed by Franchisor

10 3 **<u>Promotional Campaigns</u>** From time to time, Franchisor shall have the right to establish and conduct promotional campaigns on a national or regional basis which may by way of illustration and not limitation promote particular products or marketing themes Franchisee shall participate in the promotional campaigns upon the terms and conditions that Franchisor may establish Franchisee acknowledges and agrees that participation may require Franchisee to purchase point of sale advertising material posters, flyers, product displays and other promotional materials

10 4 **<u>Advisory Council</u>** Franchisor may from time to time establish an Advisory Council for Rocket Fizz Franchisees to work with Franchisor and to consult with Franchisor on potential improvements to the Rocket Fizz System, the products offered by Rocket Fizz Shops advertising conducted by the Marketing Fund and any other matters that Franchisor deems appropriate If an Advisory Council is formed, it will act solely in an advisory capacity, and will not have decision making authority, will be comprised of Franchisor's representatives and Rocket Fizz Franchisees who may be chosen by Franchisor or elected by other Rocket Fizz Franchisees All Rocket Fizz Franchisees who serve on an Advisory Council shall pay all transportation costs food lodging and similar costs incurred in connection with their attendance at Advisory Council meetings Franchisor shall have the right to form, change, merge or dissolve any Advisory Council at any time, in its sole discretion

10 5 **<u>Internet</u>** Franchisee shall not develop, create, generate, own, license, lease or use in any manner any computer medium or electronic medium (including, without limitation, any Internet home page, e-mail address, Website, domain name bulletin board, newsgroup or other Internet-related medium or activity) which in any way uses or displays, in whole or part, the Rocket Fizz Marks, or any of them, or any words symbols or terms confusingly similar thereto without Franchisor's prior written consent, and then only in the manner and in accordance with the procedures, policies, standards and specifications that Franchisor may establish from time to time Franchisee shall not separately register any domain name or any portion of any domain name containing the Rocket Fizz Marks or participate or market on any Website or other form of electronic media (including without limitation, through the use of social technology, social media social networking platforms, video

Websites, email marketing sites or other forms of electronic media not yet developed) using the Rocket Fizz Marks without Franchisor's prior written consent Franchisee s general conduct on the Internet and in the use of other forms of electronic media is subject to the terms and conditions of this Agreement and all other rules requirements or policies that Franchisor may identify from time to time Franchisor may, at any time after Franchisee commences use of any approved electronic media prohibit further use, effective upon receipt of written notice by Franchisee Franchisee shall provide free WiFi service at the Rocket Fizz Shop for use by Franchisee s customers in compliance with Franchisor s requirements for bandwidth included in the Rocket Fizz Manuals or otherwise Franchisor control the WiFi gateway and all emails collected will be Franchisor's property, with no restrictions on Franchisor's use or distribution of email addresses

10 6 **Websites** Franchisor shall establish and maintain from time to time, one or more Internet Websites that shall be used to provide information about Rocket Fizz Shops to the public Franchisor has sole discretion and control over the establishment, design and content of the Website Franchisor may, in its discretion, configure the site to accommodate one or more interior pages which Franchisor shall dedicate, in whole or in part, to the Rocket Fizz Shop, all at Franchisee's expense Franchisor shall have the right, at its sole option, from time to time, to (i) change, revise, or eliminate the design, content and functionality of the Website (ii) make operational changes to the Website, (iii) change or modify the URL and/or domain name of the Website (iv) substitute modify, or rearrange the Website, at Franchisor s sole option, including in any manner that Franchisor considers necessary or desirable to comply with Applicable Laws, or respond to changes in market conditions or technology and respond to any other circumstances, (v) limit or restrict end-user access (in whole or in part) to the Website, and (vi) disable or terminate the Website without any liability to Franchisee

10 7 **Social Media** Franchisee shall not participate or market through the use of social technology, social media such as Facebook Instagram, My-Space Pinterest and Twitter, social networking platforms or other forms of electronic media not yet developed (**Social Media Platforms**) using the Rocket Fizz Marks or in connection with the Rocket Fizz Shop, without Franchisor's prior written consent If Franchisee separately registers any Social Media Platform account (a **Social Media Account'**) containing the Rocket Fizz Marks or otherwise related to the Rocket Fizz Shop, whether with Franchisor s prior consent or otherwise (i) Franchisee shall promptly notify Franchisor and provide Franchisor with all necessary information related to the Social Media Account that Franchisor requires or demands, without compensation to Franchisee, and (ii) the Social Media account shall, without further notice, become and be deemed to be Franchisor's sole property without compensation to Franchisee and Franchisee hereby assigns all of Franchisee s right, title and interest in all such Social Media Accounts to Franchisor Franchisor shall be the sole owner of all related intellectual property rights in the Social Media Account and all content posted thereon In addition, Franchisee hereby assigns to Franchisor the right to control and administer all Social Media Accounts, including the right to modify the Social Media Accounts, and Franchisee waives and releases all rights of restraint and moral rights therein and thereto If the foregoing provisions of this Section 10 7 are found to be invalid or otherwise unenforceable, Franchisee hereby grants Franchisor a worldwide, perpetual, non-exclusive, fully-paid license to use and administer the Social Media Account to the extent the use or sublicense would, absent this Agreement, directly or indirectly infringe Franchisee s rights For elimination of doubt, Franchisor s right to control and administer the Social Media Accounts includes, without limitation the right to post or remove content, language and media, the right to require Franchisee to post and remove content, language and media, and to disable and/or close a Social Media Account

10 8 **Electronic Commerce** Franchisor may, at its discretion, use the Websites described in Section 10 6 or may establish another facility on the Internet for the purpose of engaging in the sale of products and services identified with the Rocket Fizz Marks, both within and outside of the Protected Area Franchisee shall not use the Rocket Fizz Marks to advertise, promote or sell any services or merchandise through the Internet, nor will Franchisee offer or sell any service that is identified with the Rocket Fizz Marks or any memorabilia or other merchandise that bears the Rocket Fizz Marks through the Internet unless expressly permitted to do so by Franchisor

11 CONFIDENTIAL INFORMATION

11 1 **Rocket Fizz Confidential Information** Franchisee acknowledges and agrees that the Rocket Fizz System is comprised of confidential information that has been developed by Franchisor and its Affiliates by the investment of time, skill, effort and money and is widely recognized by the public, is of substantial value, and is proprietary confidential and constitutes trade secrets of Franchisor and its Affiliates and includes without limitation, tangible and intangible information (whether or not in electronic form) relating to Franchisor s business operations, products and services, sources of inventory and equipment, customer management and other software, data, other content formulations, patterns compilations, programs, devices and processes business relationships, contact information for industry professionals, designs, developmental or experimental work and services improvements, discoveries plans for research, potential new or supplemental products and services, Websites, advertisements or ancillary products and services marketing and selling methods and/or plans business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of employees of Franchisor and contractors of Franchisor and its Affiliates, designs, drawings, specifications, source code object code documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks trade secrets, sales/license techniques, inventions copyrightable material, trademarkable material databases, relationships between Franchisor and other companies, persons or entities, knowledge or know-how concerning the methods of operation of the Rocket Fizz Shop which may be communicated to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee s operation of the Rocket Fizz Shop under the terms of this Agreement, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential (collectively the '**Rocket Fizz Confidential Information**) Rocket Fizz Confidential Information does not include any information that was in the lawful and unrestricted possession of Franchisee prior to its disclosure by Franchisor, is or becomes generally available to the public by acts other than those of Franchisee after receiving it, has been received lawfully and in good faith by Franchisee from a third party who did not derive it from Franchisor or Franchisee, or is shown by acceptable evidence to have been independently developed by Franchisee

11 2 **Value** Franchisee acknowledges and agrees the Rocket Fizz Confidential Information is not generally known by the public or parties other than Franchisor, its Affiliates, Rocket Fizz Franchisees and Franchisee, derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or Franchisee, and is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Rocket Fizz Confidential Information, including, without limitation (i) not revealing the Rocket Fizz Confidential Information to unauthorized parties, (ii) requiring Rocket Fizz Franchisees to acknowledge and agree in writing that the Rocket Fizz Confidential Information is confidential, (iii) requiring Rocket Fizz Franchisees to agree in writing to maintain the confidentiality of the Rocket Fizz Confidential Information, (iv) monitoring electronic access to the Rocket Fizz Confidential Information by the use of passwords and other restrictions so that electronic access to the Rocket Fizz Confidential Information is limited to authorized parties, and (v) requiring Rocket Fizz Franchisees to return all Rocket Fizz Confidential Information to Franchisor upon the termination or expiration of their Rocket Fizz Franchise Agreements

11 3 **Maintain Confidentiality** To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, Franchisee shall not, during the Term or thereafter,

communicate, divulge, or use for the benefit of anyone else, any information that Franchisor considers its Rocket Fizz Trade Secrets and/or Rocket Fizz Confidential Information Franchisee shall divulge Rocket Fizz Confidential Information only to its supervisonal or managerial personnel who must have access to it in order to perform their employment responsibilities

11 4 Irreparable Injury from Disclosure of Rocket Fizz Confidential Information Franchisee acknowledges that failure to comply with the requirements of this Article 11 will result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Franchisee consents to the issuance of, and agrees to pay all court costs and reasonable attorneys fees incurred by Franchisor in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to the requirements of this Article 11

11 5 Confidentiality Covenants from Individuals Associated with Franchisee Franchisee shall require any supervisonal or managerial personnel who may have access to any Rocket Fizz Confidential Information of Franchisor to execute covenants that they will maintain the confidentiality of the Rocket Fizz Confidential Information they receive in connection with their association with Franchisee Such covenants shall be in a form satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them

11 6 No Restriction Nothing in this Article 11 is intended to prohibit or restrict any activity which prohibition or restriction violates Franchisee s employees rights to engage in protected concerted activity under the National Labor Relations Act

12 ACCOUNTING AND RECORDS

12 1 General Reporting Franchisee shall submit weekly statistical control forms and other financial, operational and statistical information that Franchisor may require in the Rocket Fizz Manuals or otherwise (i) to assist Franchisee in the operation of the Rocket Fizz Shop (ii) to allow Franchisor to monitor Gross Revenue, purchases, costs and expenses, (iii) to enable Franchisor to develop chain wide statistics (iv) to assist Franchisor in the development of new Rocket Fizz Authorized Products or the removal of existing unsuccessful Rocket Fizz Authorized Products, (v) to enable Franchisor to refine existing Rocket Fizz Authorized Products, and (vi) to generally improve chain-wide understanding of the Rocket Fizz System (collectively, the **Reporting Information** ')

12 2 Specific Reporting Unless otherwise agreed by Franchisor in writing, Franchisee shall submit condensed reports of daily Gross Revenue to Franchisor on a weekly basis in accordance with the guidelines established by Franchisor Franchisee will electronically link the Rocket Fizz Shop to Franchisor and will allow Franchisor to poll the POS System on a daily basis at a time selected by Franchisor to retrieve Reporting Information including sales, sales mix usage and operations data Further

12 2 1 On the first day of each calendar month during the Term, or at any other interval that Franchisor may require, Franchisee shall submit a Gross Revenue report signed by Franchisee, in the form and manner prescribed by Franchisor, reporting all Gross Revenue for the preceding calendar month together with the additional financial information that Franchisor may from time to time, request

12 2 2 Within thirty (30) days following the end of each calendar quarter during the Term, Franchisee shall submit to Franchisor financial statements for the preceding calendar quarter, including a balance sheet and profit and loss statement, prepared in the form and manner prescribed by Franchisor and in accordance with generally accepted accounting principles, which shall be certified by Franchisee to be accurate and complete

12 2 3 Withm thirty (30) days followmg the end of each calendar year durmg the Term, Franchisee shall submit to Franchisor an unaudited annual financial statement prepared m accordance with generally accepted accountmg principles, and m the form and manner prescribed by Franchisor which shall be certified by Franchisee to be accurate and complete Franchisee shall also provide Franchisor with copies of signed original sales and use tax forms contemporaneously with their filing with the appropriate Governmental Authority Franchisor reserves the right to require the further information concerning the Rocket Fizz Shop that Franchisor may, from time to time, reasonably request

12 3 **<u>Audits</u>** Franchisee shall prepare, and keep for not less than three (3) calendar years following the end of each of its fiscal years, adequate books and records showing daily receipts in, at and from the Rocket Fizz Shop, applicable sales tax returns, if any, all pertinent original serially numbered sales slips and cash register records, and the other sales records as may be reasonably required by Franchisor in the Rocket Fizz Manuals or otherwise, from time to time to verify the Gross Revenue reported by Franchisee to Franchisor, in a form suitable for an audit of Franchisee's records by an authorized auditor or agent of Franchisor The information shall be broken down by categories of products sold, when possible Franchisor, its agents or representatives may, at any reasonable time during normal working hours, audit or review Franchisee s books and records in accordance with generally accepted standards established by certified public accountants If any audit or other investigation reveals an under-reporting or under-recording error of two percent (2%) or more, then in addition to the payment of all other sums due to Franchisor, the expenses of the audit/inspection shall be borne and paid by Franchisee upon demand by Franchisor, which shall include, without limitation, Franchisor s travel, lodging and wage expenses and reasonable accounting and legal expenses to conduct the audit/inspection, <u>plus</u> interest at the highest compound rate permitted by Applicable Law, but not to exceed the rate of eighteen percent (18%) per annum

12 4 **<u>Books and Records</u>** Franchisee shall maintain an accounting and record keeping system which shall provide for basic accounting information necessary to prepare financial statements, a general ledger and reports required by this Agreement and the Rocket Fizz Manuals Franchisee shall maintain accurate, adequate and verifiable books and supporting documentation relating to the accounting information

12 5 **<u>Use of Financial Statements In Disclosure Document</u>** Franchisee hereby irrevocably consents to Franchisor s use of information contained in its financial statements, at Franchisor s election in its franchise disclosure document for the offer and sale of franchises

12 6 **<u>Data for Rocket Fizz Shop</u>** All data pertaining to the Rocket Fizz Shop and all data created or collected by Franchisee in connection with Franchisee s operation of the Rocket Fizz Shop (including, without limitation data pertaining to or otherwise concerning the Rocket Fizz Shop s customers) or otherwise provided by Franchisee (including, without limitation data uploaded to, or downloaded from Franchisee s POS System and/or computer system) Rocket Fizz Confidential Information and is the sole property of Franchisor and Franchisor shall have the right to use such data in any manner that Franchisor deems appropriate without any compensation to Franchisee Franchisee shall provide Franchisor with copies and/or originals of such data upon request by Franchisor Franchisee shall provide Franchisor with copies and/or originals of the data within five (5) days after Franchisor s request for the data at no cost to Franchisor and at any time during the Term and upon the expiration and/or termination of this Agreement Franchisor hereby licenses use of such data to Franchisee during the Term, at no cost, solely for Franchisee s use in connection with the Rocket Fizz Shop Franchisee shall maintain the data as secret and confidential throughout the Term and shall not make any of the data available to any unauthorized Person without the prior written consent of Franchisor and then only in the manner permitted by Franchisor

13 **INSURANCE**

13 1 **Franchisee's Insurance Obligations** Franchisee shall obtain and maintain throughout the Term the types and amounts of insurance required by Franchisor in the Rocket Fizz Manuals and otherwise and shall provide Franchisor with proof of coverage and Certificates of Insurance upon demand The current insurance requirements on the Effective Date are as follows

General Aggregate	$3 000,000
Products/Completed Operations Aggregate	$1,000,000
Personal and Marketing Injury	$1,000,000
Each Occurrence	$1,000,000
Fire Damage (any one fire)	$100,000
Medical Expense (any one person)	$5 000 00
Employment Practices Liability Insurance	$1,000,000
Worker s Compensation Statutory	varies by state
Business interruption insurance for actual losses sustained for a minimum of 12 months	
Automobile Liability Insurance, including owned, hired and non-owned vehicles coverage with a combined single limit of at least $1,000,000	

13 2 **Required Endorsements and Certificates** Each policy shall (i) be written by insurers licensed and admitted to write coverage in the jurisdiction in which the Rocket Fizz Shop is located and with a rating of A or better as set forth in the most recent edition of Best s Key Rating Guide, (ii) name Franchisor and its Affiliates as additional insureds as follows

> RPM Summit Group, LLC, Rocket Fizz Soda Pop Shop, LLC R3 Distribution, LLC, and each of their affiliates and their partners, shareholders officers directors, members, managers agents, and employees

and (iii) comply with the requirements prescribed by Franchisor at the time the policies are obtained Franchisee and Franchisee s insurers shall agree to waive their rights of subrogation against Franchisor, and Franchisee shall provide evidence of the waiver in accordance with this Section 13 2 Franchisee s obligation to obtain and maintain insurance shall not be limited in any way by reason of any insurance which may be maintained by Franchisor nor shall Franchisee s performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 18 4 All public liability and property damage policies shall contain a provision that Franchisor and its Affiliates, although named as an additional insured, shall nevertheless be entitled to recover under the policies on any loss occasioned to Franchisor, or its Affiliates, partners shareholders, directors, agents, or employees by reason of the negligence of Franchisee or its partners, shareholders directors agents or employees At least ten (10) days prior to the time any insurance is first required to be carried by Franchisee and thereafter at least thirty (30) days prior to the expiration of any policy, Franchisee shall deliver to Franchisor Certificates of Insurance evidencing the proper types and minimum amounts of required coverage All Certificates shall expressly provide that no less than thirty (30) days prior written notice shall be given Franchisor in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by the Certificates Certificates evidencing the insurance required by this Article 13 shall name Franchisor and each of its Affiliates, partners, shareholders, directors, agents, and employees as additional insureds on the additional-insured Grantor of Franchise Form CG-2029 or an insurer s comparable form, and shall expressly provide that any interest of each shall not be affected by any Default by Franchisee of any policy provisions for which the Certificates evidence coverage

13 3 **Franchisor's Right to Secure Insurance on Behalf of Franchisee** Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as the requirements may be revised from time to time by Franchisor in the Rocket Fizz Manuals or otherwise in writing Franchisor shall have the right and

authority (but not the obligation) to immediately procure the insurance and to charge the same to Franchisee, which charges, together with Franchisor s expenses in so acting, shall be payable by Franchisee immediately upon notice The foregoing remedies shall be in addition to any other remedies Franchisor may have

14 TRANSFER OF INTEREST

14 1 **Transfer by Franchisor** Franchisor shall have the right to transfer or assign all or any part of its rights or obligations under this Agreement to any Person or Entity without the consent or approval of Franchisee With respect to any assignment which results in the subsequent performance by the assignee of all of Franchisor s obligations under this Agreement, the assignee shall expressly assume and agree to perform the obligations and shall become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment Franchisor and or its Affiliates may sell their assets, the Rocket Fizz Marks, or the Rocket Fizz System, may sell securities in a public offering or in a private placement, may merge, acquire other corporations, or be acquired by another corporation, and may undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring all without notice to, or the consent or approval of Franchisee

14 2 **Assignment by Franchisee** Franchisee acknowledges and agrees that the rights granted to Franchisee under this Agreement are personal and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Franchisee and if Franchisee is an Entity, that of the Owners Accordingly, to protect the Rocket Fizz System the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, Franchisee shall not offer, sell, or negotiate the sale of its rights under this Agreement to any third party either in Franchisee s own name or in the name and/or on behalf of Franchisor, except as otherwise provided in this Agreement Franchisee acknowledges and agrees that Franchisee has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with, directly or indirectly (i) any interest in this Agreement, or (ii) the right to use the Rocket Fizz System or the Rocket Fizz Marks (an **Assignment**') without Franchisor s prior written consent Franchisor shall not unreasonably withhold its consent to an Assignment if, in Franchisor's judgment, Franchisee satisfies the conditions to the Assignment identified in this Agreement

14 2 1 Unless the Parties otherwise agree in writing, Franchisee shall not make any Assignment of this Agreement except in conjunction with a concurrent Assignment to the same approved assignee of all Rocket Fizz Shops then owned and operated by Franchisee As a condition to Franchisor s consent to an Assignment the assignee must execute Franchisor s Then-Current form of Rocket Fizz Franchise Agreement for each Rocket Fizz Shop sold to the assignee Further, without Franchisor s prior written consent, which may be withheld by Franchisor in its discretion (i) Franchisee shall not offer for sale or transfer at public or private auction any of the rights of Franchisee under this Agreement, and (ii) Franchisee shall not directly or indirectly, pledge encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever To the extent that the foregoing prohibition may be ineffective under Applicable Law, Franchisee shall provide not less than ten (10) days prior written notice (which notice shall contain the name and address of the secured party and the terms of the pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement

14 2 2 For purposes of this Agreement, each of the following events is an Assignment subject to the conditions to Assignment identified in this Agreement (i) the death or incapacity of any Owner, (ii) the offer or sale of securities of Franchisee pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum (iii) the sale, assignment transfer, conveyance, gift, pledge, mortgage, or other encumbrance of more than twenty percent (20%) in the aggregate, whether in one or more transactions, of the Equity or voting power of Franchisee by operation of law or otherwise or any other events or transactions which directly or indirectly, effectively changes control of Franchisee, (iv) the issuance of any securities by Franchisee which itself or in combination with any other transactions results in the Owners, as

constituted on the Effective Date, owning less than fifty percent (50%) of the outstanding Equity or voting power of Franchisee, and (v) any merger, stock redemption, consolidation reorganization, recapitalization or other transfer of control of the Franchisee, however effected Franchisee shall promptly provide Franchisor with written notice (stating the information that Franchisor may from time to time require) of each and every transfer, assignment and encumbrance by any Owner of any direct or indirect Equity or voting rights in Franchisee, notwithstanding that the same may not constitute an **Assignment** as defined under this Article 14

14 2 3 Neither Franchisor's right of first refusal nor the other conditions of Assignment shall apply to a transfer by Franchisee of all of Franchisee s rights under this Agreement to a newly-formed corporation, limited liability company or other business Entity provided all of the Equity or voting interests of the new business Entity are owned by the same Owners (a **Qualified Assignment**') Any attempted Assignment which fails to comply with the requirements of this Article 14 shall be null and void and shall constitute a Default under this Agreement

14 3 **Right of First Refusal** Except with respect to a **Qualified Assignment** , if Franchisee or an Owner receive a bona fide written offer ('**Third Party Offer**") from a third party (the ' **Proposed Buyer**') to purchase or otherwise acquire any interest in Franchisee which will result in an Assignment within the meaning of this Agreement, Franchisee or the Proposed Buyer shall, within five (5) days after receiving the Third Party Offer and before accepting it, apply to Franchisor in writing for Franchisor s consent to the proposed Assignment To constitute a bona fide written offer, the Third Party Offer must also apply to purchase or otherwise acquire all Rocket Fizz Shops then owned and operated by Franchisee or its Affiliates

14 3 1 Franchisee, or the Proposed Buyer, shall attach to its application for consent to complete the Assignment a copy of the Third Party Offer together with (i) information relating to the proposed transferee s experience and qualifications, (ii) a copy of the proposed transferee s current financial statement, and (iii) any other information material to the Third Party Offer, proposed transferee and proposed Assignment or that Franchisor requests

14 3 2 Franchisor or its nominee shall have the right, exercisable by written notice (**Purchase Notice**') given to Franchisee or the Proposed Buyer, within thirty (30) days following receipt of the Third Party Offer all supporting information, and the application for consent, to notify Franchisee or the Proposed Buyer that it will purchase or acquire the rights, assets, Equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Franchisor may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer, and (ii) deduct from the purchase price the amount of all amounts then due and owing from Franchisee to Franchisor under this Agreement or otherwise

14 3 3 If Franchisor or its nominee elects to purchase or acquire the rights, assets Equity or interests proposed to be assigned to the Proposed Buyer the closing shall take no later than sixty (60) days following the date that the Purchase Notice was issued by Franchisor

14 3 4 If Franchisor does not elect to purchase or acquire the rights, assets, Equity or interests proposed to be assigned to the Proposed Buyer, the closing of the sale to the Proposed Buyer shall take no later than ninety (90) days following the date that the Third Party Offer was received by Franchisee If there is any material change in the terms of the Third Party Offer before the closing of the sale, Franchisor shall have a right of first refusal to accept the new terms subject to the conditions stated in this Section 14 3

14 4 **Conditions of Assignment to Third Party** As a condition to obtaining Franchisor's consent to an Assignment, all of the following conditions must be satisfied

14 4 1 The Proposed Buyer must submit a completed franchise application to Franchisor and meet

Franchisor's Then-Current qualifications for new Rocket Fizz Franchisees including qualifications pertaining to financial condition credit rating, experience, moral character and reputation

14 4 2 Franchisee must be in Good Standing on the date consent is requested and until the date of closing of the Assignment

14 4 3 The sales price of the interest to be conveyed must not be so high or the terms of the sale so onerous, that, in the judgment of Franchisor, the Proposed Buyer will be unlikely to meet the Proposed Buyer s financial and other obligations to Franchisor, third party suppliers and creditors following the closing Franchisor shall have no liability to either Franchisee or the Proposed Buyer if Franchisor approves the Assignment and the Proposed Buyer thereafter experiences financial difficulties

14 4 4 The Proposed Buyer must sign Franchisor's Then-Current form of Franchise Agreement the terms of which may differ materially from any and all of the terms contained in this Agreement, and which shall supersede this Agreement in all respects, except that the term of the replacement Franchise Agreement shall be the remaining Term In exchange for signing the Then-Current Franchise Agreement, the Proposed Buyer shall receive the rights provided for in this Agreement If the Proposed Buyer is an Entity each owner and each owner s spouse of the Proposed Buyer shall jointly and severally guarantee the Proposed Buyer s performance of its obligations in the Then-Current Franchise Agreement under a Guarantee in the form of **Exhibit D** If Franchisor is not offering new Rocket Fizz franchises is in the process of revising, amending or renewing Franchisor's form of Franchise Agreement or franchise disclosure document or is not lawfully able to offer Franchisor s Then-Current form of Franchise Agreement at the time of an Assignment Franchisor may offer to amend this Agreement, upon terms and conditions that will be established by Franchisor and the Proposed Buyer at that time, or may offer to amend the Term on substantially the terms and conditions set forth in this Agreement on a month-to-month basis for as long as Franchisor deems necessary or appropriate so that Franchisor may subsequently offer and utilize a Then-Current form of Franchise Agreement

14 4 5 Franchisee will remain subject to all obligations stated in this Agreement that expressly, or by implication due to their nature survive the Assignment, termination or expiration of this Agreement, including, without limitation, the provisions prohibiting competition, non-interference and non-disclosure of Rocket Fizz Confidential Information

14 4 6 Franchisee and the Proposed Buyer shall execute a General Release of all known and unknown liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, that they have, may have or believe to have against Franchisor and its Affiliates and their officers directors, agents, shareholders and employees as of the date of the General Release, in a form acceptable to Franchisor

14 4 7 Franchisee shall pay Franchisor the Transfer Fee to apply against Franchisor's administrative and other costs to process the Assignment

14 4 8 Franchisee must simultaneously transfer its rights in all contracts for which continuation is necessary for operation of the Rocket Fizz Shop to the Proposed Buyer and satisfy any separate conditions to obtain any third party consents required for the Assignment of Franchisee s rights to the Proposed Buyer The Proposed Buyer must execute all other documents and agreements required by Franchisor to consummate the Assignment All required third party consents to the Assignment must be obtained

14 4 9 Franchisee's right to receive the sales proceeds from the Proposed Buyer in consideration of the Assignment shall be subordinate to the obligations of the Proposed Buyer owed to Franchisor and its Affiliates under, or pursuant to, this Agreement or any other agreement All contracts by and between Franchisee and the

Proposed Buyer shall expressly include a subordination provision permitting payment of the sales proceeds to Franchisee only after any outstanding obligations owed to Franchisor and its Affiliates are fully satisfied

14 4 10 Except when the transferee is an existing Rocket Fizz Franchisee, the Proposed Buyer and a supervisorial or managerial employee of the Proposed Buyer who will have general management and supervisory responsibilities for the Rocket Fizz Shop who is acceptable to Franchisor, must complete to Franchisor's sole satisfaction Franchisor's Initial Training Program prior to the effective date of the Assignment

14 4 11 The Proposed Buyer must conform the Rocket Fizz Shop with Franchisor's Then-Current appearance and design standards and equipment specifications applicable to new Rocket Fizz Shops

14 4 12 Franchisee must sign a guarantee personally guaranteeing the Proposed Buyer s obligations under the new Franchise Agreement in favor of Franchisor

14 5 <u>**Death or Incapacity**</u> In the event of the death or incapacity of an Owner, the spouse, heirs or personal representative of the deceased or incapacitated Owner, or the remaining Owners (the **Successor**') shall have one hundred eighty (180) days from the date of death or incapacity in which to (i) purchase the interest of the deceased or incapacitated Owner, or (ii) complete an Assignment of the interest of the deceased or incapacitated Owner to a qualified, approved third party, subject to the provisions of this <u>Article 14</u> If a Successor has not purchased the interest of the deceased or incapacitated Owner or completed an Assignment of the interest of the deceased or incapacitated Owner to a qualified, approved third party within one hundred eighty (180) days from the date of death or incapacity, Franchisor may terminate this Agreement

14 6 <u>**Transfer by Franchisee in Bankruptcy**</u> If for any reason, this Agreement is not terminated pursuant to <u>Section 16 1</u> and this Agreement is assumed, or Assignment of the same to any Person or Entity who has made a bona fide offer to accept an Assignment of this Agreement is contemplated pursuant to the United States Bankruptcy Code, then notice of the proposed Assignment or assumption, setting forth (i) the name and address of the proposed assignee, and (ii) all of the terms and conditions of the proposed Assignment and assumption, shall be given to Franchisor within twenty (20) days after receipt of the proposed assignee s offer to accept an Assignment of this Agreement, and, in any event, within ten (10) days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into the Assignment and assumption and Franchisor shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of the proposed Assignment and assumption, to accept an Assignment of this Agreement to Franchisor itself upon the same terms and conditions and for the same consideration, if any as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by Franchisee out of the consideration to be paid by the assignee for the Assignment of this Agreement

14 7 <u>**Restriction on Publicly Traded and Private Securities**</u> Securities, partnership or other ownership interests in Franchisee may not be offered to the public under the Securities Act of 1933 as amended, nor may they be registered under the Securities Exchange Act of 1934, as amended or any comparable federal, state or foreign law rule or regulation Such interests may be offered by private offering or otherwise only with the prior written consent of Franchisor, which consent shall not be unreasonably withheld All materials required for any private offering by federal or state law shall be submitted to Franchisor for a limited review as discussed below prior to being filed with any governmental agency, and any materials to be used in any exempt offering shall be submitted to Franchisor for such review prior to their use No offering by Franchisee shall imply that Franchisor is participating in an underwriting, issuance or offering of securities of Franchisee or Franchisor and Franchisor s review of any offering materials shall be limited solely to the subject of the relationship between Franchisee and Franchisor, and its Affiliates Franchisor may, at its option, require Franchisee s offering materials to contain a written statement prescribed by Franchisor concerning the limitations described in the preceding sentence Franchisee, its Owners and other participants in the offering must fully agree in writing to defend and indemnify

Franchisor, its Affiliates, their respective partners and the officers, directors, manager(s) (if a limited liability company), shareholders, members, partners, agents, representatives, independent contractors, servants and employees of each of them, from and against any and all losses, costs and liability in connection with the offering and shall execute any documentation required by Franchisor to further evidence this indemnity For each proposed offering, Franchisee shall pay to Franchisor a non-refundable fee of $10,000 which shall be in addition to any Transfer Fee under any Franchise Agreement and/or Development Agreement or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including without limitation, legal and accounting fees Franchisee shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Article 14

15 COVENANTS

15 1 **No Prior Experience, Information or Knowledge** Franchisee specifically acknowledges and agrees that prior to becoming a franchisee of Franchisor, Franchisee had no experience, information or knowledge whatsoever about the sale of soda pop, candy, novelty items and related products and services or a Rocket Fizz Shop and that Franchisee's knowledge of the Rocket Fizz Confidential Information was obtained solely from Franchisor, following Franchisee s training by Franchisor and Franchisee s subsequent operation of the Rocket Fizz Shop under this Agreement In addition, Franchisee specifically acknowledges that pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information, including, without limitation, Rocket Fizz Confidential Information, regarding the operational, sales, promotional and marketing methods and techniques of Franchisor and the Rocket Fizz System, which are unique and proprietary to Franchisor, derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy

15 2 **Non-Competition During Term of Agreement** Franchisee and each Restricted Person covenants that during the Term, except as otherwise approved in writing by Franchisor, Franchisee and each Restricted Person shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any Person, or legal Entity (i) divert or attempt to divert any present or prospective Rocket Fizz customer to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly any other act injurious or prejudicial to the goodwill associated with the Rocket Fizz Marks and the Rocket Fizz System, (ii) employ or seek to employ any Person who is or has been within the preceding thirty (30) days employed by Franchisor or an Affiliate of Franchisor as a supervisorial or managerial employee, or otherwise directly or indirectly induce the Person to leave his or her employment, or (iii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer manager, employee, consultant, representative or agent, any Competitive Business, provided, however the restrictions stated in this Section 15 2 shall not apply to any Restricted Person after two (2) calendar years from the date the Restricted Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee

15 3 **Non-Competition After Expiration or Termination of Agreement** Except as Franchisor otherwise approves in writing, commencing upon the date of (i) an Assignment permitted under Article 14, (ii) the Expiration Date of this Agreement (iii) the termination of this Agreement (regardless of the cause for termination), or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section 15 3, and continuing for an uninterrupted period of two (2) years thereafter, Franchisee and each Restricted Person shall not, own (either beneficially or of record), engage in or render services to whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business located at the Franchised Location or within a five (5) mile radius of any Rocket Fizz Shop or the Franchised Location, provided, however, the restrictions stated in this Section 15 3 shall not apply to any Restricted Person after two (2) years from the date the Restricted Person ceases

to be an officer, director, shareholder, member, manager, trustee, owner, general partner employee or otherwise associated in any capacity with Franchisee

15 4 **Violation of Covenants** If Franchisee or any Restricted Person shall commit any violation of Section 15 3 during the two (2) calendar year period following (i) the expiration or termination of this Agreement, (ii) the occurrence of any Assignment, (iii) the cession of the Restricted Person's relationship with Franchisee, or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of Section 15 3, in addition to all other remedies available to Franchisor under this Agreement and Applicable Law Franchisee or the Restricted Person shall pay Franchisor, throughout the twenty-four (24) calendar month period, five percent (5%) of all revenue derived from the operation of the Competitive Business, including the sale of any merchandise, other products and services at or from the Competitive Business and all other income of every kind and nature of the Competitive Business (**Post Termination Gross Revenue**") in violation of Section 15 3 Franchisee shall account for and pay the five percent (5%) of the Post Termination Gross Revenue to Franchisor on the fifteenth (15th) day of each calendar month on the Post Termination Gross Revenue of the Competitive Business during the preceding calendar month Franchisor shall have the right to audit the books and records of the competing business in accordance with Section 12 3 to confirm Franchisee's compliance with this Section 15 4, upon prior notice to Franchisee

15 5 **Exceptions to Covenants** Sections 15 2 and 15 3 shall not apply to ownership by Franchisee or an Owner of a less than five percent (5%) beneficial interest in the outstanding Equity securities of any Competitive Business registered under the Securities Act of 1933 or the Securities Exchange Act of 1934

15 6 **Reducing Scope of Covenants** Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section 15 3, or any portion thereof, without Franchisee s consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable

15 7 **Reasonable Good Faith Estimate** The Parties acknowledge and agree that it would be impossible and impracticable to determine the precise amount of damages and expenses Franchisor will incur if Franchisee or any Restricted Person shall commit any violation of Section 15 3 during the two (2) calendar year period following (i) the expiration or termination of this Agreement, (ii) the occurrence of any Assignment, (iii) the cession of the Restricted Person's relationship with Franchisee, or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of Section 15 3 due to the complications inherent in determining the amount of revenue lost by Franchisor because of the uncertainty regarding the number of months left to complete the Term then in effect, the uncertainty regarding the Gross Revenue of the Rocket Fizz Shop during that Term, the amount of Royalty Fees Franchisee would have paid Franchisor based upon the Gross Revenue of the Rocket Fizz Shop and the like as well as the amount of the fees that Franchisor will collect from Franchisee upon the occurrence of the circumstances described in Section 15 3 The Parties further acknowledge and agree that the five percent (5%) fee of Post Termination Gross Revenue is a reasonable, good faith estimate of those damages

15 8 **Covenants from Individuals** Upon demand by Franchisor Franchisee shall obtain and furnish to Franchisor executed covenants similar in substance to those set forth in this Article 15 (including covenants applicable upon the termination of a Person s relationship with Franchisee) from all Owners Every covenant required by this Section 15 8 shall be in a form acceptable to Franchisor and shall include, without limitation a designation of Franchisor as a third party beneficiary of the covenants with the independent right to enforce them

15 9 **Interference With Employment Relations** Without Franchisor's prior written consent, during the Term and for a period of twenty-four (24) calendar months following the termination, expiration or nonrenewal of this

Agreement, or ıf there shall occur an Assıgnment, neıther Franchısee, ıts Owner(s) or theır respectıve Affılıates, offıcers, dırectors or managers, or any of them, shall ın any capacıty whatsoever eıther dırectly or ındırectly, hıre solıcıt or encourage to leave the employment of Franchısor, or any of ıts Affılıates, or any lıcensee or franchısee of Franchısor, any employee of Franchısor or ıts Affılıates (or any Person who the Persons knew or should have known was an employee of any lıcensee or franchısee of Franchısor) or hıre any employee who has left the employment of Franchısor, or any of ıts Affılıates (or any lıcensee or franchısee) wıthın one (1) calendar year of the termınatıon of the employee s employment wıth Franchısor, or any of ıts Affılıates or ıts Lıcensees or franchısees

15 10 **Effect of Applıcable Law** In the event any portıon of the covenants ın thıs Artıcle 15 vıolates Applıcable Laws affectıng Franchısee, or ıs held ınvalıd or unenforceable ın a fınal judgment to whıch Franchısor and Franchısee are Partıes, then the maxımum legally allowable restrıctıon permıtted by Applıcable Law shall control and bınd Franchısee Franchısor may at any tıme unılaterally reduce the scope of any part of the above covenants, and Franchısee shall comply wıth any reduced covenant upon receıpt of wrıtten notıce The provısıons of thıs Artıcle 15 shall be ın addıtıon to and not ın lıeu of any other confıdentıalıty oblıgatıon of Franchısee or any other Person, whether pursuant to another agreement or pursuant to Applıcable Law

15 11 **Busıness Practıces** Franchısee shall comply wıth and/or assıst Franchısor to the fullest extent possıble ın Franchısor's efforts to comply wıth Executıve Order 13224 ıssued by the Presıdent of the Unıted States, the USA Patrıot Act, and all other present and future federal, state and local laws ordınances, regulatıons, polıcıes, lısts and any other requırements of any Governmental Authorıty addressıng or ın any way relatıng to terrorıst acts and acts of war (the '**Antı-Terrorısm Laws**') In connectıon wıth ıts complıance Franchısee certıfıes represents and warrants that none of Franchısee's property or ınterests are subject to beıng 'blocked ' under any of the Antı-Terrorısm Laws and that Franchısee ıs not otherwıse ın vıolatıon of any of the Antı-Terrorısm Laws Any vıolatıon of the Antı-Terrorısm Laws by Franchısee or Franchısee s employees or any 'blockıng of Franchısee s assets under the Antı-Terrorısm Laws constıtute grounds for ımmedıate termınatıon of thıs Agreement and any other agreements Franchısee has entered ınto wıth Franchısor or any of ıts Affılıates, ın accordance wıth the provısıons of Sectıon 16 2

15 12 **Survıval** The provısıons of thıs Artıcle 15 shall survıve the expıratıon and termınatıon of thıs Agreement and shall not lımıt, restraın or otherwıse affect any rıght or cause of actıon whıch may accrue to Franchısor for any ınfrıngement of, vıolatıon of, or ınterference wıth, thıs Agreement, or the Rocket Fızz Marks, the Rocket Fızz System, the Rocket Fızz Confıdentıal Informatıon, the Rocket Fızz Trade Secrets, or any other proprıetary aspects of Franchısor s busıness

16 DEFAULT AND TERMINATION

16 1 **Termınatıon In the Event of Franchısee s Bankruptcy or Insolvency** Franchısee shall be deemed to be ın Default under thıs Agreement, and all rıghts granted to Franchısee of thıs Agreement shall automatıcally termınate wıthout notıce to Franchısee, (ı) ıf Franchısee becomes ınsolvent or make a general assıgnment for the benefıt of credıtors, (ıı) ıf a petıtıon ın bankruptcy ıs fıled under any foreıgn, state or Unıted States Bankruptcy Act by Franchısee or ıf a petıtıon ıs fıled agaınst and not opposed by Franchısee, (ııı) ıf Franchısee ıs adjudıcated as bankrupt or ınsolvent, (ıv) ıf a bıll ın equıty or other proceedıng for the appoıntment of a receıver of Franchısee or other custodıan for the Rocket Fızz Shop ıs fıled and consented to by Franchısee, (v) ıf a receıver or other custodıan (permanent or temporary) of Franchısee s assets or property, or any part thereof, ıs appoınted by any court of competent jurısdıctıon (vı) ıf proceedıngs for a composıtıon wıth credıtors under any Applıcable Law ıs ınstıtuted by or agaınst Franchısee, (vıı) ıf a fınal judgment ın excess of $100,000 agaınst the Rocket Fızz Shop remaıns unsatısfıed or of record for thırty (30) days or longer (unless a supersedeas bond ıs fıled) (vııı) ıf Franchısee admıts Franchısee ıs unable to generally pay Franchısee s debts as they become due, (ıx) ıf executıon ıs levıed agaınst the Rocket Fızz Shop or property, (x) ıf suıt to foreclose any lıen or mortgage agaınst the Rocket

Fizz Shop, the Franchised Location or the equipment of the Rocket Fizz Shop is instituted against Franchisee and not dismissed within thirty (30) days, or (xi) if the Rocket Fizz Shop or the Franchised Location shall be sold after levy thereupon by any sheriff, marshal, or constable

16 2 **Option to Terminate Without Opportunity to Cure** Franchisee shall be deemed to be in Default and Franchisor may, at its option terminate this Agreement and all rights granted under this Agreement, without affording Franchisee any opportunity to cure the Default effective immediately upon receipt of notice by Franchisor upon the occurrence of any of the following events

16 2 1 If Franchisee shall Abandon the Rocket Fizz Shop

16 2 2 If Franchisee shall make any Assignment without the prior written consent of Franchisor

16 2 3 If Franchisee shall Default in any obligation as to which Franchisee has previously received three (3) or more written notices of Default from Franchisor setting forth the Default complained of within the preceding twelve (12) calendar months

16 2 4 If Franchisee makes any material misrepresentations in connection with the execution of this Agreement or the operations of the Rocket Fizz Shop

16 2 5 If Franchisee fails, for a period of ten (10) days after having received notification of noncompliance from Franchisor or any Governmental Authority, to comply with any Applicable Laws that govern the operation of the Rocket Fizz Shop

16 2 6 If Franchisee s operation of the Rocket Fizz Shop constitutes an imminent danger to the public health

16 2 7 If any audit or investigation conducted by Franchisor discloses that Franchisee has knowingly maintained false books or records or submitted false reports to Franchisor or knowingly understated its Gross Revenue or withheld the reporting of the same as provided in this Agreement

16 2 8 If Franchisee or any of its Owners, are convicted of or plead guilty or *nolo contendere* to a felony or any other crime or offense that is reasonably likely, in the sole opinion of Franchisor, to adversely affect Franchisor s reputation the Rocket Fizz System the Rocket Fizz Marks or the goodwill associated the same, however, if the crime or offense is committed by an Owner other than the Principal Owner, Franchisor may only terminate this Agreement under this Section 16 2 8 if the convicted Owner fails to sell its interest in Franchisee to Franchisee s other Owners within thirty (30) days after the conviction or guilty plea

16 2 9 If Franchisee materially misuses or makes any unauthorized use of the Rocket Fizz Marks or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein, or takes any action which reflects materially and unfavorably upon the operation and reputation of the Rocket Fizz Shop or the Rocket Fizz chain generally

16 2 10 If Franchisee makes any unauthorized use disclosure, or duplication of the Rocket Fizz Trade Secrets or Rocket Fizz Confidential Information

16 2 11 If Franchisee fails to purchase and maintain in inventory the types and quantities of Rocket Fizz Branded Products, Rocket Fizz Proprietary Products or Non-Proprietary Products necessary to meet reasonably anticipated consumer demand

16 2 12 If Franchisee shall purchase Rocket Fizz Branded Products or Rocket Fizz Proprietary Products or Non-Proprietary Products from other than a Rocket Fizz Approved Supplier and fails to cease use of the non-complying product within three (3) days after having received notification from Franchisor to do so

16 2 13 If Franchisee sells or attempts to sell any products other than Rocket Fizz Branded Products or Rocket Fizz Proprietary Products or Non-Proprietary Products at the Rocket Fizz Shop and fails to cease such sales or attempts to sell within three (3) days after having received notification from Franchisor to do so

16 2 14 If Franchisee shall Default in any obligation under this Agreement that by its nature is not capable of being cured by Franchisee

16 2 15 If Franchisee fails to meet the site selection requirements, enter a Lease or Open the Rocket Fizz Shop within the applicable time periods provided for in this Agreement

16 2 16 If Franchisee or the Owners use abusive language when communicating with Franchisor Franchisor's staff or with customers or suppliers, engage in any illegal activity or abusive or threatening behavior towards Franchisor, Franchisor's staff or customers or suppliers, or denigrate the Rocket Fizz System or portray it in an unflattering light on the Internet or otherwise

16 2 17 If Franchisee has three (3) or more material customer complaints about the Rocket Fizz Shop in any twelve (12) month period, whether or not resolved, including customer complaints relating to food safety, hygiene cleanliness, illegal activity by employees or rude behavior to customers

16 3 **Termination With Notice and Opportunity To Cure** Except for any Default by Franchisee under Section 16 1 or Section 16 2, and as expressly provided elsewhere in this Agreement, Franchisee shall have five (5) days, in the case of any monetary Default and ten (10) days in the case of any other type of Default, following the receipt of a Notice of Default demanding the cure of the Default and to provide evidence of the cure to Franchisor If any Default is not cured within that time period, or any longer time period that Applicable Law may require or that Franchisor may specify in the Notice of Default, this Agreement and all rights granted in this Agreement shall automatically terminate without further notice or opportunity to cure

16 4 **Reimbursement of Franchisor Costs** Upon a Default by Franchisee all of Franchisor s costs and expenses arising from the Default, including reasonable attorneys' fees shall be paid to Franchisor within five (5) days after cure or upon demand by Franchisor whether or not the Default is cured

16 5 **Cross-Default** Any Default by Franchisee under the terms and conditions of this Agreement, any Area Development Agreement or any other agreement between Franchisor or its Affiliates, and Franchisee, or its Owners or Affiliates, shall be deemed to be a Default of each and every other agreement In the event of termination, for any cause, of this Agreement or any other agreement between the Parties, Franchisor may, at its option, terminate any or all of the agreements

16 6 **Other Defaults** Any Default by Franchisee or an Owner under any lease, sublease loan agreement or security interest related to the Rocket Fizz Shop may be regarded by Franchisor as a Default under this Agreement

16 7 **Notice Required By Law** Notwithstanding anything to the contrary contained in this Article 16, if any valid Applicable Law of a competent Governmental Authority having jurisdiction over this Agreement and the Parties shall limit Franchisor's rights of termination under this Agreement or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by that Applicable Law Franchisor shall not however be precluded

from contesting the validity, enforceability or application of Applicable Laws in any action, hearing or dispute relating to this Agreement or the termination of this Agreement

16 8 **Interim Management** To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, after Franchisor has given Franchisee written notice that Franchisee is in Default, Franchisor may (but is not obligated to) assume interim management of the Rocket Fizz Shop during the pendency of any cure period or in lieu of immediately terminating this Agreement If Franchisor elects to assume interim management of the Rocket Fizz Shop (i) Franchisor's election will not relieve Franchisee of Franchisee s obligations under this Agreement, (ii) Franchisor will not be liable for any debts, losses, costs or expenses incurred in the operation of the Rocket Fizz Shop during any interim management period, (iii) Franchisor will have the right to charge a reasonable fee for the management services, and (iv) Franchisee agrees to, and hereby does, indemnify and hold Franchisor harmless against any and all claims, demands, judgments, fines, losses, liabilities, costs amounts paid in settlement and reasonable expenses (including, but not limited to attorneys fees) incurred in connection with the interim management of the Rocket Fizz Shop, other than those arising solely from the gross negligence or willful misconduct of Franchisor

16 9 **Delay by Force Majeure** Franchisee shall provide Franchisor, within ten (10) days after the occurrence of an event that Franchisee believes is an event of Force Majeure, with notice of the specific nature and extent of the Force Majeure and an explanation as to how the event has delayed Franchisee s performance under this Agreement The determination of whether an event of Force Majeure has occurred shall be made by Franchisor upon Franchisor's assessment of the event causing the delay Franchisee shall provide Franchisor with continuing updates and all information requested by Franchisor regarding Franchisee s progress and diligence in responding to and overcoming the event of Force Majeure If Franchisor determines that the Default is the result of an event of Force Majeure, the required date for performance by Franchisee shall be extended by the number of days equal to the number of days that the Force Majeure exists

16 10 **Termination by Franchisee** Franchisee may terminate this Agreement due to a material Default by Franchisor of its obligations under this Agreement, which Default is not cured by Franchisor within sixty (60) days after Franchisor's receipt of prompt written notice by Franchisee to Franchisor detailing the alleged Default with specificity, provided, that if the Default is such that it cannot be reasonably cured within such sixty (60) day period, Franchisor shall not be deemed in Default for so long as it commences to cure such Default within sixty (60) days and diligently continues to prosecute such cure to completion This is a material term of this Agreement and a mediator shall not, and shall not have the power or authority to, waive modify or change this requirement in any mediation proceedings or otherwise If Franchisee terminates this Agreement pursuant to this Section, Franchisee shall comply with all of the terms and conditions of Article 17

17 OBLIGATIONS FOLLOWING TERMINATION OR EXPIRATION

17 1 **General** To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, upon the expiration or termination of Franchisee s rights granted under this Agreement, Franchisee shall immediately cease to use all Rocket Fizz Trade Secrets, Rocket Fizz Confidential Information, the Rocket Fizz Marks, and any confusingly similar trademark, service mark, trade name, logotype, or other commercial symbol or insignia Franchisee shall at its own cost immediately return the Rocket Fizz Manuals and all written materials incorporating Rocket Fizz Trade Secrets and all copies of any of the same to Franchisor If Franchisor does not elect to take an assignment of the Lease for the Franchised Location, Franchisee shall at its own cost make cosmetic changes to the Rocket Fizz Shop and the Franchised Location to distinguish the appearance of the Franchised Location from that of other Rocket Fizz Shops so that they no longer contain or resemble Franchisor's proprietary designs and shall remove all Rocket Fizz identifying materials and distinctive Rocket Fizz cosmetic features and finishes, soffits, interior wall coverings and colors exterior finishes and colors and signage and other distinctive design features from the Franchised Location that Franchisor may reasonably

direct If Franchise fails or refuses to comply with the requirements of this Section 17 1 following Franchisor's demand that Franchisee do so, Franchisor shall have the right to immediately enter into negotiations with the Landlord of the Franchised Location regarding assignment and assumption of the Lease and to enter the Franchised Location and conduct business at the Rocket Fizz Shop, without being liable for trespass or any other tort In addition, Franchisor may make or cause to be made such changes to the Rocket Fizz Shop and the Franchised Location that may be required to enable Franchisor or its Affiliates, or another Rocket Fizz Franchisee to continue the operation of the Rocket Fizz Shop, all at Franchisee's expense, which shall be payable to Franchisor upon demand

17 2 **Prior Payments** Franchisor may retain all fees paid to Franchisor pursuant to this Agreement, and Franchisee shall immediately pay any and all amounts remaining due to Franchisor and its Affiliates If this Agreement terminates due to a Default by Franchisee, the amounts to be paid by Franchisee shall include all damages, and costs, and expenses including reasonable attorneys fees, incurred by Franchisor as a result of the Default, which obligation shall remain, until paid in full, a lien in favor of Franchisor against assets of the Rocket Fizz Shop Franchisee hereby appoints Franchisor as its attorney in fact with full power and authority to execute on Franchisee s behalf all documents necessary to obtain and perfect this lien In addition to the foregoing, Franchisee shall pay Franchisor, within thirty (30) days following the date of termination, an amount equal to the product of two (2) multiplied by the total Royalty Fees paid (or if unpaid, payable) by Franchisee during the twelve (12) calendar months immediately preceding the effective date of termination to account for the actual damages that Franchisor shall suffer as a result of the termination of this Agreement during the time period that Franchisor estimates will expire while Franchisor searches for a replacement franchisee for the Rocket Fizz Shop or for a replacement Rocket Fizz Shop location in the trade area of the Rocket Fizz Shop The Parties acknowledge and agree that it would be impossible and impracticable to determine the precise amount of damages Franchisor will incur upon the termination of this Agreement due to the complications inherent in determining the amount of revenue lost by Franchisor and the uncertainty regarding the number of months that will expire while Franchisor searches for a replacement franchisee for the Rocket Fizz Shop or for a replacement Rocket Fizz Shop location in the trade area of the Rocket Fizz Shop The Parties further acknowledge and agree that this calculation of Franchisor s potential damages is a reasonable, good-faith estimate of those damages If Franchisor is unable to make this calculation because of Franchisee s failure to report the Gross Revenue of the Rocket Fizz Shop, Franchisor may estimate the Gross Revenue of the Rocket Fizz Shop for the applicable period based upon the historical financial information available to Franchisor at that time

17 3 **Termination of Obligations and Rights** Following the termination or expiration of this Agreement, any and all obligations of Franchisor to Franchisee under this Agreement shall immediately cease and terminate Likewise, any and all rights of Franchisee under this Agreement shall immediately cease and terminate and Franchisee shall immediately cease and thereafter refrain from representing itself as a then or former Franchisee or other Affiliates of Franchisor

17 4 **Electronic Communications and Media** The goodwill associated with all telephone and fax numbers, email addresses, domain names, Websites or web pages, social media and other Internet addresses used in operation of the Rocket Fizz Shop (**Electronic Communications and Media**) is an asset that belongs to Franchisor Franchisor shall have the option exercisable by written notice within thirty (30) days after the cancellation, termination or expiration of this Agreement to take an assignment of Electronic Communications and Media for the Rocket Fizz Shop If Franchisor exercises this option, Franchisee will be deemed to have assigned to Franchisor or Franchisor designee all right title and interest in and to these and/or services associated with the same Franchisee shall notify the telephone company, domain name registrars and all listing agencies of the cancellation, termination or expiration of its right to use the Electronic Communications and Media associated with the Rocket Fizz Shop, and shall authorize their transfer to Franchisor Franchisee hereby appoints Franchisor as its true and lawful agent and attorney-in-fact with full power and authority for the sole purpose of taking such action as may be necessary to effect an assignment of all Electronic Communications and Media for the Rocket

Fizz Shop This power of attorney is coupled with an interest and shall survive the cancellation, termination or expiration of this Agreement Franchisee, by executing this Agreement, authorizes Franchisor and hereby appoints Franchisor and all of Franchisor's officers as Franchisee's attorney-in-fact to direct the telephone company domain name registrars and all listing agencies to transfer the same to Franchisor, should Franchisee fail or refuse to do so The telephone company, domain name registrars and all listing agencies may accept this Agreement as conclusive evidence of Franchisor s exclusive rights to the Electronic Communications and Media and Franchisor s authority to direct their transfer Franchisee must signed the instruments Franchisor requests to confirm the assignments and transfers to Franchisor Franchisee shall not be entitled to any compensation from Franchisor if Franchisor exercises this option

17 5 **Purchase Rocket Fizz Shop Assets** Upon the expiration of this Agreement or the termination of this Agreement for any Default of Franchisee Franchisor shall have the option, to be exercised by written notice to Franchisee within thirty (30) days after the Expiration Date or termination date to purchase the assets of the Rocket Fizz Shop, regardless of whether the Rocket Fizz Shop is under construction or is Open and operating, and all of assets of Franchisee related to the Rocket Fizz Shop that Franchisor elects to purchase (collectively, the **Rocket Fizz Shop Assets** ') The purchase price for the Rocket Fizz Shop Assets (the **Purchase Price**) shall be the **Fair Market Value** of the Rocket Fizz Shop Assets as determined under this Section 17 5 **Fair Market Value** means the price that a willing buyer would pay to a willing seller when neither is acting under compulsion and when both have reasonable knowledge of the relevant facts on the date the option is first exercisable (the **Exercise Date**) The Parties shall use their best efforts to mutually agree upon the Fair Market Value If they are unable to so agree within thirty (30) days after the Exercise Date, Franchisor shall appoint, within forty (40) days of the Exercise Date, one (1) appraiser, and Franchisee shall appoint within forty (40) days of the Exercise Date, one (1) appraiser The two (2) appraisers shall within a period of five (5) additional days, agree upon and appoint an additional appraiser The three (3) appraisers shall within sixty (60) days after the appointment of the third appraiser, determine the Purchase Price in writing and submit their report to the Parties The Purchase Price shall be determined by disregarding the appraiser s valuation that diverges the greatest from each of the other two (2) appraisers valuations, and the arithmetic mean of the remaining two (2) appraisers valuations shall be the Purchase Price The Parties shall each pay for the services of the appraiser they select, plus one half (1/2) of the fee charged by the third appraiser, and one half (1/2) of all other costs relating to the determination of the Purchase Price The Purchase Price as so determined shall be payable as Franchisor and Franchisee mutually agree If they are unable to so agree within ten (10) days after final determination of the Purchase Price fifty percent (50%) of the Purchase Price shall be payable in cash and the remaining fifty percent (50%) of the Purchase Price shall be paid in eighty-four (84) equal monthly payments and shall bear interest at a rate equal to the greater of the prime rate of interest, as published by the Western Edition of the Wall Street Journal, plus three percent (3%), OR ten percent (10%) per annum, but in no event in excess of the maximum rate permitted by Applicable Law Payment of the portion of the Purchase Price not paid in cash shall be secured by a security interest in the Rocket Fizz Shop Assets Any purchase of the Rocket Fizz Shop Assets shall include the assumption by Franchisor and the assignment by Franchisee, of the Lease for the Rocket Fizz Shop

17 6 **Survival of Obligations** Termination or expiration of this Agreement shall be without prejudice to any other rights or remedies that Franchisor or Franchisee, as the case may be shall have in law or in equity, including, without limitation, the right to recover benefit of the bargain damages 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 by their nature or expressly constitute post-termination or post-expiration covenants and agreements including the obligation of Franchisor and Franchisee to attempt to resolve all disputes by mediation, shall survive the termination or expiration of this Agreement

17 7 **No Ownership of Rocket Fizz Marks** Franchisee acknowledges and agrees that the rights to the Rocket Fizz Marks and the use of the Rocket Fizz Marks shall be and remain the property of Franchisor Franchisee acknowledges and agrees that any use of the Rocket Fizz Marks after the termination or expiration of this Agreement shall constitute an unauthorized use of an identical mark and shall entitle Franchisor to damages due to but not limited to, trademark infringement and counterfeiting

17 8 **Government Filings** If Franchisee has registered any of the Rocket Fizz Marks or the name Rocket Fizz or Rocket Fizz as part of an assumed, fictitious or corporate name, Franchisee shall promptly amend those registrations to delete the Rocket Fizz Marks and any confusingly similar marks or names

18 INDEPENDENT CONTRACTOR AND INDEMNIFICATION

18 1 **No Fiduciary Relationship** This Agreement does not create a fiduciary relationship between the Parties Franchisee shall be an independent contractor, and nothing in this Agreement is intended to constitute or appoint either Party an agent, legal representative, subsidiary, joint venturer, partner employee, or servant of the other for any purpose whatsoever

18 2 **Public Notice of Independent Status** Franchisee shall conspicuously identify itself in all dealings with its customers, contractors, suppliers, public officials, and others, as an independent Franchisee of Franchisor, and shall place the notice of independent ownership on all forms Franchisor shall have the right to specify the language of any notice

18 3 **Independent Contractor** Franchisee acknowledges and agrees that it is not authorized to make any contract, agreement, warranty or representation on Franchisor s behalf or to incur any debt or other obligations in Franchisor s name, and that Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any action, nor shall Franchisor be liable by reason of any act or omission of Franchisee in its conduct of the Rocket Fizz Shop or for any claim or judgment arising therefrom against Franchisee or Franchisor

18 4 **Indemnification** Franchisee and its Owners and Affiliates (collectively the ' **Indemnitors**") shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Franchisor and its Constituents (collectively the **Indemnitees**"), from any and all **Losses and Expenses** incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof (collectively, an **Indemnifiable Claim**") which arises directly or indirectly from, as a result of, or in connection with Franchisee s operation of the Rocket Fizz Shop and regardless of whether the Indemnifiable Claim or the Losses and Expenses resulted from any strict or vicarious liability imposed by law on Franchisee provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Franchisor (except to the extent that joint liability is involved, in which event the indemnification provided for in this Section 18 4 shall extend to any finding of comparative negligence or contributory negligence attributable to Franchisee) For the purpose of this Section 18 4, the term '**Losses and Expenses**' shall mean and include compensatory exemplary, or punitive damages, fines and penalties, attorneys fees, experts fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, compensation for damages to a Party's reputation and goodwill, and all other costs associated with any of the foregoing Losses and Expenses

18 4 1 The Indemnitees shall give the Indemnitors prompt notice of any Indemnifiable Claim of which the Indemnitees are aware for which indemnification is required under this Section 18 4 The notice shall specify whether the Indemnifiable Claim arises as a result of an Indemnifiable Claim by a third party against the Indemnitees (a **Third Party Claim**) or whether the Indemnifiable Claim does not result from an Indemnifiable Claim by a third party against the Indemnitees (a **Direct Claim**), and shall also specify with reasonable

particularity (to the extent that the information is available) the factual basis for the Indemnifiable Claim and the amount of the Indemnifiable Claim, if known If, through the fault of the Indemnitees, the Indemnitors do not receive notice of any Indemnifiable Claim in time to effectively contest the determination of any Losses and Expenses susceptible of being contested, the Indemnitors shall be entitled to set off against the amount claimed by the Indemnitees the amount of any Losses and Expenses incurred by the Indemnitors resulting from the Indemnitees' failure to give such notice on a timely basis

18 4 2 With respect to Third Party Claims, the Indemnitors shall have the right, at their expense and at their election, to assume control of the negotiation, settlement and defense of Third Party Claims through counsel of their choice The election of the Indemnitors to assume such control shall be made within thirty (30) days after the Indemnitors' receipt of notice of a Third Party Claim If the Indemnitors elect to assume control, the Indemnitors shall do so at the Indemnitors sole expense The Indemnitees shall have the right to be informed and consulted with respect to the negotiation, settlement or defenses of the Third Party Claim and to retain counsel to act on the Indemnitees behalf, at the Indemnitees sole expense unless the Indemnitors consent to the retention of the Indemnitees counsel at the Indemnitors expense or unless the Indemnitors and the Indemnitees are both named in any action or proceeding and the representation of both the Indemnitors and the Indemnitees by the same counsel would be appropriate because of the absence of any actual or potential differing interests between them (such as the availability of different defenses)

18 4 3 If the Indemnitors elect to assume control, but thereafter fail to defend the Third Party Claim within a reasonable time, the Indemnitees shall be entitled to assume control and the Indemnitors shall be bound by the results obtained by the Indemnitees with respect to the Third Party Claim If any Third Party Claim is of a nature that the Indemnitees are required by Applicable Law to make a payment to any claimant with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnitees may make such payment and the Indemnitors shall, within thirty (30) days after demand by the Indemnitees, reimburse the Indemnitees for the amount of the payment If the Indemnitees liability under the Third Party Claim, as finally determined, is less than the amount paid by the Indemnitors to the Indemnitees, the Indemnitees shall, within thirty (30) days after receipt of the difference from the claimant, pay the difference to the Indemnitors

18 4 4 If the Indemnitors fail to assume control of the defense of any Third Party Claim, the Indemnitees shall have the exclusive right to consent, settle or pay the amount claimed Whether or not the Indemnitors assume control of the negotiation, settlement or defenses of any Third Party Claim, the Indemnitors shall not settle any Third Party Claim without the written consent of the Indemnitees, which consent shall not be unreasonably withheld or delayed The Indemnitees and the Indemnitors shall cooperate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect to Third Party Claims (including supplying copies of all relevant documentation promptly as they becomes available)

18 4 5 With respect to Direct Claims, following receipt of notice from the Indemnitees of the Direct Claim, the Indemnitors shall have thirty (30) days to make such investigation of the Direct Claim as is considered necessary or desirable For the purpose of the investigation, the Indemnitees shall make available to the Indemnitors the information relied upon by the Indemnitees to substantiate the Direct Claim, together with all other information that the Indemnitors may reasonably request If the Indemnitors and the Indemnitees agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of a Direct Claim, the Indemnitors shall immediately pay the Indemnitees the full agreed upon amount of the Direct Claim If the Indemnitors fails to pay the same, the matter shall be resolved in the manner described in <u>Article 15</u>

18 4 6 The Indemnitees shall exert commercially reasonable efforts to mitigate the Losses and Expenses upon and after becoming aware of any Indemnifiable Claim which could reasonably be expected to give rise to the payment of Losses and Expenses

19 DISPUTE RESOLUTION

19 1 **Mediation** The Parties pledge to attempt first to resolve any Dispute pursuant to mediation conducted in accordance with the rules of Judicial Arbitration and Mediation Service ("**JAMS**') or its successor unless the Parties agree on alternative rules and a mediator within fifteen (15) days after either Party first gives notice of mediation Mediation shall be conducted in a county in Nevada in which Franchisor has a principal place of business at the time the mediation is initiated and shall be conducted and completed within forty-five (45) days following the date either Party first gives notice of mediation unless otherwise agreed to in writing by the Parties The fees and expenses of the mediator shall be shared equally by the Parties The mediator shall be disqualified as a witness, expert or counsel for any Party with respect to the Dispute and any related matter Mediation is a compromise negotiation and shall constitute privileged communications under Applicable Laws The entire mediation process shall be confidential and the conduct, statements, promises offers, views and opinions of the mediator and the Parties shall not be discoverable or admissible in any legal proceeding for any purpose, provided, however, that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation Notwithstanding anything to the contrary set forth in this Agreement, any Party that fails to reasonably cooperate in scheduling and completing a mediation within forty-five (45) days after giving or receiving notice thereof shall be precluded from recovering costs, expenses and/or prevailing Party attorneys fees in any subsequent legal action The mediation provision in this Section 19 1 shall not apply to any action for injunctive or other provisional relief, including, without limitation, enforcement of liens, security agreements, or attachment as Franchisor deems to be necessary or appropriate to compel Franchisee to comply with Franchisee's obligations to Franchisor and/or to protect the Rocket Fizz Marks Any claim or dispute involving or contesting the validity of any of the Rocket Fizz Marks shall not be subject to mediation If any dispute remains unresolved ninety (90) days after a demand for mediation by either Party, the Parties shall each be free to pursue their respective legal remedies under Section 19 2

19 2 **Judicial Relief** The Parties agree that disputes arising out of or relating to this Agreement shall be brought in the state or federal Courts in a county in Nevada in which Franchisor has a principal place of business at the time the action is initiated To the fullest extent that the Parties may do so under Applicable Law, the Parties waive the defense of inconvenient forum to the maintenance of an action in these Courts and agree not to commence any action of any kind except in these Courts This Agreement shall be interpreted and construed under the laws of Nevada In the event of any conflict of law, the law of Nevada shall prevail, without regard to the application of Nevada conflict of law rules If, however any provision of this Agreement would not be enforceable under the laws of Nevada, and if the Rocket Fizz Shop is located outside of Nevada and such provision would be enforceable under the Applicable Laws of the state in which the Rocket Fizz Shop is located then such provision shall be interpreted and construed under the Applicable Laws of that state Nothing in this Section 19 2 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of any state to which it would not otherwise be subject

19 3 **Waivers** The Parties agree, to the extent permitted by Applicable Law, that any legal action of any kind by either Party arising out of or relating to this Agreement or its breach must be commenced by no later than the last to occur of the following (i) one hundred eighty (180) days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability, or (ii) one year after the act, event occurrence or transaction which constituted or gave rise to the alleged violation or liability Franchisor and Franchisee, for themselves, and for and on behalf of the Owners, respectively hereby waive to the fullest extent permitted by Applicable Law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the

event of a dispute between them, Franchisor and Franchisee shall each be limited to recovering only the actual damages proven to have been sustained by that Party except as provided in Section 19 5

19 4 **Specific Performance** The Parties acknowledge that each Party would be irreparably damaged if the provisions of this Agreement were not capable of being specifically enforced and for this reason the Parties agree that the provisions of this Agreement shall be specifically enforceable The Parties further agree that any act or failure to act which does not strictly comply with the provisions and conditions of this Agreement may be specifically restrained, and that the equitable relief provided for in this Agreement shall not in any way limit or deny any other remedy at law or in equity that either Franchisor or Franchisee might otherwise have

19 5 **Exclusive Remedy** In no event shall either Party make or have any claim for money damages based on any claim or assertion that the other Party has unreasonably withheld, conditioned or delayed any consent, approval or authorization required under this Agreement Each Party waives any claim for damages Neither Party may claim any damages by way of setoff counterclaim or defense Each Party's sole remedy for such a claim shall be an action or proceeding to enforce the provisions of this Agreement, for specific performance or for declaratory judgment

19 6 **Attorneys' Fees** In any legal action or proceeding brought to enforce any provision of this Agreement or arising out of, or in connection with, this Agreement the prevailing Party shall be entitled to recover from the other Party its reasonable attorneys fees and costs in addition to any other relief that may be awarded by a court of competent jurisdiction

20 NOTICES

All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery with a guaranteed tracking facility, by certified mail by facsimile transmission or by electronic transmission (email) Service shall be deemed conclusively made (i) at the time of service if personally served, (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility, (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested with postage prepaid, (iv) on the day of facsimile transmission to the facsimile number given below if telephonic confirmation of receipt is obtained by the sender promptly after completion of facsimile transmission, and (v) on the day of electronic transmission to the email address given below if telephonic confirmation of receipt is obtained by the sender promptly after completion of electronic transmission Notices and demands shall be given to the respective Parties at the following addresses, unless and until a different address has been designated by written notice to the other Party

Notices to Franchisor

RPM Summit Group, LLC
770 Mays Boulevard #5400
Incline Village, Nevada 89450
Attention Chief Executive Officer

With a copy to (which shall not constitute notice)

Barry Kurtz, Esq
Lewitt Hackman, Shapiro, Marshall and Harlan
A Law Corporation
16633 Ventura Boulevard, 11th Floor
Encino California 91436

Notices to Franchisee ______________________

____

____

____

Attention ______________

Either Party may change its address for the purpose of receiving notices, demands and other communications provided by a written notice given in the manner aforesaid to the other Party

21 **ACKNOWLEDGMENTS**

21 1 **Waiver and Delay** No waiver by Franchisor of any Default, or series of Defaults in performance by Franchisee, and no failure, refusal or neglect of Franchisor to exercise any right, power or option given to it under this Agreement or under any agreement between the Parties, whether entered into before, after or contemporaneously with the execution of this Agreement, or to insist upon strict compliance with or performance of Franchisee s obligations under this Agreement or any Franchise Agreement or other agreement between the Parties, whether entered into before, after or contemporaneously with the execution of this Agreement shall constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the provisions thereof

21 2 **Survival of Covenants** The covenants contained in this Agreement which, by their nature or terms, require performance by the Parties after the expiration or termination of this Agreement shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever

21 3 **Successors and Assigns** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Franchisor and shall be binding upon and inure to the benefit of Franchisee and his or their respective, heirs, executors, administrators, and its successors and assigns subject to the prohibitions and restrictions against Assignment contained in this Agreement

21 4 **Joint and Several Liability** If Franchisee consists of more than one Owner, the obligations and liabilities of each Person or Entity to Franchisor are joint and several

21 5 **Entire Agreement** This Agreement and the Exhibits contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Agreement No other agreements concerning the subject matter of this Agreement, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Agreement and superseded by this Agreement No officer or employee or agent of Franchisor has any authority to make any representation or promise not included in this Agreement and Franchisee agrees that it has executed this Agreement without reliance upon any representation or promise not included in this Agreement This Agreement cannot be modified or changed except by written instrument signed by both of the Parties Nothing in this Agreement or any related agreement, however, is intended to disclaim the representations made in the Rocket Fizz Franchise Disclosure Document previously furnished to Franchisee

21 6 **Titles and Recitals** Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement The Recitals set forth in Recitals A and B of this Agreement are true and correct and are hereby incorporated by reference into the body of this Agreement

21 7 **Gender and Construction** The terms of all Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full in this Agreement All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any Article or Section in this Agreement may require As used in this Agreement, the words include,' 'includes' or including are used in a non-exclusive sense Unless otherwise expressly provided in this Agreement to the contrary, any consent, approval, acceptance or authorization of Franchisor or Franchisee that may be required under this Agreement shall be in writing and shall not be unreasonably withheld, conditioned or delayed by the Party whose consent, approval, acceptance or authorization has been requested To protect the Rocket Fizz System the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, on any occasion where Franchisor is required or permitted to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Franchisor s standards or satisfaction, Franchisor may do so in its sole subjective judgment and discretion Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise On the contrary, this Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of both Parties The Parties intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable

21 8 **Severability, Modification** Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to Applicable Law Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the Parties have no legal right to contract, the latter shall prevail, but in that event, the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of Applicable Law In the event that any part, article, paragraph sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect

21 9 **Area Development Agreement** This Section 21 9 is only applicable if Franchisee or its Affiliates have entered into an Area Development Agreement (a **Development Agreement**') with Franchisor Franchisor and Franchisee acknowledge and agree that the Development Agreement contains certain negotiated provisions which are intended to apply to, and modify, future franchise agreements entered into by the Parties Therefore, notwithstanding anything to the contrary set forth in this Agreement, to the extent any provision in the Development Agreement contradicts any provision in this Agreement, or is in addition to any provision of this Agreement, the Development Agreement shall control to the extent of such inconsistency or addition Franchisor and Franchisee further acknowledge and agree that this Section 21 9 has been added at the request and for the convenience and benefit of both Parties and with advice of counsel Accordingly, both Franchisor and Franchisee shall work in good faith to resolve any disputes regarding the application or intent of the Development Agreement and future franchise agreements entered into by the Parties Should a dispute arise as to the application or intent of the Development Agreement as it pertains to this Agreement, the Parties shall resolve the dispute in accordance with Article 19 of this Agreement

21 10 **Counterparts and Electronic Transmission** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement

21 11 **Electronic Execution and Copies** This Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and Electronic Signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity enforceability and admissibility of this Agreement and the Exhibits An executed copy of this Agreement (or any portion of this Agreement) may be delivered by either of the Parties by facsimile, electrical digital, magnetic optical electromagnetic, or similar capability regardless of the medium of transmission (collectively, "**electronic**'), and delivery will be effective and binding upon the Parties and will not in any way diminish or affect the legal effectiveness validity or enforceability of this Agreement Franchisee acknowledges and agrees that Franchisor may create an electronic record of any or all agreements correspondence or other communications between the Parties or involving third parties and may thereafter dispose of or destroy the original of any of the agreements, correspondence or other communications Any such electronic record will be inscribed on a tangible medium or stored in an electronic or other medium and be retrievable in perceivable form, and will be maintained in and readable by hardware and software generally available Notwithstanding any Applicable Law to the contrary, any electronic version of this Agreement or any other agreements, correspondence or other communications between the Parties will have the same legal effect validity and enforceability as an original of any document, even if the original of the document has been disposed of or intentionally destroyed

21 12 **Intent to Comply** Franchisee, and its Owners, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution of this Agreement, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply with the terms of this Agreement and be bound by the terms of this Agreement Franchisor expressly disclaims making, and Franchisee acknowledges that it or they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses, or success of the business venture contemplated by this Agreement

21 13 **Independent Investigation** Franchisee acknowledges that Franchisee has conducted an independent investigation of the business franchised under this Agreement, recognizes that the business venture contemplated by this Agreement involves business risks, and that its success will be largely dependent upon the ability of Franchisee and if an Entity, its Owners, as independent businesspersons Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement

21 14 **Copy of Agreement** Franchisee acknowledges that it received a copy of this Agreement, the Exhibits attached to this Agreement and all other agreements relating hereto, if any, with all of the blank lines filled in, at least five (5) business days prior to the Effective Date

21 15 **Opportunity to Consult** Franchisee acknowledges that it has read and understood this Agreement, the Exhibits attached to this Agreement, and all other agreements relating hereto, if any, and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee s own choosing about the potential benefits and risks of entering into this Agreement

21 16 **Franchise Disclosure Document** Franchisee acknowledges that it has received a copy of the complete Rocket Fizz Franchise Disclosure Document which contains a copy of this Agreement at least fourteen (14) calendar days prior to the date on which this Agreement was executed Franchisee acknowledges and agrees that Franchisor has made no promises, representations warranties or assurances to Franchisee which are inconsistent with the terms of this Agreement or Franchisor s Franchise Disclosure Document, concerning the profitability or likelihood of success of the Rocket Fizz Shop that he has been informed by Franchisor that there can be no guarantee of success in the franchised business and that Franchisee s business ability and aptitude is primary in determining his success

21 17 **Atypical Terms** Franchisee acknowledges and agrees that Franchisor may modify the offer of its franchises to other Rocket Fizz Franchisee in any manner and at any time, which offers have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement Franchisee further acknowledges and agrees that Franchisor has made no warranty or representation that all Rocket Fizz Franchise Agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement Franchisor may in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Franchise Agreements previously executed or executed after the Effective Date with other Rocket Fizz Franchisee in a non-uniform manner

21 18 **Time of Essence** Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor

(Signature Page Follows)

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date

FRANCHISOR

RPM SUMMIT GROUP, LLC
A Nevada limited liability company

By ______________________________

Name ______________________________

Title ______________________________

FRANCHISEE

(IF FRANCHISEE IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Print Name of Franchisee Entity]

By ______________________________
Name ______________________________
Title ______________________________

AND

(IF FRANCHISEE IS AN INDIVIDUAL)

____
Print Name

____
Signature

____
Print Name

____
Signature

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT A
PROTECTED AREA

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT A
PROTECTED AREA

PROTECTED AREA ____
____
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____
____
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____
____

IN WITNESS WHEREOF, the Parties have executed this Exhibit A on the Effective Date

FRANCHISOR

RPM SUMMIT GROUP, LLC
A Nevada limited liability company

By ______________________________

Name ______________________________

Title ______________________________

FRANCHISEE

(IF FRANCHISEE IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Print Name of Franchisee Entity]

By ______________________________
Name ______________________________
Title ______________________________

AND/OR

(IF FRANCHISEE IS AN INDIVIDUAL)

____
Print Name

____
Signature

____
Print Name

____
Signature

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT B
FRANCHISE INFORMATION

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT B
FRANCHISE INFORMATION

EFFECTIVE DATE ____

NAME OF FRANCHISEE ____

ADDRESS OF FRANCHISED LOCATION ______________________________________

NOTICE ADDRESS FOR FRANCHISEE ______________________________________

____

EMAIL ____

OPENING DATE ____

EXPIRATION DATE ____

RENEWAL TERM EXPIRATION DATE _______________________________________

EXTENSION TERM EXPIRATION DATE _____________________________________

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this **<u>Exhibit B</u>** on the Effective Date

FRANCHISOR

RPM SUMMIT GROUP, LLC
A Nevada limited liability company

By ______________________________

Name ______________________________

Title ______________________________

FRANCHISEE

(IF FRANCHISEE IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Print Name of Franchisee Entity]

By ______________________________
Name ______________________________
Title ______________________________

AND

(IF FRANCHISEE IS AN INDIVIDUAL)

____
Print Name

____
Signature

____
Print Name

____
Signature

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT C
ENTITY INFORMATION DISCLOSURE

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT C
ENTITY INFORMATION DISCLOSURE

Franchisee represents and warrants that the following information is accurate and complete in all material respects

(1) Franchisee is a (check as applicable)

[ ] corporation
[ ] limited liability company
[ ] general partnership
[ ] limited partnership
[ ] Other (specify) ________________________

State of incorporation/organization ________________

Name of Franchisee entity ________________________

(2) Franchisee shall provide to Franchisor concurrently with the execution of the Franchise Agreement true and accurate copies of its charter documents including Articles of Incorporation/Organization, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution of this Agreement and any amendments to the foregoing (the **Entity Documents**)

(3) Franchisee promptly shall provide all additional information that Franchisor may from time to time request concerning all persons who may have any, direct or indirect, financial interest in Franchisee

(4) The name and address of each Owner is

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE INTEREST

(5) The names, addresses and titles of Franchisee Owner who will be devoting their full time to the Rocket Fizz Shop are

NAME	ADDRESS	TITLE

(6) The address where Franchisee s financial records and Entity Documents are maintained is

____

(7) The Principal Owner is ____

(8) Franchisee represents and warrants to Franchisor, as an inducement to Franchisor s execution of the Franchise Agreement, that the information set forth in this Entity Information Disclosure is true, accurate and complete in all material respects on the Effective Date and that Franchisee shall provide Franchisor with all additional information Franchisor may request with respect to the partners, shareholders and members of Franchisee and the ownership of Franchisee upon demand by Franchisor In addition, Franchisee shall notify Franchisor within ten (10) days of any change in the information set forth in this Entity Information Disclosure and shall provide Franchisor with a revised Entity Information Disclosure certified by Franchisee to be true, correct and complete in all material respects Franchisor grants Franchisee the rights in the Franchise Agreement in reliance upon each and all of the terms of this Entity Information Disclosure

IN WITNESS WHEREOF, the Parties have executed this **Exhibit C** on the Effective Date

FRANCHISOR

RPM SUMMIT GROUP, LLC
A Nevada limited liability company

By ______________________________

Name ______________________________

Title ______________________________

FRANCHISEE

(IF FRANCHISEE IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Print Name of Franchisee Entity]

By ______________________________
Name ______________________________
Title ______________________________

AND

(IF FRANCHISEE IS AN INDIVIDUAL)

____
Print Name

____
Signature

____
Print Name

____
Signature

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT D
GUARANTEE OF FRANCHISE AGREEMENT

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT D
GUARANTEE OF FRANCHISE AGREEMENT

The undersigned (**Guarantors**) have requested **RPM SUMMIT GROUP, LLC**, a Nevada limited liability company ('**Franchisor**'), to enter into a Franchise Agreement dated ________________ (the **Franchise Agreement**") with ______________________________________ (**Franchisee**) In consideration for, and as an inducement to, Franchisor's execution of the Franchise Agreement, Guarantors hereby grant this guarantee (this ' **Guarantee** ') and agree as follows

1 **Obligations** means and includes any and all obligations of Franchisee arising under or pursuant to the Franchise Agreement and all other obligations, whether now existing or hereafter arising, of Franchisee to Franchisor of whatever nature Capitalized terms not defined in this Guarantee shall have meanings set forth in the Franchise Agreement

2 Guarantors irrevocably and unconditionally, fully guarantee to Franchisor the prompt full and complete payment of any and all Obligations of Franchisee to Franchisor and the performance of any and all obligations of Franchisee including, without limitation, obligations under the Franchise Agreement or any other agreement, instrument or document relating to, evidencing or securing any Obligations

3 If Franchisee fails to pay any of the Obligations, Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, pay all of the Obligations in like manner as if the Obligations constituted the direct and primary obligation of Guarantors Guarantors agree that if any obligation, covenant or agreement contained in the Franchise Agreement is not observed, performed or discharged as required by the Franchise Agreement (taking into consideration any applicable cure periods), Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor to observe, perform or discharge the obligation, covenant or agreement in like manner as if the same constituted the direct and primary obligation of Guarantors

4 No exercise or non-exercise by Franchisor of any right under this Guarantee, no dealing by Franchisor with Franchisee or any other Person and no change impairment or suspension of any right or remedy of Franchisor shall in any way affect any Obligations of Guarantors under this Guarantee or give Guarantors any recourse against Franchisee Without limiting the generality of the foregoing Guarantors agree that, regardless of whether Franchisor gives notice thereof or obtains the consent of Guarantors thereto Guarantors liability under this Guarantee shall not be released extinguished or otherwise reduced in any way by reason of (i) any amendment modification, renewal, extension, substitution or replacement of the Franchise Agreement or of any of the Obligations, in whole or in part, (ii) any acceptance, enforcement or release by Franchisor of any security for the Franchise Agreement or of any of the Obligations any addition, substitution or release of any of the Guarantors, or any enforcement, waiver, surrender, impairment, release, compromise or settlement of any matter with respect to the Franchise Agreement or the Obligations or any security therefore, (iii) any assignment of this Guarantee, in whole or in part by Franchisor, or any Assignment or transfer of the Franchise Agreement (or any of them) by Franchisor or Franchisee, (iv) the invalidity or unenforceability of any provision of the Franchise Agreement or any of the Obligations, or (v) any failure, omission or delay of Franchisor in enforcing the Franchise Agreement, the Obligations or this Guarantee

5 Guarantors waive and agree not to assert or take advantage of (i) any right to require Franchisor to proceed against Franchisee or any other Person, firm or corporation or to proceed against or exhaust any security held by Franchisor at any time or to pursue any other remedy in Franchisor's power, (ii) any statute of limitations in any action under this Guarantee to collect any Obligations guaranteed hereby, (iii) any defense that may arise by reason of Franchisee s incapacity, lack of authority, insolvency or bankruptcy or Franchisor s failure to file or enforce a claim against the estate (either in bankruptcy or other proceeding) of Franchisee, any other or others, (iv) any defense arising out of any alteration of the Franchise Agreement or the Obligations, (v) notice of Franchisee s Default in the payment or performance of any of the Obligations, (vi) demand, protest and notice of any kind including, without limitation, notice of acceptance, notice of the existence, creation or incurring of new or additional Obligations or obligations or of any action or non-action on the part of Franchisee, Franchisor any endorser, creditor of Franchisee or Guarantors under this or any other instrument, or any other Person, in connection with any obligation or evidence of Obligations held by Franchisor or in connection with any Obligations hereby guaranteed, (vii) all rights and defenses arising out of an election of remedies by Franchisor, even though that election of remedies, such as non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantors' rights of subrogation and reimbursement against Franchisee by operation of Applicable Law or otherwise (viii) any duty of Franchisor to disclose to Guarantors any facts that Franchisor may now or hereafter know about Franchisee, regardless of whether Franchisor has reason to believe that those facts materially increase the risk beyond that which Guarantors intends to assumes or has reason to believe that the facts are unknown to Guarantors or has a reasonable opportunity to communicate the facts to Guarantors, it being understood and agreed that Guarantors is responsible to be and to keep informed of Franchisee's financial condition and of all circumstances bearing on the risk of nonpayment of any Obligations hereby guaranteed, and (ix) any right to the benefit of or to direct the application of any security held by Franchisor

6 Until all Obligations to Franchisor are paid in full and fully performed, Guarantors shall have no right of subrogation and waive any right to enforce any remedy that Franchisor now has or may hereafter have against Franchisee All existing or future indebtedness of Franchisee to Guarantors and any right to withdraw capital invested in Franchisee by Guarantors are hereby subordinated to all Obligations

7 Guarantors' liabilities and all rights powers and remedies of Franchisor under this Guarantee and under any other agreement now or at any time hereafter in force between Franchisor and Guarantors shall be cumulative and not alternative and the rights, powers and remedies shall be additional to all rights, powers and remedies given to Franchisor by Applicable Law Without limiting the generality of anything contained in this Guarantee, Guarantors waive and agree not to assert or take advantage of (i) all rights described in California Civil Code Section 2856(a)(1) through (3), inclusive including, without limitation, any rights and defenses which are or may become available to Guarantors by reason of California Civil Code Sections 2787 through 2855, inclusive, and (ii) California Civil Code Section 2899

8 The liability of Guarantors under this Guarantee shall be an absolute, direct, immediate and unconditional continuing guarantee of payment and performance and not of collection Guarantors obligations under this Guarantee are independent of Franchisee s obligations This is a continuing Guarantee It shall be irrevocable during the Initial Term, the Renewal Term and the Extension Term of the Franchise Agreement and through any extensions, amendments, modifications substitutions or replacements of the Franchise Agreement and until all Obligations has been fully paid and the Obligations have been fully performed In the event of any Default under this Guarantee a separate action and/or successive actions may be brought and prosecuted against Guarantors regardless of whether action is brought against Franchisee or whether Franchisee is joined in any action or actions Franchisor may

maintain successive actions for other Defaults Franchisor s rights under this Guarantee shall not be exhausted by Franchisor's exercise of any rights or remedies or by any action or by any number of successive actions until and unless all Obligations have fully been paid and performed The obligations of Guarantors shall be primary and are independent of the obligations of Franchisee and Franchisor may directly enforce its rights under this Guarantee without proceeding against or joining Franchisee or any other Person or Entity, or applying or enforcing any security of the Franchise Agreement Guarantors acknowledge and agree that Guarantors shall, and hereby are bound by each and all of the confidentiality and non-competition provisions of the Franchise Agreement

9 Neither any provision of this Guarantee nor right of Franchisor under this Guarantee can be waived nor can Guarantors be released from Guarantors obligations under this Guarantee except by a written agreement executed by Franchisor If any provision or portion of any provision of this Guarantee is found by a court of competent jurisdiction to be illegal or unenforceable, all other provisions shall, nevertheless, remain enforceable and effective This Guarantee constitutes the entire agreement of Guarantors and Franchisor with respect to the subject matter hereof and no representation, understanding, promise or condition concerning the subject matter hereof shall bind Franchisor unless expressed in this Guarantee

10 All written notices permitted or required under this Guarantee shall be deemed given and delivered in accordance with Article 20 of the Franchise Agreement Notices to Guarantors shall be sent to the address set forth below each Guarantor's signature below

11 This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument Copies of this Guarantee with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Guarantee for all purposes, provided that the copies are fully executed dated and identical in form to the original hard copy version of this Guarantee In addition, this Guarantee may be signed electronically by Guarantors and electronic signatures appearing on this Guarantee shall be deemed to be the same as handwritten signatures for the purposes of the validity enforceability and admissibility of this Guarantee

12 Disputes arising out of or relating to this Guarantee shall be brought in the state or federal courts in a county in Nevada in which Franchisor has a principal place of business at the time the action is initiated This Guarantee shall be interpreted and construed under the laws of Nevada In the event of any conflict of law, the law of Nevada shall prevail, without regard to the application of Nevada conflict of law rules If, however any provision of this Guarantee would not be enforceable under the laws of Nevada, and if the Rocket Fizz Shop is located outside of Nevada and such provision would be enforceable under the Applicable Laws of the state in which the Rocket Fizz Shop is located, then such provision shall be interpreted and construed under the Applicable Laws of that state Nothing in this <u>Section 12</u> is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of the state of Nevada to which it would not otherwise be subject

Executed by or on behalf of Guarantors on the date set forth below

______________________________ Date ____________________

______________________________ Date ____________________

RPM SUMMIT GROUP, LLC
FRANCHISE AGREEMENT

EXHIBIT E
DEBIT AUTHORIZATION FORM

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS
(DIRECT DEBITS)

The undersigned franchisee/depositor ("**Depositor**") hereby (1) authorizes RPM SUMMIT GROUP, LLC and its Affiliates ("**Franchisor**") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account indicated below and (2) authorizes the depository designated below ("**Depository**") to debit such account pursuant to Franchisor's instructions.

______________________________	______________________________
Depository	Branch
______________________________	______________________________
City and State	Zip Code
______________________________	______________________________
Bank Transit /ABA Number	Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from Franchisor and Depositor of the Depositor's termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it. Notwithstanding the foregoing, Depository shall provide Franchisor and Depositor with thirty (30) days prior written notice of the termination of this authority. If an erroneous debit entry is initiated to Depositor's account, Depositor shall have the right to have the amount of such entry credited to such account by Depository, if within fifteen (15) calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or forty-five (45) days after posting, whichever comes first, Depositor shall have sent to Depository a written notice identifying such entry, stating that such entry was in error, and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws. Depositor shall be responsible for all charges assessed by Depository to process all debit entries and/or credit corrections entries to the undersigned's checking and/or savings account initiated by Franchisor. Franchisor will credit Depositor for fees if error is deemed to be caused by Franchisor.

______________________________	______________________________
DEPOSITOR (Print Name)	DEPOSITORY (Print Name)
By ___________________________	By ___________________________
Its ___________________________	Its ___________________________

EXHIBIT B TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

AREA DEVELOPMENT AGREEMENT

RPM SUMMIT GROUP, LLC

AREA DEVELOPMENT AGREEMENT

RPM SUMMIT GROUP, LLC
AREA DEVELOPMENT AGREEMENT

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EXHIBITS

RPM SUMMIT GROUP, LLC
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (the "**Agreement**') is made and entered into as of ___________ (the **Effective Date**"), by and between **RPM SUMMIT GROUP, LLC**, a Nevada limited liability company (**Franchisor**), on the one hand, and the individuals or Entity identified as **Area Developer** on **Exhibit A**, on the other hand, who are individually referred to as a ' **Party**", and collectively referred to as the "**Parties**', with reference to the following facts

A Franchisor and its Affiliates, as the result of the expenditure of time, skill, effort and money, have developed the Rocket Fizz System for the establishment and operation of retail stores that sell unique, old-fashioned style soda pop flavors, cutting-edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items Rocket Fizz Shops operate under the trade names and service marks '**Rocket Fizz Soda Pop and Candy Shops** and ' **Rocket Fizz**' and other related trademarks, service marks, logos and commercial symbols (collectively, the ' **Rocket Fizz Marks**')

B Franchisor desires to expand and develop Rocket Fizz Shops in the Development Area and Area Developer desires to develop, open and operate Rocket Fizz Shops in the Development Area in accordance with the terms of this Agreement

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS

1 DEFINITIONS

Capitalized terms not defined elsewhere in this Agreement shall have the following meanings

'**Affiliate** or '**Affiliates** mean any Person or Entity that controls is controlled by, or is under common control with, a Party to this Agreement Control of a Person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person or Entity whether by contract or otherwise

"**Applicable Law**" means and includes applicable common law and all statutes, laws, rules regulations ordinances, policies and procedures established by any Governmental Authority with jurisdiction over the operation of the Rocket Fizz Shops that are in effect on or after the Effective Date, as they may be amended from time to time

Approved Suppliers means suppliers of Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and Non-Proprietary Products, and ancillary services food products, beverages, packaging, supplies furniture, fixtures and equipment for Rocket Fizz Shops that have been accepted and approved by Franchisor because they have demonstrated to Franchisor their ability to supply products and services for Rocket Fizz Shops meeting Franchisor's specifications as to brand names, models, contents quality, freshness, compliance with governmental standards and regulations, reliability with respect to delivery and consistency in the quality of their products or services Franchisor and its Affiliates may be Approved Suppliers

Assignment' means (i) the offer, sale, or negotiations for the sale of any rights under this Agreement to any third party, (ii) the direct or indirect sale, assignment transfer, pledge, donation, encumbrance, by operation of law or otherwise, of any interest in this Agreement or the right to use the Rocket Fizz System or the Rocket Fizz Marks to any third party (iii)) the death or incapacity of any Owner owning ten percent (10%) or more of the Equity or voting power of Area Developer, (iv) the offer or sale of securities of Area Developer pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum, (v) the sale, assignment, transfer, conveyance gift, pledge, mortgage, or other encumbrance of more than ten percent (10%) in the aggregate whether in one or more transactions of the Equity or voting power of Area Developer, by operation of law or otherwise or any other events or transactions which, directly or indirectly, effectively changes control of Area Developer, (vi) the issuance of any securities by Area Developer which itself or in combination with any other transactions results in the Owners as constituted on the Execution Date, owning less than sixty percent (60%) of the outstanding Equity or voting power of Area Developer, and (vi) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of Area Developer, however effected

Authorized Rocket Fizz Products" means all Rocket Fizz Branded Products, Rocket Fizz Proprietary Products and Non-Proprietary Products authorized by Franchisor for sale or used at Rocket Fizz Shops and any products now existing or developed in the future that are sold and/or manufactured in strict accordance with Franchisor s standards and specifications, including specifications as to brand names which may include, without limitation, pre-packaged food and beverage products, packaging clothing, souvenirs and novelty items

Average Gross Revenue of Rocket Fizz Shops means the monthly Gross Revenue of all company-owned Rocket Fizz Shops <u>plus</u> the monthly Gross Revenue of all franchisee-owned Rocket Fizz Shops during the one month period immediately preceding that date that the Gross Revenue is to be calculated, divided by the total number of company-owned Rocket Fizz Shop and franchisee-owned Rocket Fizz Shops in operation during the same one month period

Competitive Business means any business that offers soda pop, candy, novelty items and related products and services for sale to the public and any business that looks like copies, imitates, or operates with similar trade dress or decor to Rocket Fizz Shops

Constituents means past, present and future Affiliates, parents, subsidiaries, divisions, partners, members trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents, predecessors, officers, directors, agents, managers principals, employees, insurers successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees, insurers, successors assigns representatives and attorneys of each of the foregoing

'**Default**' means any breach of, or failure to comply with, any of the terms or conditions of an agreement

"**Default Royalty Fee** means the royalty fee that Area Developer shall pay Franchisor for each month (i) between the date that a Rocket Fizz Shop must Open under the Development Schedule and the date that the Rocket Fizz Shop actually Opens for business to the public, and (ii) that a Replacement Shop is not operating following its Replacement Shop Deadline, which shall, in all cases equal the greater of $900 per month, or portion thereof, or five percent (5%) of the Average Gross Revenue of the Rocket Fizz Shops

"**Development Area**" means the geographic area described on <u>**Exhibit A**</u>

"**Development Fee Credit**' means the $10,000 of the Initial Development Fee that will be credited against the Initial Franchise Fee for each Rocket Fizz Shop to be developed by Area Developer under this Agreement (other than the first Rocket Fizz Shop to be developed under this Agreement) upon the Parties execution of a Rocket Fizz Franchise Agreement for each Rocket Fizz Shop

' **Development Obligation**" means Area Developer s right and obligation to Open and operate the cumulative number of Rocket Fizz Shops set forth in **Exhibit A** at sites in the Development Area within each Development Period

Development Period' means each of the time periods set forth on **Exhibit A** during which Area Developer shall have the right and obligation to construct, equip, Open and thereafter continue to operate Rocket Fizz Shops in accordance with the Development Obligation

Electronic Signature" means any electronic symbol and/or process attached to or logically associated with a document and executed by a Party with the intent to sign such document, including facsimile, email, or other electronic signatures

'**Entity**' means any limited liability company, partnership trust, association, corporation or other entity which is not an individual If Area Developer is an Entity the Entity shall conduct no business other than the development of Rocket Fizz Shops in the Development Area, in accordance with the Development Obligation

'**Equity**' means capital stock, membership interests, partnership rights or other equity ownership interests of an Entity

Expiration Date means the date set forth in **Exhibit A** which shall be the earlier of (i) the fifth anniversary of the Effective Date, or (ii) the date Area Developer signs a Rocket Fizz Franchise Agreement that grants Area Developer the right to operate the last Rocket Fizz Shop to fully satisfy the Development Obligation

' **Force Majeure** means any event that (i) was reasonably unforeseeable as of the Effective Date, (ii) is beyond the reasonable control, directly or indirectly, of a Party, (iii) could not reasonably have been prevented or avoided by that Party with the exercise of reasonable efforts and due diligence, (iv) does not result from the fault or negligence of that Party or its agents, employees or contractors and (v) causes performance by that Party to be delayed, in whole or in part, or unable to partially or wholly perform its obligations under this Agreement Neither an act or failure to act by a Governmental Authority, nor the performance non-performance or exercise of rights under any agreement with Area Developer by any lender, landlord, contractor, or other Person, or Area Developer s financial inability to perform or Area Developer's insolvency, shall be an event of Force Majeure under this Agreement, except to the extent that such act, failure to act, performance, non-performance or exercise of rights results from an act which is otherwise an event of Force Majeure

"**General Release**' means the form of general release prescribed by Franchisor of any and all known and unknown obligations, liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, against Franchisor and its Constituents A General Release will cover future consequences of acts, omissions events and circumstances predating the date of the General Release, but will not release, in advance, future acts, omissions or events which have not occurred at the time the General Release is executed

Good Standing' means Area Developer is in substantial compliance with the material requirements of this Agreement, the Rocket Fizz Franchise Agreements the Rocket Fizz Manuals and all other agreements then in effect between Franchisor, or its Affiliates, and Area Developer and has substantially cured each curable Default for which Franchisor has issued a notice of Default to Area Developer within the time periods set forth in Article 11 Area Developer shall not be in Good Standing if any Default by Area Developer is not capable of being cured

Governmental Authority" means all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities

"**Gross Revenue**" means the total of all revenues of any nature or kind whatsoever derived from the operation of the Rocket Fizz Shops whether evidenced by cash services, property, barter, or other means of exchange, including orders taken in or from a Rocket Fizz Shop although filled elsewhere **Gross Revenue** shall not include the amount of bona fide refunds paid to customers and the amount of any sales or use taxes actually paid to any Governmental Authority by Area Developer and the retail price of any coupons, gift certificates and vouchers when they are redeemed

Initial Development Fee means the $10,000 initial development fee that Area Developer shall pay Franchisor on the Effective Date for each Rocket Fizz Shop that Area Developer will develop under this Agreement

"**Initial Franchise Fee** means the $54,000 initial franchise fee for the first Rocket Fizz Shop and the $45,000 initial franchise fee that Area Developer shall pay Franchisor for each subsequent Rocket Fizz Shop that Area Developer will develop under this Agreement

' **Landlord**" means the owner of a Franchised Location who enters into a Lease with Area Developer for a Franchised Location

"**Lease**' means any agreement, however denominated, that allows Area Developer to occupy a Franchised Location owned by a Landlord, including any lease, sublease concession agreement, license and similar arrangement between Area Developer and a Landlord

Non-Proprietary Products means food and beverage products raw materials, fixtures, furnishings, equipment uniforms, supplies, paper goods, services, packaging, forms, POS Systems, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Rocket Fizz Branded Products and Rocket Fizz Proprietary Products, that Area Developer may or must use, offer and sell at the Rocket Fizz Shops

"**Non-Traditional Venues** means a broad variety of atypical sites including, without limitation, a site or location within a captive market site, another primary business or in conjunction with other businesses or at institutional settings such as office buildings, business complexes, arenas, stadiums and entertainment venues, recreational facilities, airports, train stations, travel plazas, toll road facilities and other transportation terminals, educational, medical, governmental and other types of institutional facilities, sites in retail locations (for example, a kiosk within a grocery store) and casinos

"**Open**', **Opened**" and '**Opening**" means that Area Developer has received written authorization from Franchisor and all applicable Governmental Authorities to commence business operations at a Rocket Fizz Shop and has actually begun to offer Authorized Rocket Fizz Products for sale to the public from a Rocket Fizz Shop

Owner' means each of the individuals listed on <u>**Exhibit B**</u> and each future direct or indirect shareholder, member general or limited partner trustee, or other Equity owner of Area Developer If Area Developer is an Entity, each Owner and each Owner's spouse shall jointly and severally guarantee Area Developer s payment and performance of its obligations under this Agreement under a Guarantee in the form of <u>**Exhibit C**</u>

Person means any natural person or Entity

Principal Owner' means the individual designated by Area Developer on <u>**Exhibit B**</u>, and accepted by Franchisor, to serve as the primary operator of the Rocket Fizz Shops, to serve as the authorized representative of Area Developer, who shall have at least a fifty percent (50%) interest in the Equity of Area Developer, who shall act as Area Developer s representative in all matters with Franchisor, as Area Developer's liaison with Franchisor and the Owners, who shall have the authority to act on behalf of Area Developer without the participation of any other Owner

Restricted Persons means Area Developer and each of its Owners and Affiliates and the respective officers, directors shareholders, managers, members and Affiliates of each of them, and the spouses of each of the foregoing who are individuals

'**Rocket Fizz Area Development Agreement**' means the form of agreement prescribed by Franchisor and used to grant to Area Developer development rights in a development territory

"**Rocket Fizz Branded Products** means any product now existing or developed in the future that bears any of the Rocket Fizz Marks, including products that are prepared, sold and/or manufactured in strict accordance with Franchisor s standards and specifications, including clothing, souvenirs and novelty items

'**Rocket Fizz Franchise Agreement**' means the form of agreement prescribed by Franchisor and used to grant Area Developer the right to develop, open and operate a single Rocket Fizz Shop in the Development Area, including all exhibits, riders, guarantees or other related instruments, all as amended from time to time

Rocket Fizz Manuals means Franchisor's operations manuals, which may consist of one or more manuals, and any other written directives related to the Rocket Fizz System, as they may be amended, issued and revised from time to time

Rocket Fizz Proprietary Products' means only those products which are produced or manufactured strictly in accordance with Rocket Fizz Trade Secrets or that Franchisor otherwise designates as proprietary

"**Rocket Fizz Shop**" means each full, standard size, "brick and mortar retail facility located in the Development Area in a free-standing building, mall or a shopping center accessible to the general public and operated by Area Developer that operates under the Rocket Fizz Marks and Rocket Fizz System

Rocket Fizz System means Franchisor's operating methods and business practices related to Rocket Fizz Shops, the relationship between Franchisor and its franchisees, interior and exterior Rocket Fizz Shop design, other items of trade dress, specifications for equipment, fixtures and uniforms and defined product and merchandise offerings, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs and Franchisor's website, all as Franchisor may modify the same from time to time

Rocket Fizz Trade Secrets means proprietary and confidential information, including, the Rocket Fizz Confidential Information, pricing, specifications procedures policies concepts, systems, know-how, plans, software, strategies and methods and techniques of operating a Rocket Fizz Shop and selling Authorized Rocket Fizz Products, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that Area Developer can show was already lawfully in Area Developer s possession before receipt from Franchisor

Then-Current means, as the context of this Agreement indicates (i) the form of agreement then-currently provided by Franchisor to similarly situated prospective Rocket Fizz area developers or franchisees which may contain terms and conditions that are materially different form this Agreement, or if not then being so provided then a form of agreement selected by Franchisor in its discretion which previously has been delivered to and executed by a Rocket Fizz area developer or franchisee (ii) the fees then-currently charged by Franchisor or its

Affiliates, (iii) the then-current qualifications or financial conditions required by Franchisor for Rocket Fizz area developers or franchisees, or (iv) then-current appearance, design standards and equipment specifications applicable to Rocket Fizz Shops

'**Transfer Fee**' means the $5,000 fee that Area Developer must pay Franchisor as a condition precedent to an Assignment of this Agreement

2 **EXCLUSIVE LICENSE**

2 1 **Grant and Development Obligation** Franchisor hereby grants Area Developer, and Area Developer hereby accepts the right and obligation to use the Rocket Fizz Marks and the Rocket Fizz System to develop, open and operate the cumulative number of Rocket Fizz Shops set forth in **Exhibit A** in the Development Area during the Term Except as provided in Section 2 6, Area Developer may not develop open or operate more Rocket Fizz Shops in the Development Area than the number of Rocket Fizz Shops set forth on **Exhibit A** during the Term Area Developer shall not subcontract, sublicense, share, divide or partition this Agreement or enter into any agreement with any third party providing for the right to develop, open or operate Rocket Fizz Shops or to use the Rocket Fizz Marks or the Rocket Fizz System and nothing in this Agreement will be construed as granting Area Developer the right to do so Area Developer shall execute Franchisor s Then-Current Franchise Agreement and pay Franchisor its Then-Current initial franchise fee for each Rocket Fizz Shop to be developed, opened and operated by Area Developer under this Agreement, the form of which may differ from the form of Rocket Fizz Franchise Agreement attached to Franchisor s Franchise Disclosure Document (the **Disclosure Document**') provided to Area Developer prior to the Effective Date

2 2 **Exclusive License** Except as otherwise provided in Section 2 4, the rights granted to Area Developer under this Agreement are exclusive during the Term so long as Area Developer is in Good Standing, and neither Franchisor, nor any of its Affiliates shall themselves develop, open and operate or grant third parties the right to develop, open and operate, Rocket Fizz Shops in the Development Area during the Term

2 3 **Adherence to Development Schedule** Area Developer shall satisfy the Development Obligation by Opening the number of Rocket Fizz Shops in the Development Area within each Development Period as required by the Development Schedule set forth on **Exhibit A** and by continuing to operate the cumulative number of Rocket Fizz Shops required by the Development Obligation Failure to comply with the Development Schedule shall constitute a Default under this Agreement and shall entitle Franchisor to (i) collect a Default Royalty Fee from Area Developer for each month following the date that a Rocket Fizz Shop was required to be Opened under the Development Schedule and the actual date that the Rocket Fizz Shop Opens and (ii) terminate this Agreement, unless the Default results from an event of Force Majeure in which case the deadline to Opening a Rocket Fizz Shop may be extended by Franchisor as provided in Section 2 7

2 4 **Rights Reserved by Franchisor** Except as expressly provided in Section 2 2, Franchisor and its Affiliates reserve all other rights with respect to the Rocket Fizz System, the Rocket Fizz Marks and Rocket Fizz Shops, including the exclusive right, in their discretion, directly or indirectly, without granting Area Developer any rights in the same, to (i) develop open and operate, and to grant franchises to third parties to develop open and operate, Rocket Fizz Shops outside the Development Area, without restriction, regardless of their proximity to the Development Area, (ii) develop, open and operate, and to grant franchises to third parties to develop open and operate any other business, other than a Competitive Business under marks and systems different from the Rocket Fizz Marks and the Rocket Fizz System within and outside the Development Area, (iii) sell or distribute, at retail or wholesale, directly or indirectly, or license others to sell or distribute, Rocket Fizz Branded Products within and outside the Development Area through the Internet, mail order catalogs direct mail advertising and

through other distribution methods, (iv) market on the Internet and use the Rocket Fizz Marks on the Internet, including all use of web sites, domain names, URLs directory addresses, email addresses metatags linking, advertising, co-branding and other arrangements, and in all other forms of electronic media, (v) open or operate and to franchise or license others to open or operate Rocket Fizz Shops at any Non-Traditional Venue within and outside of the Development Area regardless of their proximity to any Rocket Fizz Shops developed or under development by Area Developer, (vi) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Rocket Fizz Shops and to franchise license or create similar arrangements with respect to these businesses once acquired wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, (vii) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at Rocket Fizz Shops, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses, and (viii) engage in all other activities that this Agreement does not expressly prohibit

2 5 <u>Closures, Replacement, Relocation and Assignments of Rocket Fizz Shops</u> To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same if during the Term, Area Developer ceases to operate any Rocket Fizz Shop developed under this Agreement for any reason, Area Developer must develop and Open a replacement Rocket Fizz Shop (a **Replacement Shop**) to fulfill Area Developer's obligation to have Open and in operation the required number of Rocket Fizz Shops at the expiration of each Development Period Area Developer may not, however, cease operating any Rocket Fizz Shop or obtain a Replacement Shop without Franchisor's prior written consent Area Developer must Open each Replacement Shop within six (6) months after the date of the closing of the Rocket Fizz Shop that it will replace (the '**Replacement Shop Deadline**') If Area Developer fails to begin operating a Replacement Shop by its Replacement Shop Deadline, Area Developer shall pay Franchisor a Default Royalty Fee for each month following the Replacement Shop Deadline until that Replacement Shop begins operating Rocket Fizz Shops that are operating that are assigned to Affiliates of Area Developer with Franchisor's consent shall count in determining whether Area Developer has satisfied the Development Obligation for so long as the applicable Affiliate continues to comply with the terms of this Agreement

2 6 <u>Additional Development Rights</u> If Area Developer satisfies the Development Obligation before the Expiration Date and desires to develop, open and operate additional Rocket Fizz Shops in the Development Area, Area Developer shall have the right to extend the Term of this Agreement for an additional five (5) years on the terms and conditions set forth in this <u>Section 2 6</u> If Area Developer desires to extend the Term of this Agreement for an additional five (5) years Area Developer shall, no later than one hundred eighty (180) days prior to the Expiration Date, notify Franchisor in writing (the **Additional Development Notice**) that Area Developer desires to do so and provide Franchisor with a proposal for the development of additional Rocket Fizz Shops in the Development Area (the **Additional Development Obligation** '), setting forth the number of additional Rocket Fizz Shops proposed to be opened by Area Developer and the proposed opening dates for each Rocket Fizz Shop during the extended Term Franchisor may, but has no obligation to grant Area Developer the Additional Development Rights described in this <u>Section 2 6</u> in its sole and absolute discretion

2 6 1 If the Additional Development Obligation proposed by Area Developer is unacceptable to Franchisor, or if the Parties cannot reach an agreement on an alternative Additional Development Obligation within the thirty (30) day period after the date of the Additional Development Notice, this Agreement shall expire on the Expiration Date Franchisor and Area Developer shall execute Franchisor s Then-Current Franchise Agreement for each additional Rocket Fizz Shop to be developed and opened in the Development Area by Area Developer If the Additional Development Obligation proposed by Area Developer is acceptable to Franchisor, or if the Parties reach agreement on an alternative Additional Development Obligation within the thirty (30) day

period after the date of the Additional Development Notice, Franchisor shall deliver to Area Developer its Then-Current form of Rocket Fizz Area Development Agreement (the "**Additional Area Development Agreement**) setting forth the agreed upon Additional Development Obligation Within thirty (30) days after Area Developer's receipt of the Additional Area Development Agreement, Area Developer shall execute the Additional Area Development Agreement and return it to Franchisor together with the Then-Current initial development fee due to Franchisor for the Additional Development Rights If Area Developer has so executed and returned the Additional Area Development Agreement, paid the initial development fee and has satisfied the conditions precedent set forth in Section 2 6 2, Franchisor shall execute the Additional Area Development Agreement and return a fully executed copy to Area Developer Area Developer shall execute Franchisor's Then-Current Franchise Agreement and shall pay Franchisor its Then-Current initial franchise fee for each Rocket Fizz Shop to be developed by Area Developer under the Additional Development Obligation

2 6 2 Franchisor shall execute the Additional Area Development Agreement, if, and only if, (i) Franchisor elects to grant the Additional Development Rights to Area Developer, (ii) Area Developer has fully performed all of its obligations under this Agreement and all other agreements between the Parties and is in Good Standing on the date of the Additional Development Notice and on the date Franchisor signs the Additional Area Development Agreement, (iii) Area Developer has demonstrated Area Developer s Then-Current financial ability to timely implement and complete the Additional Development Obligation, (iv) Area Developer continues to operate the aggregate number of Rocket Fizz Shops in the Development Area as required by the Development Obligation, (v) Area Developer has executed the Additional Area Development Agreement and delivered it to Franchisor together with the initial development fees payable to Franchisor for the Additional Development Rights, and (vi) Area Developer executes and delivers to Franchisor a General Release in a form acceptable to Franchisor

2 7 **Force Majeure** If Area Developer is unable to meet the Development Obligation for any Development Period solely as the result of Force Majeure or any legal disability of Franchisor to deliver a Disclosure Document pursuant to Section 5 2, which results in the inability of Area Developer to operate the Rocket Fizz Shops as required by this Agreement, Area Developer shall provide Franchisor, within ten (10) days after the occurrence of an event that Area Developer believes is an event of Force Majeure, with notice of the specific nature and extent of the Force Majeure and an explanation as to how the event has delayed Area Developer s performance under this Agreement The determination of whether an event of Force Majeure has occurred shall be made by Franchisor upon Franchisor's assessment of the event causing the delay If Franchisor determines that the Default is the result of an event of Force Majeure, the required date for performance by Area Developer shall be extended by the number of days equal to the number of days that the event of Force Majeure exists Area Developer shall provide Franchisor with continuing updates and all information requested by Franchisor regarding Area Developer s progress and diligence in responding to and overcoming the event of Force Majeure

2 8 **No Rights to Use the Rocket Fizz Marks or Rocket Fizz System** This Agreement is not a Rocket Fizz Franchise Agreement, and does not grant Area Developer any right to use the Rocket Fizz Marks or the Rocket Fizz System To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, Area Developer's rights to use the Rocket Fizz Marks and the Rocket Fizz System will be granted to Area Developer solely under the terms of a Rocket Fizz Franchise Agreement

3 TERM

The Term shall commence on the Effective Date and shall expire on the Expiration Date

4 PAYMENTS BY AREA DEVELOPER

4 1 **Initial Development Fee** On the Effective Date, Area Developer shall pay Franchisor the Initial Development Fee in the amount set forth on **Exhibit A** by a wire transfer of immediately available funds to a bank account designated by Franchisor The Initial Development Fee is fully earned by Franchisor when paid and is non-refundable in whole or in part, under any circumstances

4 2 **Initial Franchise Fees** Area Developer shall pay Franchisor an Initial Franchise Fee for each Rocket Fizz Shop to be operated under this Agreement in the amount set forth on **Exhibit A** Area Developer shall pay Franchisor the Initial Franchise Fee for each Rocket Fizz Shop to be opened under this Agreement by a wire transfer of immediately available funds to a bank account designated by Franchisor upon execution by Area Developer of Franchisor's Then-Current Rocket Fizz Franchise Agreement for each Rocket Fizz Shop to be Opened and operated by Area Developer under this Agreement Franchisor shall credit the Development Fee Credit against the Initial Franchise Fee payable for each Rocket Fizz Franchise Agreement The Initial Franchise Fee is fully earned by Franchisor when paid and is non-refundable, in whole or in part, under any circumstances

4 3 **Default Royalty Fee** Area Developer shall pay Franchisor a Default Royalty Fee upon the occurrence of any event described in Section 2 3 and Section 2 5 of this Agreement

5 INITIAL SERVICES AND ONGOING OBLIGATIONS OF FRANCHISOR

5 1 **Limited Obligations** Area Developer acknowledges and agrees that Franchisor's obligations under this Agreement are limited to identifying the Development Area and that Franchisor has no ongoing obligations for training or operational support for Area Developer under this Agreement All initial and continuing obligations of Franchisor to Area Developer shall be provided by Franchisor under Franchisor's Then-Current Franchise Agreement for each Rocket Fizz Shop to be developed and opened in the Development Area by Area Developer

5 2 **Franchised Locations** Area Developer shall, at all times during the Term, exert Area Developer s best efforts to diligently identify proposed sites for the Rocket Fizz Shops When Area Developer identifies a proposed site for a Rocket Fizz Shop, Area Developer shall submit to Franchisor all demographic and other information regarding the proposed site and neighboring areas that Franchisor shall require, in the form prescribed by Franchisor, and shall request Franchisor to consider and approve the site If Franchisor accepts a proposed site Franchisor shall notify Area Developer of its acceptance of the Franchised Location Area Developer acknowledges and agrees that it is Area Developer s sole responsibility to identify and obtain each Franchised Location for the Rocket Fizz Shops to be developed under this Agreement Area Developer further acknowledges and agrees that although Franchisor may consult with Area Developer regarding the terms of a Lease and the negotiations with a Landlord, it is Area Developer's sole responsibility to negotiate, review and approve the terms of each Lease or purchase agreement for each Rocket Fizz Shop to be developed under this Agreement and should do so in consultation with legal counsel experienced in real estate law Each Lease shall comply with the requirements set forth in Sections 5 1 and 5 2 of Franchisor s current Franchise Agreement Following Franchisor s approval of a Franchised Location and Area Developer's execution of a Lease for a Franchised Location, Area Developer shall execute Franchisor's Then-Current Franchise Agreement for the Rocket Fizz Shop to be located at the Franchised Location and return it to Franchisor within thirty (30) days after receipt of the execution copies of the Then-Current Franchise Agreement together with the applicable Initial Franchise Fee If Area Developer has executed and returned the signed Then-Current Franchise Agreement and paid Franchisor the Initial Franchise Fee, Franchisor shall execute the Franchise Agreement and return one (1) fully executed copy of the Franchise Agreement to Area Developer

5 3 **Conditions to Franchisor's Obligations** To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, Area Developer acknowledges and agrees that, as a condition precedent to Area Developer s right to develop each Rocket Fizz Shop, all of the following conditions precedent must be satisfied and Franchisor shall execute a Then-Current Franchise Agreement for each Rocket Fizz Shop if, and only if (i) Area Developer has fully performed all of its obligations under this Agreement and all other agreements between Franchisor and Area Developer and is in Good Standing on the date of Franchisor s execution of a Franchise Agreement, (ii) Area Developer demonstrates Area Developer s Then-Current financial ability to implement and complete the construction and Opening of the Rocket Fizz Shops, (iii) Area Developer has Opened and continues to operate no less than the aggregate number of Rocket Fizz Shops required by the Minimum Development Obligation in compliance with the Development Schedule, (iv) Area Developer has executed a Then-Current Franchise Agreement and delivered it to Franchisor, (v) Area Developer executes and delivers a General Release to Franchisor in a form acceptable to Franchisor, and (vi) Area Developer has paid Franchisor the Initial Franchise Fee when Area Developer executed the Franchise Agreement and returned it to Franchisor

6 **OBLIGATIONS OF AREA DEVELOPER**

To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same

6 1 **Development and Operation of Rocket Fizz Shops** Area Developer shall, at all times during the Term, exert Area Developer s best efforts to faithfully honestly and diligently develop, open and operate the number of Rocket Fizz Shops in the Development Area to satisfy the Development Obligation and the Development Schedule in accordance with the requirements of this Agreement and each Rocket Fizz Franchise Agreement for each Rocket Fizz Shop

6 2 **Rocket Fizz System** Area Developer shall operate the Rocket Fizz Shops in compliance with the terms of the Rocket Fizz Franchise Agreements and the Rocket Fizz Manuals Area Developer acknowledges and agrees that Area Developer alone shall exercise day-to-day control over all operations, activities and elements of the Rocket Fizz Shops including over Area Developer s employees, and that under no circumstance shall Franchisor do so or be deemed to do so Area Developer further acknowledges and agrees that the various requirements, restrictions, prohibitions, specifications and procedures of the Rocket Fizz System that Area Developer must comply with under the Franchise Agreements, the Rocket Fizz Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Rocket Fizz Shops, which Area Developer alone controls but only constitute standards Area Developer must adhere to when exercising Area Developer s control over the day-to-day operations of the Rocket Fizz Shops consistent with the policies of Franchisor Area Developer shall comply with Franchisor's standards and shall operate the Rocket Fizz Shops in conformity with the methods, standards, and specifications that Franchisor may from time to time prescribe in the Rocket Fizz Manuals or otherwise Area Developer shall comply, at Area Developer's expense, with all modifications prescribed by Franchisor and shall implement changes to the Rocket Fizz System within the time periods specified by Franchisor following Area Developer s receipt of notice from Franchisor to do so Area Developer shall refrain from deviating from the methods, standards, and specifications without Franchisor s prior written consent and from otherwise operating in any manner which reflects adversely on the Rocket Fizz Marks or the Rocket Fizz System Since every detail of the Rocket Fizz System is essential in order to develop and maintain quality operating standards, to increase the demand for the products and services sold by Rocket Fizz Shops under the Rocket Fizz System and to protect the Rocket Fizz Marks and Franchisor's reputation and goodwill, Franchisor shall have the right to disapprove, as it believes necessary, any modification of, or addition to, the Rocket Fizz System suggested by Area Developer that

is reasonably likely to have an adverse material effect on the Rocket Fizz System, the Rocket Fizz Marks or Franchisor s reputation or goodwill

6 3 **Modifications** Area Developer shall comply with each Rocket Fizz Franchise Agreement and shall operate the Rocket Fizz Shops in conformity with the methods, standards and specifications that Franchisor may from time to time prescribe in the Rocket Fizz Manuals or otherwise Since every detail of the Rocket Fizz System is essential in order to develop and maintain quality operating standards, to increase the demand for the products and services sold by Rocket Fizz Shops under the Rocket Fizz System and to protect the Rocket Fizz Marks and reputation and goodwill, Franchisor shall have the right to disapprove as it believes necessary, any modification of, or addition to, the Rocket Fizz System suggested by Area Developer that is reasonably likely to have an adverse material effect on the Rocket Fizz System the Rocket Fizz Marks or Franchisor's reputation or goodwill

7 ROCKET FIZZ MARKS

Franchisor and its Affiliates continue to develop, use and control the use of the Rocket Fizz Marks in order to identify for the public the source of services and products marketed under the Rocket Fizz Marks and the Rocket Fizz System, and to represent the Rocket Fizz System s high standards of quality, appearance and service To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same

7 1 **Ownership and Goodwill of Rocket Fizz Marks** Area Developer acknowledges that its right to use the Rocket Fizz Marks is derived solely from this Agreement and is limited to use in operating as Area Developer pursuant to and in compliance with this Agreement and as a Rocket Fizz franchisee pursuant to the Rocket Fizz Franchise Agreements between Area Developer and Franchisor Any unauthorized use of the Rocket Fizz Marks by Area Developer shall constitute a breach of this Agreement and an infringement of Franchisor's rights in and to the Rocket Fizz Marks Area Developer acknowledges and agrees that (i) Franchisor owns the Rocket Fizz Marks and the Rocket Fizz System, (ii) Area Developer owns no goodwill or rights in the Rocket Fizz Marks or the Rocket Fizz System except for the license granted by this Agreement, and (iii) Area Developer s use of the Rocket Fizz Marks and any goodwill established by that use shall inure to the exclusive benefit of Franchisor Area Developer agrees not to contest, or assist any other Person to contest, the validity of Franchisor s rights and interest in the Rocket Fizz Marks or the Rocket Fizz System either during the Term or after this Agreement terminates or expires

7 2 **Limitations on Use** Area Developer shall not use any Rocket Fizz Mark (i) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos licensed to Area Developer under this Agreement), (ii) in connection with unauthorized services or products, (iii) as part of any domain name or electronic address maintained on the Internet, the World Wide Web or any other similar proprietary or common carrier electronic delivery system, or (iv) in any other manner not expressly authorized in writing by Franchisor Area Developer shall give all notices of trademark and service mark registration as Franchisor specifies and shall use and obtain all fictitious or assumed name registrations required by Franchisor or under Applicable Law Area Developer further agrees that no service mark other than ' **Rocket Fizz** ' or other Rocket Fizz Marks specified by Franchisor shall be used in marketing promoting, or operating the Rocket Fizz Shops

7 3 **Internet** Area Developer shall not develop, create generate, own, license lease or use in any manner any computer medium or electronic medium (including, without limitation, any Internet home page, e-mail address, web site, domain name bulletin board, newsgroup or other Internet-related medium or activity) which in any way uses or displays in whole or part the Rocket Fizz Marks, or any of them, or any words, symbols or terms

confusingly similar thereto without Franchisor's prior written consent, and then only in the manner and in accordance with the procedures, policies, standards and specifications that Franchisor may establish from time to time Area Developer shall not separately register any domain name or any portion of any domain name containing the Rocket Fizz Marks or participate or market on any web site or other form of electronic media (including, without limitation, through the use of social technology, social media, social networking platforms or other forms of electronic media not yet developed) using the Rocket Fizz Marks without Franchisor s prior written consent Area Developer's general conduct on the Internet and in the use of other forms of electronic media is subject to the terms and conditions of this Agreement and all other rules, requirements or policies that Franchisor may identify from time to time Franchisor may, at any time after Area Developer commences use of any approved electronic media, prohibit further use, effective upon receipt of written notice by Area Developer

8 ROCKET FIZZ CONFIDENTIAL INFORMATION

8 1 **Confidential Information** Area Developer acknowledges and agrees that the Rocket Fizz System is comprised of confidential information that has been developed by Franchisor and its Affiliates by the investment of time, skill, effort and money and is widely recognized by the public, is of substantial value, and is proprietary confidential and constitutes trade secrets of Franchisor and its Affiliates, and includes without limitation, tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, products and services, sources of inventory of Authorized Rocket Fizz Products and equipment customer management and other software, data, other content, formulations, patterns compilations, programs, devices and processes, business relationships contact information for industry professionals, designs, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of employees of Franchisor and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation diagrams, flowcharts, research, development, marketing techniques and materials, trademarks trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, Persons or entities, knowledge or know-how concerning the methods of operation of the Rocket Fizz Shop which may be communicated to Area Developer, or of which Area Developer may be apprised, by virtue of Area Developer s operation of the Rocket Fizz Shop under the terms of this Agreement, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or Persons unaffiliated with Franchisor or its Affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential (collectively the **Rocket Fizz Confidential Information**) Rocket Fizz Confidential Information does not include any information that was in the lawful and unrestricted possession of Area Developer prior to its disclosure by Franchisor, is or becomes generally available to the public by acts other than those of Area Developer after receiving it, has been received lawfully and in good faith by Area Developer from a third party who did not derive it from Franchisor or Area Developer, or is shown by acceptable evidence to have been independently developed by Area Developer

8 2 **Value** Area Developer acknowledges and agrees the Rocket Fizz Confidential Information is not generally known by the public or parties other than Franchisor, its affiliates, its franchisees and Area Developer,

derives independent economic value (actual or potential) from not being generally known to the public or Persons unaffiliated with Franchisor, its franchisees or Area Developer, and is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Rocket Fizz Confidential Information, including, without limitation (i) not revealing the Rocket Fizz Confidential Information to unauthorized parties, (ii) requiring its franchisees to acknowledge and agree in writing that the Rocket Fizz Confidential Information is confidential, (iii) requiring its franchisees to agree in writing to maintain the confidentiality of the Rocket Fizz Confidential Information (iv) monitoring electronic access to the Rocket Fizz Confidential Information by the use of passwords and other restrictions so that electronic access to the Rocket Fizz Confidential Information is limited to authorized parties, and (v) requiring its franchisees to return all Rocket Fizz Confidential Information to Franchisor upon the termination or expiration of their Rocket Fizz Franchise Agreements

8 3 **Maintain Confidentiality** To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same Area Developer shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of anyone else, any information that Franchisor considers its trade secrets and/or Rocket Fizz Confidential Information Area Developer shall divulge such Rocket Fizz Confidential Information only to its supervisorial or managerial personnel who must have access to it in order to perform their employment responsibilities

8 4 **Irreparable Injury from Disclosure of Rocket Fizz Confidential Information** Area Developer acknowledges that failure to comply with the requirements of this Section 8 will result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Area Developer consents to the issuance of, and agrees to pay all court costs and reasonable attorneys fees incurred by Franchisor in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to the requirements of this Section 8

8 5 **Confidentiality Covenants from Individuals Associated with Area Developer** Area Developer shall require all supervisorial or managerial personnel who may have access to any Rocket Fizz Confidential Information of Franchisor to execute covenants that they will maintain the confidentiality of the Rocket Fizz Confidential Information they receive in connection with their association with Area Developer Such covenants shall be in a form satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them

8 6 **No Restriction** Nothing in this Article 8 is intended to prohibit or restrict any activity which prohibition or restriction violates Franchisee's employees' rights to engage in protected concerted activity under the National Labor Relations Act

9 TRANSFER OF INTEREST

9 1 **Transfer by Franchisor** Franchisor shall have the right to transfer or assign all or any part of its rights or obligations under this Agreement to any Person or Entity without the consent or approval of Area Developer

9 1 1 With respect to any Assignment which results in the subsequent performance by the assignee of all of Franchisor s obligations under this Agreement, the assignee shall expressly assume and agree to perform such obligations, and shall become solely responsible for all obligations of Franchisor under this Agreement from the date of Assignment Franchisor and or its Affiliates may sell their assets, the Rocket Fizz Marks, or the Rocket Fizz System, may sell securities in a public offering or in a private placement, may merge, acquire other corporations or be acquired by another corporation and may undertake a refinancing recapitalization, leveraged buy-out, or other economic or financial restructuring (collectively, a **Capital Event**) all without the consent or

approval of Area Developer With regard to a Capital Event, Area Developer expressly and specifically waives any claims demands or damages arising from or related to the loss of Franchisor s name, the Rocket Fizz Marks (or any variation thereof) or the Rocket Fizz System and/or the loss of association with, or identification of, RPM Summit Group, LLC, as Franchisor under this Agreement Area Developer specifically waives any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud breach of contract or breach of the implied covenant of good faith and fair dealing Area Developer agrees that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain s or business facilities, and to operate, franchise or license those businesses and/or facilities as the Rocket Fizz Shops operating under the Rocket Fizz Marks or any other marks following Franchisor s purchase, merger acquisition or affiliation, regardless of the location of these facilities which Area Developer acknowledges may be proximate to the Rocket Fizz Shops

9 1 2 Upon the occurrence of a Capital Event, Franchisor shall have the right (the **Take-Along Right**') to compel Area Developer to sell and, in such event, Area Developer shall sell the assets of any or all of the Rocket Fizz Shops, regardless of whether such Rocket Fizz Shops are under development or are Open and operating (collectively the '**Take-Along Assets**) at the same value attributable to Rocket Fizz Shops owned and operated by Franchisor or its Affiliates at the closing of a Capital Event Franchisor shall exercise this Take-Along Right to compel the sale of the Take-Along Assets by Area Developer by providing Area Developer with written notice (the "**Take-Along Notice**) setting forth the time and place of the closing of the Capital Event, which time and place shall not be less than thirty (30) days after the date of the Take-Along Notice, and the expected price and form of consideration to be paid for the Take-Along Assets at the closing

9 2 **Assignment by Area Developer** Area Developer acknowledges and agrees that the rights granted to Area Developer under this Agreement are personal and are granted in reliance upon, among other considerations, the individual or collective character, skill aptitude, attitude, experience, business ability and financial condition and capacity of Area Developer and, if Area Developer is an Entity, that of the Owners Accordingly, to protect the Rocket Fizz System, the Rocket Fizz Marks the Rocket Fizz Trade Secrets and the goodwill associated with the same, Area Developer shall not, either in Area Developer's own name or in the name and/or on behalf of Franchisor, enter into an Assignment without Franchisor s prior written consent Franchisor shall not unreasonably withhold its consent to an Assignment if, in Franchisor s judgment, Area Developer satisfies the conditions to the Assignment identified in this Agreement

9 2 1 Unless the Parties otherwise agree in writing, Area Developer shall not make any Assignment except in conjunction with a concurrent Assignment to the same approved assignee of all Rocket Fizz Shops then owned and operated by Area Developer in the Development Area As a condition to Franchisor s consent to such an Assignment the assignee must execute Franchisor s Then-Current form of Rocket Fizz Franchise Agreement for each Rocket Fizz Shop sold to the assignee Further, without Franchisor s prior written consent, which may be withheld by Franchisor in its discretion (i) Area Developer shall not offer for sale or transfer at public or private auction any of the rights of Area Developer under this Agreement and (ii) Area Developer shall not, directly or indirectly, pledge, encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever To the extent that the foregoing prohibition may be ineffective under Applicable Law, Area Developer shall provide not less than ten (10) days prior written notice (which notice shall contain the name and address of the secured party and the terms of such pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement

9 2 2 Area Developer shall promptly provide Franchisor with written notice (stating such information as Franchisor may from time to time require) of each and every transfer, Assignment and encumbrance by any Area Developer Owner of any direct or indirect Equity or voting rights in Area Developer, notwithstanding that the same may not constitute an "**Assignment**" as defined in this Agreement Neither Franchisor s right of first refusal nor the other conditions of Assignment shall apply to a transfer by Area Developer of all of Area Developer s rights under this Agreement to a newly-formed corporation, limited liability company or other business Entity provided all of the Equity or voting interests of the new business Entity are owned by the same Owners (a "**Qualified Assignment**) Any attempted or purported Assignment which fails to comply with the requirements of this Article 9 shall be null and void and shall constitute a Default under this Agreement

9 3 **Right of First Refusal** Except with respect to a **Qualified Assignment**", if Area Developer or an Owner receive a bona fide written offer (**Third Party Offer**') from a third party (the ' **Proposed Buyer**') to purchase or otherwise acquire any interest in Area Developer which will result in an Assignment within the meaning of this Agreement, Area Developer or the Proposed Buyer, shall, within five (5) days after receiving the Third Party Offer and before accepting it, apply to Franchisor in writing for Franchisor s consent to the proposed Assignment To constitute a bona fide written offer, the Third Party Offer must also apply to all of the Rocket Fizz Shops then owned and operated by Area Developer in the Development Area

9 3 1 Area Developer, or the Proposed Buyer, shall attach to its application for consent to complete the transfer a copy of the Third Party Offer together with (i) information relating to the proposed transferee s experience and qualifications, (ii) a copy of the proposed transferee's current financial statement, and (iii) any other information material to the Third Party Offer, proposed transferee and proposed Assignment, or that Franchisor requests

9 3 2 Franchisor or its nominee shall have the right, exercisable by written notice (**Purchase Notice**) given to Area Developer or the Proposed Buyer, within thirty (30) days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Area Developer or the Proposed Buyer that it will purchase or acquire the rights, assets, Equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Franchisor may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer, and (ii) deduct from the purchase price all amounts then due and owing from Area Developer to Franchisor under this Agreement or otherwise

9 3 3 If Franchisor or its nominee elects to purchase or acquire the rights, assets, Equity or interests proposed to be assigned to the Proposed Buyer, the closing shall take no later than sixty (60) days following the date that the Purchase Notice was issued by Franchisor

9 3 4 If Franchisor does not elect to purchase or acquire the rights, assets Equity or interests proposed to be assigned to the Proposed Buyer, the closing of the sale to the Proposed Buyer shall take no later than ninety (90) days following the date that the Third Party Offer was received by Area Developer If there is any material change in the terms of the Third Party Offer before the closing of the sale Franchisor shall have a right of first refusal to accept the new terms subject to the conditions stated in this Section 9 3

9 4 **Conditions of Assignment to Third Party** As a condition to obtaining Franchisor's consent to an Assignment, all of the following conditions must be satisfied

9 4 1 The Proposed Buyer must submit a completed franchise application to Franchisor and meet Franchisor's Then-Current qualifications for new Rocket Fizz Area Developers, including qualifications pertaining to financial condition, credit rating, experience, moral character and reputation

9 4 2 Area Developer must be in Good Standing on the date consent is requested and until the date of closing of the Assignment

9 4 3 The sales price of the interest to be conveyed must not be so high, or the terms of the sale so onerous, that, in the judgment of Franchisor, the Proposed Buyer will be unlikely to meet the Proposed Buyer s financial and other obligations to Franchisor third party suppliers and creditors following the closing Franchisor shall have no liability to either Area Developer or the Proposed Buyer if Franchisor approves the Assignment and the Proposed Buyer thereafter experiences financial difficulties

9 4 4 The Proposed Buyer must sign Franchisor s Then-Current form of Rocket Fizz Area Development Agreement, the terms of which may differ materially from any and all of the terms contained in this Agreement, and which shall supersede this Agreement in all respects In exchange for signing the Then-Current Rocket Fizz Area Development Agreement, the Proposed Buyer shall receive the rights provided for in this Agreement, as modified by the terms of the Then-Current form of Rocket Fizz Area Development Agreement If Franchisor is not offering new area development franchises, is in the process of revising, amending or renewing Franchisor s form of Rocket Fizz Area Development Agreement or Disclosure Document or is not lawfully able to offer Franchisor's Then-Current form of Rocket Fizz Area Development Agreement at the time of an Assignment Franchisor may offer to amend this Agreement, upon terms and conditions that will be established by Franchisor and the Proposed Buyer at that time or may offer to amend the term of this Agreement on substantially the terms and conditions set forth in this Agreement on a month-to-month basis for as long as Franchisor deems necessary or appropriate so that Franchisor may subsequently offer and utilize a Then-Current form of Rocket Fizz Area Development Agreement

9 4 5 Area Developer will remain subject to all obligations stated in this Agreement that expressly, or by implication due to their nature, survive the transfer, termination or expiration of this Agreement, including, without limitation the provisions prohibiting competition non-interference and non-disclosure of Rocket Fizz Confidential Information

9 4 6 Area Developer and the Proposed Buyer must sign a Guarantee guaranteeing the obligations of the Proposed Buyer under the Area Development Agreement

9 4 7 Area Developer and the Proposed Buyer shall execute a General Release in a form acceptable to Franchisor

9 4 8 Area Developer shall pay Franchisor the Transfer Fee to apply against Franchisor s administrative and other costs to process the Assignment

9 4 9 Area Developer must simultaneously transfer its rights all contracts for which continuation is necessary for operation of the Rocket Fizz Shops to the Proposed Buyer and satisfy any separate conditions to obtain any third party consents required for the transfer of Area Developer s rights to the Proposed Buyer The

Proposed Buyer must execute all other documents and agreements required by Franchisor to consummate the Assignment All required third party consents to the Assignment must be obtained If the Proposed Buyer is a corporation, limited liability company or other business Entity each Person who at the time of the Assignment, or later, owns or acquires, either legally or beneficially twenty percent (20%) or more of the Equity or voting interests of the Proposed Buyer must execute a Guarantee in a form acceptable to Franchisor

9 4 10 Area Developer s right to receive the sales proceeds from the Proposed Buyer in consideration of the Assignment shall be subordinate to the obligations of the Proposed Buyer owed to Franchisor and its Affiliates under or pursuant to, this Agreement or any other agreement All contracts by and between Area Developer and the Proposed Buyer shall expressly include a subordination provision permitting payment of the sales proceeds to Area Developer only after any outstanding obligations owed to Franchisor and its Affiliates are fully satisfied

9 4 11 Except when the transferee is an existing Area Developer or franchisee of Franchisor, the Proposed Buyer, and a supervisorial or managerial employee of the Proposed Buyer who will have general management and supervisory responsibilities for the Rocket Fizz Shops who is acceptable to Franchisor, must complete to Franchisor's sole satisfaction Franchisor s Initial Training Program prior to the effective date of the Assignment

9 4 12 The Proposed Buyer must conform the Rocket Fizz Shops with Franchisor s Then-Current appearance and design standards and equipment specifications applicable to new Rocket Fizz Shops

9 5 <u>**Death or Incapacity**</u> In the event of the death or incapacity of an Owner, the spouse, heirs or personal representative of the deceased or incapacitated Person, or the remaining shareholders, members partners or owners (the "**Successor**") shall have one hundred eighty (180) days from the date of death or incapacity in which to (i) purchase the interest of the deceased or incapacitated Person, or (ii) complete an Assignment of the interest of the deceased or incapacitated Person to a qualified approved third party, subject to the provisions of this <u>Article 9</u> If a Successor has not purchased the interest of the deceased or incapacitated Person or completed an Assignment of the interest of the deceased or incapacitated Person to a qualified approved third party within one hundred eighty (180) days from the date of death or incapacity, Franchisor may terminate this Agreement

9 6 <u>**Restriction on Publicly Traded and Private Securities**</u> Securities partnership or other ownership interests in Franchisee may not be offered to the public under the Securities Act of 1933, as amended, nor may they be registered under the Securities Exchange Act of 1934, as amended or any comparable federal state or foreign law, rule or regulation Such interests may be offered by private offering or otherwise only with the prior written consent of Franchisor, which consent shall not be unreasonably withheld All materials required for any private offering by federal or state law shall be submitted to Franchisor for a limited review as discussed below prior to being filed with any governmental agency, and any materials to be used in any exempt offering shall be submitted to Franchisor for such review prior to their use No offering by Area Developer shall imply that Franchisor is participating in an underwriting, issuance or offering of securities of Franchisee or Franchisor and Franchisor s review of any offering materials shall be limited solely to the subject of the relationship between Area Developer and Franchisor, and its Affiliates Franchisor may, at its option, require Area Developer s offering materials to contain a written statement prescribed by Franchisor concerning the limitations described in the preceding sentence Area Developer its Owners and other participants in the offering must fully agree in writing to defend and indemnify Franchisor, its Affiliates, their respective partners and the officers directors, manager(s) (if a limited liability company), shareholders, members, partners, agents, representatives, independent contractors, servants and employees of each of them, from and against any and all losses, costs and liability in connection with the offering and shall execute any documentation required by Franchisor to further evidence this indemnity For each proposed offering, Area Developer shall pay to Franchisor a non-refundable fee of $10 000,

which shall be in addition to any Transfer Fee under any Franchise Agreement and/or Development Agreement or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including without limitation legal and accounting fees Area Developer shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Article 9

10 TRANSFER BY AREA DEVELOPER IN BANKRUPTCY

If, for any reason, this Agreement is not terminated pursuant to Section 11 1 and this Agreement is assumed, or Assignment of the same to any Person or Entity who has made a bona fide offer to accept an Assignment of this Agreement is contemplated, pursuant to the United States Bankruptcy Code, then notice of the proposed Assignment or assumption setting forth (i) the name and address of the proposed assignee, and (ii) all of the terms and conditions of the proposed Assignment and assumption, shall be given to Franchisor within twenty (20) days after receipt of the proposed assignee s offer to accept Assignment of this Agreement, and, in any event, within ten (10) days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into the Assignment and assumption, and Franchisor shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of the proposed Assignment and assumption, to accept an Assignment of this Agreement to Franchisor itself upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by Area Developer out of the consideration to be paid by the assignee for the Assignment of this Agreement

11 DEFAULT AND TERMINATION

11 1 **Termination In the Event of Area Developer s Bankruptcy or Insolvency** Area Developer shall be deemed to be in Default under this Agreement, and all rights granted to Area Developer under this Agreement shall automatically terminate without notice to Area Developer (i) if Area Developer becomes insolvent or makes a general assignment for the benefit of creditors, (ii) if a petition in bankruptcy is filed under the United States Bankruptcy Act by Area Developer or such a petition is filed against and not opposed by Area Developer (iii) if Area Developer is adjudicated as bankrupt or insolvent, (iv) if a bill in equity or other proceeding for the appointment of a receiver of Area Developer or other custodian for any Rocket Fizz Shops is filed and consented to by Area Developer, (v) if a receiver or other custodian (permanent or temporary) of Area Developer s assets or property, or any part thereof, is appointed by any court of competent jurisdiction, (vi) if proceedings for a composition with creditors under any Applicable Law is instituted by or against Area Developer, (vii) if a final judgment in excess of $100,000 against any Rocket Fizz Shops remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed), (viii) if Area Developer admits Area Developer is unable to generally pay its debts as they become due, (ix) if execution is levied against any Rocket Fizz Shop or property, (x) if suit to foreclose any lien or mortgage against any Rocket Fizz Shop or the equipment of any Rocket Fizz Shop is instituted against Area Developer and not dismissed within thirty (30) days, or (xi) if any Rocket Fizz Shop shall be sold after levy thereupon by any sheriff, marshal, or constable

11 2 **Termination With Notice and Without Opportunity to Cure** Area Developer shall be in Default under this Agreement, and Franchisor may, at its option, terminate this Agreement and all rights granted under this Agreement, without affording Area Developer any opportunity to cure the Default effective on the date of Area Developer s receipt of notice from Franchisor (the '**Termination Date**') upon the occurrence of any of the following events (i) if Area Developer or an Owner is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the Rocket Fizz System, the Rocket Fizz Marks, the goodwill associated therewith or Franchisor s interest therein, (ii) if Area

Developer fails to comply with the Development Schedule, (iii) if any of the Rocket Fizz Franchise Agreements or any other agreement between Area Developer and Franchisor or its Affiliates are terminated due to a breach or Default by Area Developer, (iv) if any purported Assignment or transfer of any direct or indirect interest in this Agreement, in the Rocket Fizz Shops, or in all or substantially all of Area Developer s assets is made to any third party by Area Developer or an Owner without Franchisor s prior written consent, (v) if any transfer of the Equity ownership interests of Area Developer or an Owner is made to any third party without Franchisor s prior written consent, (vi) if Area Developer or an Owner discloses or divulges the contents of the Rocket Fizz Manuals, the Rocket Fizz Trade Secrets or other Rocket Fizz Confidential Information provided to Area Developer by Franchisor, (vii) if an approved Assignment, as required by <u>Section 9 5</u> of this Agreement is not effected within the time provided following death or incapacity of an Owner, (viii) if Area Developer or an Owner fails to comply with the covenants in <u>Article 13</u> of this Agreement or fails to obtain execution of and deliver the covenants required under <u>Section 13 6</u> of this Agreement, (ix) if Area Developer or an Owner has made any material misrepresentations in connection with their application to Franchisor for the development rights granted by this Agreement, (x) if Area Developer or an Owner, after curing a Default pursuant to <u>Section 11 3</u> of this Agreement, commits the same, similar, or different Default, whether or not cured after notice, (xi) if any Owner fails or refuses to deliver to Franchisor, within ten (10) days after Franchisor's written request, a Guarantee in substantially the form attached to this Agreement as **<u>Exhibit D</u>** and current financial statements as may from time to time be requested by Franchisor (xii) if Area Developer, an Owner or an Affiliate fails to comply with any or all of the terms of this Agreement, or any other agreement between Franchisor, or its Affiliates, and Area Developer, an Owner or an Affiliate beyond the applicable cure period (xiii) upon a breach of Area Developer s obligations under this Agreement or any other agreement between Area Developer and Franchisor, which by its nature is not capable of being cured by Area Developer, and (xiv) If Area Developer or the Owners use abusive language when communicating with Franchisor, Franchisor s staff or with customers or suppliers, engage in any illegal activity or abusive or threatening behavior towards Franchisor, Franchisor's staff or customers or suppliers, or denigrate the Rocket Fizz System or portray it in an unflattering light on the Internet or otherwise Neither Party will be in Default in the performance of its obligations under this Agreement if such performance is prevented or delayed due to Force Majeure

11 3 **<u>Termination With Notice and Opportunity to Cure</u>** Except as provided in <u>Sections 11 1</u> and <u>11 2</u> of this Agreement Area Developer shall have thirty (30) days after its receipt of written notice from Franchisor within which to remedy any Default under this Agreement and to provide evidence thereof to Franchisor If any such Default is not cured within the specified time, or such longer period as Applicable Law may require, this Agreement shall terminate without further notice to Area Developer effective immediately upon expiration of the thirty (30) day period or such longer period as Applicable Law may require Area Developer shall be in Default pursuant to this <u>Section 11 3</u> for failure to substantially comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be modified or supplemented by the Rocket Fizz Manuals, or for failure to carry out the terms of this Agreement in good faith

11 4 **<u>Options At Termination</u>** Upon any Default under <u>Section 11 2</u> or <u>Section 11 3</u> of this Agreement Franchisor may immediately take any one or more of the following actions, in its sole and absolute discretion by written notice to Area Developer (i) terminate this Agreement and all rights granted to Area Developer under this Agreement, (ii) accelerate or decelerate the Development Schedule, (iii) reduce the Development Obligation, (iv) eliminate or diminish Area Developer s rights with respect to the Development Area or the size of the Development Area, or (v) increase the fees to be paid by Area Developer to Franchisor

11 5 **<u>Cross-Default</u>** Any Default by Area Developer under the terms and conditions of this Agreement, any Rocket Fizz Franchise Agreement, or any other agreement between Franchisor or its Affiliates, and Area Developer, shall be deemed to be a Default of each and every other such agreement In the event of the termination

of this Agreement for any cause, or the termination of any other agreement between Franchisor, or its Affiliates and Area Developer, Franchisor may, at its option terminate any or all of such other agreements

12 OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted under this Agreement to Area Developer shall forthwith terminate, and the following provisions shall apply

12 1 **No Right to Open Additional Rocket Fizz Shops** To protect the Rocket Fizz System, the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, upon termination or expiration of this Agreement (i) Area Developer shall have no further right to develop any Rocket Fizz Shops, (ii) Area Developer shall have no further rights or obligations under this Agreement or the Rocket Fizz Franchise Agreements that were terminated, (iii) Area Developer shall have the right to continue to own and operate all Rocket Fizz Shops Opened by Area Developer prior to the Termination Date, and (iv) Franchisor may thereafter develop, open and operate, and grant franchises to third parties to develop open and operate Rocket Fizz Shops at any location within or outside of the Development Area, without restriction subject only to any Protected Area rights previously granted to Area Developer for any Rocket Fizz Shop under a Rocket Fizz Franchise Agreement that remains in full force and effect on the Termination Date

12 2 **Damages** If this Agreement terminates due to a Default by Area Developer, Area Developer shall pay all damages, costs, and expenses including reasonable attorneys fees, incurred by Franchisor as a result of the Default In addition to the foregoing, Area Developer shall pay Franchisor $10,000 within thirty (30) days following the Termination Date to account for the actual damages that Franchisor shall suffer as a result of the termination of this Agreement during the time period that Franchisor estimates will expire while Franchisor searches for a replacement area developer to develop Rocket Fizz Shops in the Development Area The Parties acknowledge and agree that it would be impossible and impracticable to determine the precise amount of damages Franchisor will incur upon the termination of this Agreement due to the complications inherent in determining the revenue lost by Franchisor and the uncertainty regarding the number of months that will expire while Franchisor searches for a replacement area developer to develop Rocket Fizz Shops in the Development Territory The Parties further acknowledge and agree that this calculation of Franchisor's potential damages is a reasonable, good-faith estimate of those damages

12 3 **Payment of Monies Due** Area Developer shall promptly pay all sums owing to Franchisor and its Affiliates If this Agreement is terminated because of a Default by Area Developer such sums also shall include all damages, costs, and expenses, including attorneys fees, incurred by Franchisor as a result of the Default Franchisor shall have the right to set off any amounts which Franchisor deems are payable to Franchisor by Area Developer

12 4 **Return of Materials and Other Rocket Fizz Confidential Information** Area Developer shall immediately deliver to Franchisor the Rocket Fizz Manuals and all other records files and any instructions containing Rocket Fizz Confidential Information which are in Area Developer s possession and all copies thereof (all of which are acknowledged to be the property of Franchisor)

13 COVENANTS

13 1 **No Prior Experience, Information or Knowledge** Area Developer specifically acknowledges and agrees that prior to becoming an area developer of Franchisor, Area Developer had no experience, information or knowledge whatsoever about the sale of unique, old-fashioned style soda pop flavors, cutting-edge, new-to-

market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items and related merchandise or a Rocket Fizz Shop and that Area Developer's knowledge of the Confidential Information was obtained solely from Franchisor, following Area Developer's training by Franchisor and Area Developer's subsequent operation of the Rocket Fizz Shop under the Rocket Fizz Franchise Agreement Area Developer specifically acknowledges that, pursuant to this Agreement, Area Developer will receive valuable specialized training and Confidential Information, including, without limitation Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Rocket Fizz System which are unique and proprietary to Franchisor derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy

13 2 **Non-Competition During the Term of this Agreement** Area Developer and each Restricted Person covenants that during the Term except as otherwise approved in writing by Franchisor Area Developer and each Restricted Person shall not either directly or indirectly, for itself or through on behalf of, or in conjunction with any Person, or legal Entity (i) divert or attempt to divert any present or prospective Rocket Fizz customer to any Competitive Business by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Rocket Fizz Marks and the Rocket Fizz System, (ii) employ or seek to employ any Person who is or has been within the preceding ninety (90) days employed by Franchisor or an Affiliate of Franchisor as a supervisorial or managerial employee, or otherwise directly or indirectly induce such Person to leave his or her employment, or (iii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager employee, consultant, representative or agent, any Competitive Business provided however the restrictions stated in this Section 13 2 shall not apply to any Restricted Person after two (2) years from the date the Restricted Person ceases to be an officer, director shareholder member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Area Developer

13 3 **Non-Competition After Expiration or Termination of this Agreement** Except as Franchisor otherwise approves in writing, commencing upon the date of (i) an Assignment permitted under Article 9 of this Agreement, (ii) the Expiration Date of this Agreement (iii) the termination of this Agreement (regardless of the cause for termination), or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section 13 3, and continuing for an uninterrupted period of two (2) years thereafter Area Developer and each Owner shall not own (either beneficially or of record) engage in or render services to, whether as an investor, partner, lender, director officer, manager employee, consultant, representative or agent, any Competitive Business located within three (3) miles of any Franchised Location or other Rocket Fizz Shop, provided, however the restrictions stated in this Section 13 3 shall not apply to any Restricted Person after two (2) years from the date the Restricted Person ceases to be an officer, director shareholder member, manager trustee, owner, general partner employee or otherwise associated in any capacity with Area Developer in the Development Area

13 4 **Exceptions to Non-Compete Covenants** Section 13 2 and Section 13 3 shall not apply to ownership by Area Developer or a Restricted Person of a less than five percent (5%) beneficial interest in the outstanding equity securities of any Competitive Business registered under the Securities Act of 1833 or the Securities Exchange Act of 1934

13 5 **Reducing Scope of Covenants** Franchisor shall have the right in its sole discretion to reduce the scope of any covenant set forth in Section 13 2 and Section 13 3, or any portion thereof, without Area Developer s consent effective immediately upon receipt by Area Developer of written notice thereof and Area Developer agrees that it shall comply forthwith with any covenant as so modified which shall be fully enforceable

13 6 **Enforceabılıty of Covenants Not Affected by Area Developer Claıms** The exıstence of any claıms Area Developer may have agaınst Franchısor, whether or not arısıng from thıs Agreement, shall not constıtute a defense to the enforcement by Franchısor of the covenants ın thıs Artıcle 13 Area Developer shall pay all costs and expenses (ıncludıng reasonable attorneys fees) ıncurred by Franchısor ın connectıon wıth the enforcement of thıs Artıcle 13

13 7 **Covenants from Indıvıduals** Area Developer shall obtaın and furnısh to Franchısor executed covenants sımılar ın substance to those set forth ın thıs Artıcle 13 (ıncludıng covenants applıcable upon the termınatıon of a Person s relatıonshıp wıth Area Developer) from all Owners Every covenant requıred by thıs Sectıon 13 7 shall be ın a form acceptable to Franchısor, and shall ınclude, wıthout lımıtatıon, a desıgnatıon of Franchısor as a thırd party benefıcıary of the covenants wıth the ındependent rıght to enforce them

13 8 **Breach of Covenants Causes Irreparable Injury** Area Developer acknowledges that the vıolatıon of any covenant ın thıs Artıcle 13 would result ın ırreparable ınjury to Franchısor for whıch no adequate remedy at law may be avaılable, and Area Developer consents to the ıssuance of, and agrees to pay all court costs and reasonable attorneys fees ıncurred by Franchısor ın obtaınıng, wıthout the postıng of any bond, an ex parte or other order for ınjunctıve or other legal or equıtable relıef wıth respect to such conduct or actıon

13 9 **Effect of Applıcable Law** In the event any portıon of the covenants ın thıs Artıcle 13 vıolates laws affectıng Area Developer, or ıs held ınvalıd or unenforceable ın a fınal judgment to whıch Franchısor and Area Developer are Partıes then the maxımum legally allowable restrıctıon permıtted by Applıcable Law shall control and bınd Area Developer Area Developer understands and acknowledges that Franchısor shall have the rıght, ın ıts sole dıscretıon, to reduce the scope of any covenant set forth ın Sectıon 13 2, or any portıon thereof, wıthout Area Developer s consent, effectıve ımmedıately upon receıpt by Area Developer of wrıtten notıce thereof and Area Developer agrees that ıt shall comply forthwıth wıth any covenant as so modıfıed, whıch shall be fully enforceable The provısıons of thıs Artıcle 13 shall be ın addıtıon to and not ın lıeu of any other confıdentıalıty oblıgatıon of Area Developer, or any other Person whether pursuant to another agreement or pursuant to Applıcable Law

14 INDEPENDENT CONTRACTOR AND INDEMNIFICATION

14 1 **No Fıducıary Relatıonshıp** Thıs Agreement does not create a fıducıary relatıonshıp between the Partıes Area Developer shall be an ındependent contractor, and nothıng ın thıs Agreement ıs ıntended to constıtute or appoınt eıther Party an agent, legal representatıve, subsıdıary, joınt venturer, partner, employee, or servant of the other for any purpose whatsoever

14 2 **Publıc Notıce of Independent Status** Area Developer shall conspıcuously ıdentıfy ıtself ın all dealıngs wıth ıts customers, contractors, supplıers, publıc offıcıals, and others, as an ındependent Area Developer of Franchısor, and shall place such notıce of ındependent ownershıp on all forms Franchısor shall have the rıght to specıfy the language of any such notıce

14 3 **Independent Contractor** Area Developer acknowledges and agrees that ıt ıs not authorızed to make any contract, agreement, warranty, or representatıon on Franchısor s behalf, or to ıncur any debt or other oblıgatıons ın Franchısor s name, and that Franchısor shall ın no event assume lıabılıty for, or be deemed lıable under thıs Agreement as a result of, any such actıon, nor shall Franchısor be lıable by reason of any act or omıssıon of Area Developer ın ıts conduct of the operatıon of the Rocket Fızz Shops or for any claım or judgment arısıng therefrom agaınst Area Developer or Franchısor

14 4 **Indemnification** Area Developer and its Owners and Affiliates (collectively, the **Indemnitors**) shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Franchisor its Affiliates and their respective directors, officers, employees, shareholders and agents (collectively, the **Indemnitees**), from any and all **Losses and Expenses** incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof (collectively an **Indemnifiable Claim**) which arises directly or indirectly from, as a result of, or in connection with Area Developer s operation of a Rocket Fizz Shop and regardless of whether the Indemnifiable Claim or the Losses and Expenses resulted from any strict or vicarious liability imposed by law on Area Developer, provided, however that this indemnity shall not apply to any liability arising from the gross negligence or willful misconduct of Franchisor (except to the extent that joint liability is involved, in which event the indemnification provided for in this Section 14 4 shall extend to any finding of comparative negligence or contributory negligence attributable to Area Developer) For the purpose of this Section 14 4, the term ' **Losses and Expenses** ' means and includes compensatory, exemplary, or punitive damages, fines and penalties, attorneys fees, experts fees, court costs costs associated with investigating and defending against claims, settlement amounts, judgments, compensation for damages to a Party s reputation and goodwill and all other costs associated with any of the foregoing Losses and Expenses

14 4 1 The Indemnitees shall give the Indemnitors prompt notice of any Indemnifiable Claim of which the Indemnitees are aware for which indemnification is required under this Section 14 4 The notice shall specify whether the Indemnifiable Claim arises as a result of an Indemnifiable Claim by a third party against the Indemnitees (a **Third Party Claim**) or whether the Indemnifiable Claim does not result from an Indemnifiable Claim by a third party against the Indemnitees (a **Direct Claim**), and shall also specify with reasonable particularity (to the extent that the information is available) the factual basis for the Indemnifiable Claim and the amount of the Indemnifiable Claim, if known If, through the fault of the Indemnitees, the Indemnitors do not receive notice of any Indemnifiable Claim in time to effectively contest the determination of any Losses and Expenses susceptible of being contested, the Indemnitors shall be entitled to set off against the amount claimed by the Indemnitees the amount of any Losses and Expenses incurred by the Indemnitors resulting from the Indemnitees failure to give such notice on a timely basis

14 4 2 With respect to Third Party Claims, the Indemnitors shall have the right at their expense and at their election, to assume control of the negotiation, settlement and defense of Third Party Claims through counsel of their choice The election of the Indemnitors to assume such control shall be made within thirty (30) days after the Indemnitors receipt of notice of a Third Party Claim If the Indemnitors elect to assume control, the Indemnitors shall do so at the Indemnitors' sole expense The Indemnitees shall have the right to be informed and consulted with respect to the negotiation, settlement or defenses of the Third Party Claim and to retain counsel to act on the Indemnitees' behalf, at the Indemnitees' sole expense, unless the Indemnitors consent to the retention of the Indemnitees counsel at the Indemnitors' expense or unless the Indemnitors and the Indemnitees are both named in any action or proceeding and the representation of both the Indemnitors and the Indemnitees by the same counsel would be appropriate because of the absence of any actual or potential differing interests between them (such as the availability of different defenses)

14 4 3 If the Indemnitors elect to assume control, but thereafter fail to defend the Third Party Claim within a reasonable time, the Indemnitees shall be entitled to assume control and the Indemnitors shall be bound by the results obtained by the Indemnitees with respect to the Third Party Claim If any Third Party Claim is of a nature that the Indemnitees are required by Applicable Law to make a payment to any claimant with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings the Indemnitees may make such payment and the Indemnitors shall within thirty (30) days after demand by the

Indemnitees, reimburse the Indemnitees for the amount of the payment If the Indemnitees liability under the Third Party Claim, as finally determined, is less than the amount paid by the Indemnitors to the Indemnitees, the Indemnitees shall, within thirty (30) days after receipt of the difference from the claimant, pay the difference to the Indemnitors

14 4 4 If the Indemnitors fail to assume control of the defense of any Third Party Claim, the Indemnitees shall have the exclusive right to consent settle or pay the amount claimed Whether or not the Indemnitors assume control of the negotiation, settlement or defenses of any Third Party Claim, the Indemnitors shall not settle any Third Party Claim without the written consent of the Indemnitees, which consent shall not be unreasonably withheld or delayed The Indemnitees and the Indemnitors shall cooperate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect to Third Party Claims (including supplying copies of all relevant documentation promptly as they become available)

14 4 5 With respect to Direct Claims, following receipt of notice from the Indemnitees of the Direct Claim, the Indemnitors shall have thirty (30) days to make such investigation of the Direct Claim as is considered necessary or desirable For the purpose of the investigation, the Indemnitees shall make available to the Indemnitors the information relied upon by the Indemnitees to substantiate the Direct Claim, together with all other information that the Indemnitors may reasonably request If the Indemnitors and the Indemnitees agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of a Direct Claim, the Indemnitors shall immediately pay the Indemnitees the full agreed upon amount of the Direct Claim If the Indemnitors fails to pay the same, the matter shall be resolved in the manner described in Article 15

14 4 6 The Indemnitees shall exert commercially reasonable efforts to mitigate the Losses and Expenses upon and after becoming aware of any Indemnifiable Claim which could reasonably be expected to give rise to the payment of Losses and Expenses

15 DISPUTE RESOLUTION

15 1 **Mediation** The Parties pledge to attempt first to resolve any Dispute pursuant to mediation conducted in accordance with the rules of Judicial Arbitration and Mediation Service (**JAMS**) or its successor unless Franchisor and Area Developer agree on alternative rules and a mediator within fifteen (15) days after either Party first gives notice of mediation Mediation shall be conducted in a county in Nevada in which Franchisor has a principal place of business at the time the mediation is initiated and shall be conducted and completed within forty-five (45) days following the date either Party first gives notice of mediation unless otherwise agreed to in writing by Franchisor and Area Developer The fees and expenses of the mediator shall be shared equally by Franchisor and Area Developer The mediator shall be disqualified as a witness, expert or counsel for any Party with respect to the Dispute and any related matter Mediation is a compromise negotiation and shall constitute privileged communications under Applicable Laws The entire mediation process shall be confidential and the conduct, statements promises, offers, views and opinions of the mediator and Franchisor and Area Developer shall not be discoverable or admissible in any legal proceeding for any purpose provided, however that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation Notwithstanding anything to the contrary set forth in this Agreement, any Party that fails to reasonably cooperate in scheduling and completing a mediation within forty-five (45) days after giving or receiving notice thereof shall be precluded from recovering costs, expenses, and/or prevailing Party attorneys fees in any subsequent legal action The mediation provision in this Section 15 1 shall not apply to any action for injunctive or other provisional relief, including, without limitation, enforcement of liens, security agreements or attachment as Franchisor deems to be necessary or appropriate to compel Area Developer to comply with Area Developer s obligations to Franchisor and/or to protect the Rocket Fizz Marks Any claim or dispute involving or contesting the validity of any of the Rocket Fizz Marks shall not be subject to mediation If any dispute remains

unresolved ninety (90) days after a demand for mediation by either Party, Franchisor and Area Developer shall each be free to pursue their respective legal remedies under Section 15 2

15 2 **Judicial Relief** The Parties agree that disputes arising out of or relating to this Agreement shall be brought in the state or federal Courts located in a **county in** Nevada in **which Franchisor has a principal place of business** at the time the action is initiated To the fullest extent that the Parties may do so under Applicable Law, the Parties waive the defense of inconvenient forum to the maintenance of an action in these Courts and agree not to commence any action of any kind except in these Courts This Agreement shall be interpreted and construed under the laws of Nevada In the event of any conflict of law the law of Nevada shall prevail, without regard to the application of Nevada conflict of law rules If, however, any provision of this Agreement would not be enforceable under the laws of Nevada, and if the Rocket Fizz Shop is located outside of Nevada and such provision would be enforceable under the Applicable Law of the state in which the Rocket Fizz Shop is located, then such provision shall be interpreted and construed under the Applicable Law of that state Nothing in this Section 15 2 is intended by the Parties to subject this Agreement to any franchise or similar law, rules or regulation of any state to which it would not otherwise be subject

15 3 **Waivers** The Parties agree, to the extent permitted by Applicable Law that any legal action of any kind by either Party arising out of or relating to this Agreement or its breach must be commenced by no later than the last to occur of the following (i) one hundred eighty (180) days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability, or (ii) one (1) year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability The Parties, for themselves, and for and on behalf of the Owners, respectively, hereby waive to the fullest extent permitted by Applicable Law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, the Parties shall each be limited to recovering only the actual damages proven to have been sustained by that Party

15 4 **Specific Performance** The Parties acknowledge that each Party would be irreparably damaged if the provisions of this Agreement were not capable of being specifically enforced, and for this reason, the Parties agree that the provisions of this Agreement shall be specifically enforceable The Parties further agree that any act or failure to act which does not strictly comply with the provisions and conditions of this Agreement may be specifically restrained, and that the equitable relief provided for in this Agreement shall not in any way limit or deny any other remedy at law or in equity that either Franchisor or Area Developer might otherwise have

15 5 **Attorneys' Fees** In any legal action or proceeding brought to enforce any provision of this Agreement or arising out of or in connection with, this Agreement, the prevailing Party shall be entitled to recover from the other Party its reasonable attorneys fees and costs in addition to any other relief that may be awarded by a Court

15 6 **Exclusive Remedy** In no event shall either Party make or have any claim for money damages based on any claim or assertion that the other Party has unreasonably withheld conditioned or delayed any consent, approval or authorization required under this Agreement Each Party waives any claim for damages Neither Party may claim any damages by way of setoff, counterclaim or defense Each Party s sole remedy for such a claim shall be an action or proceeding to enforce the provisions of this Agreement, for specific performance or for declaratory judgment

16 ANTI-TERRORISM LAWS

Area Developer shall comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Executive Order 13224 issued by the President of the United States, the USA Patriot Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war (the **Anti-Terrorism Laws**") In connection with its compliance, Area Developer certifies represents and warrants that none of Area Developer's property or interests are subject to being 'blocked under any of the Anti-Terrorism Laws and that Area Developer is not otherwise in violation of any of the Anti-Terrorism Laws Any violation of the Anti-Terrorism Laws by Area Developer or Area Developer s employees or any "blocking' of Area Developer's assets under the Anti-Terrorism Laws constitute grounds for immediate termination of this Agreement and any other agreements Area Developer has entered into with Franchisor or any of its Affiliates in accordance with the provisions of Section 11 2

17 NOTICES

All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery with a guaranteed tracking facility, by certified mail, by facsimile transmission or by electronic transmission (email) Service shall be deemed conclusively made (i) at the time of service, if personally served, (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility, (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested with postage prepaid, (iv) on the day of facsimile transmission to the facsimile number given below if telephonic confirmation of receipt is obtained by the sender promptly after completion of facsimile transmission, and (v) on the day of electronic transmission to the email address given below if telephonic confirmation of receipt is obtained by the sender promptly after completion of electronic transmission Notices and demands shall be given to the respective Parties at the following addresses, unless and until a different address has been designated by written notice to the other Party

Notices to Franchisor

RPM Summit Group, LLC
770 Mays Boulevard, #5400
Incline Village Nevada 89450
Attention Chief Executive Officer

With a copy (which shall not constitute notice) to

Barry Kurtz Esq
Lewitt, Hackman Shapiro, Marshall & Harlan
16633 Ventura Boulevard 11th Floor
Encino, California 91436
Facsimile (818) 981-4764

Notices to Area Developer

____
____
____
____
Attention ________________

Either Party may change its address for the purpose of receiving notices, demands and other communications provided by a written notice given in the manner aforesaid to the other Party

18 ACKNOWLEDGMENTS

18 1 **Waiver and Delay** No waiver by Franchisor of any Default, or series of Defaults in performance by Area Developer, and no failure, refusal or neglect of Franchisor to exercise any right, power or option given to it hereunder or under any agreement between the Parties, whether entered into before, after or contemporaneously with the execution of this Agreement or to insist upon strict compliance with or performance of Area Developer s

obligations under this Agreement or any Rocket Fizz Franchise Agreement or other agreement between the Parties, whether entered into before, after or contemporaneously with the execution of this Agreement, shall constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the provisions thereof

18 2 **Survival of Covenants** The covenants contained in this Agreement which by their nature or terms, require performance by the Parties after the expiration or termination of this Agreement shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever

18 3 **Successors and Assigns** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Franchisor and shall be binding upon and inure to the benefit of Area Developer and his or their respective, heirs, executors, administrators, and its successors and assigns, subject to the prohibitions and restrictions against Assignment contained in this Agreement

18 4 **Responsibility** The term **Area Developer** as used in this Agreement shall refer to each Person executing this Agreement as Area Developer, whether such Person is one of the spouses or Owners named as included in Area Developer, and shall apply to each such Person as if he were the only named Area Developer in this Agreement

18 4 1 If Area Developer is a married couple, both husband and wife executing this Agreement shall be liable for all obligations and duties of Area Developer under this Agreement as if such spouse were the sole Area Developer under this Agreement

18 4 2 If Area Developer is a partnership or if more than one Person executes this Agreement as Area Developer, each partner or Person executing this Agreement shall be liable for all the obligations and duties of Area Developer under this Agreement

18 4 3 If Area Developer is a trust, each trustee, trustor and beneficiary signing this Agreement shall be liable for all of the obligations and duties of Area Developer under this Agreement

18 4 4 If Area Developer is a corporation or limited liability company, all shareholders or members executing this Agreement shall be liable for all obligations and duties of Area Developer under this Agreement as if each such shareholder or member were the sole Area Developer under this Agreement

18 4 5 If Area Developer is in breach or Default under this Agreement Franchisor may proceed directly against each such spouse, Owner or signatory to this Agreement without first proceeding against Area Developer and without proceeding against or naming in such suit any other Area Developer, Owner or signatory to this Agreement The obligations of Area Developer and each such spouse, Owner, and Person executing this Agreement shall be joint and several

18 4 6 Notice to or demand upon one spouse, Owner, or Person signing this Agreement shall be deemed notice to or demand upon Area Developer and all such spouses, Owners, and persons signing this Agreement, and no notice or demand need be made to or upon all such Area Developer s spouses Owners, or persons executing this Agreement

18 4 7 The cessation of or release from liability of Area Developer, or any such spouse, Owner, or Person executing this Agreement shall not relieve any other Area Developer spouse, Owner, or Person executing this

Agreement from liability under this Agreement, except to the extent that the breach or Default has been remedied or monies owed have been paid

18 5 **Joint and Several Liability** If Area Developer consists of more than one Owner the obligations and liabilities of each Person or Entity to Franchisor are joint and several

18 6 **Entire Agreement** This Agreement and the Exhibits contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Agreement No other agreements concerning the subject matter of this Agreement, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Agreement and superseded by this Agreement No officer or employee or agent of Franchisor has any authority to make any representation or promise not included in this Agreement and Area Developer agrees that it has executed this Agreement without reliance upon any representation or promise not included in this Agreement This Agreement cannot be modified or changed except by written instrument signed by both of the Parties Nothing in this Agreement or in any related agreement however, is intended to disclaim the representations made in the Disclosure Document previously furnished to Area Developer

18 7 **Titles and Recitals** Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement The Recitals set forth in Recitals A and B of this Agreement are true and correct and are hereby incorporated by reference into the body of this Agreement

18 8 **Gender and Construction** The terms of all Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full in this Agreement All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any Article or Section in this Agreement may require As used in this Agreement, the words include, "includes' or including are used in a non-exclusive sense Unless otherwise expressly provided in this Agreement to the contrary, any consent, approval, acceptance or authorization of Franchisor or Area Developer that may be required under this Agreement shall be in writing and shall not be unreasonably withheld, conditioned or delayed by the Party whose consent, approval acceptance or authorization has been requested To protect the Rocket Fizz System the Rocket Fizz Marks, the Rocket Fizz Trade Secrets and the goodwill associated with the same, on any occasion where Franchisor is required or permitted to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Franchisor's standards or satisfaction, Franchisor may do so in its sole subjective judgment and discretion Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise On the contrary, this Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of both Parties The Parties intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable then the provision shall be given the meaning that renders it enforceable

18 9 **Severability, Modification** Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to Applicable Law Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law ordinance or regulation contrary to which the Parties have no legal right to contract, the latter shall prevail, but in that event, the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of Applicable Law In the event that any part, article paragraph sentence or clause of this Agreement shall be held to be indefinite

invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect

18 10 **Counterparts and Electronic Transmission** This Agreement may be executed in any number of counterparts each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement In addition this Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits

18 11 **Electronic Execution and Copies** This Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and Electronic Signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits An executed copy of this Agreement (or any portion of this Agreement) may be delivered by either of the Parties by facsimile, electrical digital magnetic, optical, electromagnetic, or similar capability regardless of the medium of transmission (collectively, **electronic**), and delivery will be effective and binding upon the Parties, and will not in any way diminish or affect the legal effectiveness, validity or enforceability of this Agreement Area Developer acknowledges and agrees that Franchisor may create an electronic record of any or all agreements, correspondence or other communications between the Parties or involving third parties and may thereafter dispose of or destroy the original of any of the agreements correspondence or other communications Any such electronic record will be inscribed on a tangible medium or stored in an electronic or other medium and be retrievable in perceivable form, and will be maintained in and readable by hardware and software generally available Notwithstanding any Applicable Law to the contrary, any electronic version of this Agreement or any other agreements, correspondence or other communications between the Parties will have the same legal effect validity and enforceability as an original of any document, even if the original of the document has been disposed of or intentionally destroyed

18 12 **Time of the Essence** Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor

18 13 **Intent to Comply** Area Developer has read this Agreement and understands and accepts the terms conditions and covenants contained in this Agreement as being reasonably necessary to maintain Franchisor s standards of service and quality and the uniformity of those standards at all Rocket Fizz Shops in order to protect and preserve the Rocket Fizz System and the goodwill of the Rocket Fizz Marks Area Developer, and its Owners, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution of this Agreement, that they have obtained the advice of counsel in connection with entering into this Agreement that they understand the nature of this Agreement, and that they intend to comply with the terms of this Agreement and be bound by the terms of this Agreement Franchisor expressly disclaims making, and Area Developer acknowledges that it or they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses, or success of the business venture contemplated by this Agreement

18 14 **Independent Investigation** Area Developer has conducted an independent investigation of the business contemplated by this Agreement Area Developer recognizes that the Rocket Fizz System may evolve and change over time, that an investment in the Rocket Fizz Shop involves business risks, and that the success of the investment depends upon Area Developer s business ability and efforts

18 15 **Counsel** The Parties acknowledge and agree that each Party has been represented by independent legal counsel their choice in connection with this Agreement or has had the opportunity to have legal counsel review this Agreement and advise the Party regarding the same, but has voluntarily chosen not to do so

18 16 **Reliance** Area Developer has not received or relied upon any promise or guarantee, express or implied, about the revenues, profits or success of the business venture contemplated by this Agreement

18 17 **No Representations** No representations have been made by Franchisor or its Affiliates or their respective officers, directors shareholders, employees or agents that are contrary to the terms contained in this Agreement Area Developer shall remain duly organized and in Good Standing for as long as this Agreement is in effect

18 18 **Atypical Arrangements** Area Developer acknowledges and agrees that Franchisor may modify the offer of its franchises to other Rocket Fizz area developers and franchisees in any manner and at any time, which offers have or may have terms, conditions, and obligations, which may differ from the terms, conditions, and obligations in this Agreement Area Developer further acknowledges and agrees that Franchisor has made no warranty or representation that area development agreements or franchise agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement Franchisor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Agreements previously executed or executed after the date of this Agreement with other Rocket Fizz area developers and franchisees in a non-uniform manner

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date

FRANCHISOR

RPM SUMMIT GROUP, LLC
A Nevada limited liability company

By ______________________________

Name ______________________________

Title ______________________________

AREA DEVELOPER

(IF AREA DEVELOPER IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Print Name of Franchisee Entity]

By ______________________________
Name ______________________________
Title ______________________________

AND

(IF AREA DEVELOPER IS AN INDIVIDUAL)

____
Print Name

____
Signature

____
Print Name

____
Signature

ROCKET FIZZ FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT A
DEVELOPMENT INFORMATION

ROCKET FIZZ FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT A
DEVELOPMENT INFORMATION

EFFECTIVE DATE ____

AREA DEVELOPER ____

DEVELOPMENT AREA is defined as the territory within the boundaries described below

____
____
____
____
____
____

If the Development Area is defined by streets, highways, freeways or other roadways then the boundary of the Development Area shall extend to the center line of each street, highway, freeway or other roadway

DEVELOPMENT OBLIGATION ___________ Rocket Fizz Shops

DEVELOPMENT SCHEDULE _______ Rocket Fizz Shops that must be Opened by Area Developer within ___ months after the Effective Date

DEVELOPMENT PERIOD ENDING	CUMULATIVE NUMBER OF ROCKET FIZZ SHOPS TO BE IN OPERATION
TOTAL	

DEVELOPMENT FEE $________________ (@ $10,000 for each Rocket Fizz Shop)

DEVELOPMENT FEE CREDIT $10,000 per Rocket Fizz Shop (maximum credit per Rocket Fizz Shop)

INITIAL FRANCHISE FEE $54,000 for your first Rocket Fizz Shop and $45,000 for each subsequent Rocket Fizz Shop Your Franchise Agreement for each Rocket Fizz Shop will be executed by the Parties following Area Developer s execution of a Lease for the Franchised Location and the balance of your Initial Franchisee will be due and payable at that time

TRANSFER FEE $5,000

EXPIRATION DATE OF TERM ____________________

NOTICE ADDRESS FOR AREA DEVELOPER ____

____

Email ______________________________________

IN WITNESS WHEREOF, the Parties have executed this **<u>Exhibit A</u>** on the Effective Date

FRANCHISOR

RPM SUMMIT GROUP, LLC
A Nevada limited liability company

By ________________________________

Name ________________________________

Title ________________________________

AREA DEVELOPER

(IF AREA DEVELOPER IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Print Name of Franchisee Entity]

By ________________________________
Name ________________________________
Title ________________________________

AND

(IF AREA DEVELOPER IS AN INDIVIDUAL)

____
Print Name

____
Signature

____
Print Name

____
Signature

RPM SUMMIT GROUP, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT B
ENTITY INFORMATION DISCLOSURE

RPM SUMMIT GROUP, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT B
ENTITY INFORMATION DISCLOSURE

Area Developer represents and warrants that the following information is accurate and complete in all material respects

(1) Area Developer is a (check as applicable)

[ ] corporation
[ ] limited liability company
[ ] general partnership
[ ] limited partnership
[ ] Other (specify) ______________________

State of incorporation/organization __________

Name of Area Developer entity ____________

(2) Area Developer shall provide to Franchisor concurrently with the execution of this Agreement true and accurate copies of its charter documents including Articles of Incorporation/Organization, Bylaws, Operating Agreement Partnership Agreement, resolutions authorizing the execution of this Agreement and any amendments to the foregoing (the **Entity Documents**')

(3) Area Developer promptly shall provide all additional information as Franchisor may from time to time request concerning all persons who may have any, direct or indirect, financial interest in Area Developer

(4) The name and address of each Owner is

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE INTEREST

(5) The names, addresses and titles of the Owners who will be devoting their full time to the development of Rocket Fizz Shops are

NAME	ADDRESS	TITLE

(6) The address where Area Developer's financial records and Entity Documents are maintained is

____

(7) The Principal Owner is ______________________________

(8) Area Developer represents and warrants to Franchisor as an inducement to Franchisor's execution of the Area Development Agreement, that the information set forth in this Entity Information Disclosure is true, accurate and complete in all material respects on the Effective Date and that Area Developer shall provide Franchisor with all additional information Franchisor may request with respect to the partners, shareholders and members of Area Developer and the ownership of Area Developer upon demand by Franchisor In addition, Area Developer shall notify Franchisor within ten (10) days of any change in the information set forth in this Entity Information Disclosure and shall provide Franchisor with a revised Entity Information Disclosure certified by Area Developer to be true, correct and complete in all material respects Franchisor grants Area Developer the rights in the Franchise Agreement in reliance upon each and all of the terms of this Entity Information Disclosure

IN WITNESS WHEREOF, Area Developer has executed this **Exhibit B** on the Effective Date

FRANCHISOR.

RPM SUMMIT GROUP LLC
A Nevada limited liability company

By ______________________

Name ______________________

Title ______________________

AREA DEVELOPER

(IF AREA DEVELOPER IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Print Name of Franchisee Entity]

By ______________________
Name ______________________
Title ______________________

AND

(IF AREA DEVELOPER IS AN INDIVIDUAL)

____
Print Name

____
Signature

____
Print Name

____
Signature

RPM SUMMIT GROUP, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT C
GUARANTEE OF AREA DEVELOPMENT AGREEMENT

RPM SUMMIT GROUP, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT C
GUARANTEE OF AREA DEVELOPMENT AGREEMENT

The undersigned (**Guarantors**) have requested **RPM SUMMIT GROUP, LLC** a Nevada limited liability company ("**Franchisor**") to enter into an Area Development Agreement dated __________ (the "**Area Development Agreement**") with ___________________________, a ________________ ("**Area Developer**) In consideration for, and as an inducement to, Franchisor's execution of the Area Development Agreement Guarantors hereby grant this guarantee (this **Guarantee** ') and agree as follows

1 **Obligations** ' means and includes any and all obligations of Area Developer arising under or pursuant to the Area Development Agreement and all other obligations, whether now existing or hereafter arising, of Area Developer to Franchisor of whatever nature Capitalized terms not defined in this Guarantee shall have meanings set forth in the Area Development Agreement

2 Guarantors irrevocably and unconditionally, fully guarantee to Franchisor the prompt, full and complete payment of any and all Obligations of Area Developer to Franchisor and the performance of any and all obligations of Area Developer including, without limitation, obligations under the Area Development Agreement or any other agreement, instrument or document relating to, evidencing or securing any Obligations

3 If Area Developer fails to pay any of the Obligations, Guarantors shall within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, pay all of the Obligations in like manner as if the Obligations constituted the direct and primary obligation of Guarantors Guarantors agree that if any obligation, covenant or agreement contained in the Area Development Agreement is not observed, performed or discharged as required by the Area Development Agreement (taking into consideration any applicable cure periods), Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, observe, perform or discharge the obligation, covenant or agreement in like manner as if the same constituted the direct and primary obligation of Guarantors

4 No exercise or non-exercise by Franchisor of any right under this Guarantee, no dealing by Franchisor with Area Developer or any other Person and no change impairment or suspension of any right or remedy of Franchisor shall in any way affect any Obligations of Guarantors under this Guarantee or give Guarantors any recourse against Area Developer Without limiting the generality of the foregoing, Guarantors agree that, regardless of whether Franchisor gives notice thereof or obtains the consent of Guarantors thereto, Guarantors liability under this Guarantee shall not be released, extinguished or otherwise reduced in any way by reason of (i) any amendment, modification, renewal, extension, substitution or replacement of the Area Development Agreement or of any of the Obligations, in whole or in part, (ii) any acceptance, enforcement or release by Franchisor of any security for the Area Development Agreement or of any of the Obligations, any addition, substitution or release of any of the Guarantors, or any enforcement, waiver, surrender, impairment, release, compromise or settlement of any matter with respect to the Area Development Agreement or the Obligations or any security therefore, (iii) any assignment of this Guarantee, in whole or in part by Franchisor, or any assignment or transfer of the Area Development Agreement by Franchisor or Area Developer (iv) the invalidity or unenforceability of any provision of the Area Development Agreement or any of the Obligations, or (v) any failure omission or delay of Franchisor in enforcing the Area Development Agreement, the Obligations or this Guarantee

5 Guarantors waive and agree not to assert or take advantage of (i) any right to require Franchisor to proceed against Area Developer or any other Person, firm or corporation or to proceed against or exhaust any security held by Franchisor at any time or to pursue any other remedy in Franchisor s power, (ii) any statute of limitations in any action under this Guarantee to collect any Obligations guaranteed hereby, (iii) any defense that may arise by reason of Area Developer's incapacity, lack of authority, insolvency or bankruptcy or Franchisor's failure to file or enforce a claim against the estate (either in bankruptcy or other proceeding) of Area Developer, any other or others, (iv) any defense arising out of any alteration of the Area Development Agreement or the Obligations, (v) notice of Area Developer's Default in the payment or performance of any of the Obligations, (vi) demand, protest and notice of any kind including, without limitation, notice of acceptance, notice of the existence, creation or incurring of new or additional Obligations or obligations or of any action or non-action on the part of Area Developer Franchisor, any endorser, creditor of Area Developer or Guarantors under this or any other instrument, or any other Person, in connection with any obligation or evidence of Obligations held by Franchisor or in connection with any Obligations hereby guaranteed, (vii) all rights and defenses arising out of an election of remedies by Franchisor, even though that election of remedies, such as non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantors rights of subrogation and reimbursement against Area Developer by operation of Applicable Law or otherwise, (viii) any duty of Franchisor to disclose to Guarantors any facts that Franchisor may now or hereafter know about Area Developer regardless of whether Franchisor has reason to believe that any such facts materially increase the risk beyond that which Guarantors intend to assume or have reason to believe that such facts are unknown to Guarantors or has a reasonable opportunity to communicate such facts to Guarantors it being understood and agreed that Guarantors are responsible to be and to keep informed of Area Developer's financial condition and of all circumstances bearing on the risk of nonpayment of any Obligations hereby guaranteed, and (ix) any right to the benefit of or to direct the application of any security held by Franchisor

6 Until all Obligations to Franchisor are paid in full and fully performed, Guarantors shall have no right of subrogation and waive any right to enforce any remedy that Franchisor now has or may hereafter have against Area Developer All existing or future indebtedness of Area Developer to Guarantors and any right to withdraw capital invested in Area Developer by Guarantors are hereby subordinated to all Obligations

7 Guarantors' liabilities and all rights, powers and remedies of Franchisor under this Guarantee and under any other agreement now or at any time hereafter in force between Franchisor and Guarantors shall be cumulative and not alternative and such rights, powers and remedies shall be additional to all rights, powers and remedies given to Franchisor by Applicable Law Without limiting the generality of anything contained herein, Guarantors waive and agree not to assert or take advantage of (i) all rights described in California Civil Code Section 2856(a)(1) through (3), inclusive, which includes, without limitation any rights and defenses which are or may become available to Guarantors by reason of California Civil Code Sections 2787 through 2855, inclusive, and (ii) California Civil Code Section 2899

8 The liability of Guarantors under this Guarantee shall be an absolute direct, immediate and unconditional continuing guarantee of payment and performance and not of collection Guarantors obligations under this Guarantee are independent of Area Developer s obligations This is a continuing Guarantee It shall be irrevocable during the Term and through any extensions, amendments, modifications, substitutions or replacements of the Area Development Agreement and until all Obligations has been fully paid and the Obligations have been fully performed In the event of any Default under this Guarantee, a separate action and/or successive actions may be brought and prosecuted against Guarantors regardless of whether action is brought against Area Developer or whether Area Developer is joined in any such action or actions Franchisor may maintain successive actions for other defaults Franchisor s rights under this Guarantee shall not be exhausted by Franchisor s exercise of any rights or remedies or by any such action or by any number of successive actions until and unless all Obligations have fully been paid and performed The obligations of Guarantors shall be primary

and are independent of the obligations of Area Developer and Franchisor may directly enforce its rights under this Guarantee without proceeding against or joining Area Developer or any other Person or Entity, or applying or enforcing any security of the Area Development Agreement Guarantors acknowledge and agree that Guarantors shall, and hereby are, bound by each and all of the confidentiality and non-competition provisions of the Area Development Agreement

9 Neither any provision of this Guarantee nor right of Franchisor under this Guarantee can be waived nor can Guarantors be released from Guarantors obligations under this Guarantee except by a written agreement executed by Franchisor If any provision or portion of any provision of this Guarantee is found by a court of competent jurisdiction to be illegal or unenforceable, all other provisions shall, nevertheless, remain enforceable and effective This Guarantee constitutes the entire agreement of Guarantors and Franchisor with respect to the subject matter hereof and no representation, understanding, promise or condition concerning the subject matter hereof shall bind Franchisor unless expressed herein

10 All written notices permitted or required under this Guarantee shall be deemed given and delivered in accordance with Article 17 of the Area Development Agreement Notices to Guarantors shall be sent to the address set forth below each Guarantor's signature below

11 This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument Copies of this Guarantee with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Guarantee for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Guarantee In addition, this Guarantee may be signed electronically by Guarantors and electronic signatures appearing on this Guarantee shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Guarantee

12 This Guarantee shall be governed by and construed in accordance with the laws of the State of Nevada Venue for purposes of any legal proceedings brought in connection with or arising out of this Guarantee shall be conclusively presumed to be, and Guarantors hereby submit to the jurisdiction of any court, whether federal or state, in the State of Nevada, in the county in which Franchisor s principal place of business is located at the time the act is initiated, or as otherwise selected by Franchisor in its sole and absolute discretion

Executed by or on behalf of Guarantors on the date set forth below

______________________________ Date ________________

Address

____

______________________________ Date ________________

Address

____

EXHIBIT C TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

OPTION TO OBTAIN LEASE ASSIGNMENT

RPM SUMMIT GROUP, LLC
OPTION TO OBTAIN LEASE ASSIGNMENT

THIS OPTION TO OBTAIN LEASE ASSIGNMENT (this **Agreement**') is made and entered into as of ____________ (the '**Effective Date**"), by and between **RPM SUMMIT GROUP, LLC**, a Nevada limited liability company ('**Franchisor**), and ______________________, a ___________________________ ('**Franchisee**), and ______________________, a ______________________ (**Landlord**), who are individually referred to in this Agreement as a **Party**", and collectively referred to in this Agreement as "**Parties**, with reference to the following facts

A On _____________, Landlord, as lessor, and Franchisee as tenant, entered into a Lease (the "**Lease**) for the premises located at ______________________________________ (the '**Franchised Location**) pursuant to which Franchisee leased the Franchised Location from Landlord for the purpose of operating a franchised Rocket Fizz Shop (the **Rocket Fizz Shop**') at the Franchised Location

B On ___________, Franchisor, as franchisor, and Franchisee, as franchisee, entered into a Franchise Agreement (the '**Franchise Agreement**') pursuant to which Franchisee agreed to operate the Rocket Fizz Shop at the Franchised Location as a franchisee of Franchisor in accordance with the terms and conditions of the Franchise Agreement

C Franchisee, Franchisor and Landlord desire to enter into this Agreement to define the rights of Franchisor in and to the Franchised Location and to protect the interests of Franchisor with respect to the continued operation of a Rocket Fizz Shop at the Franchised Location during the entire term of the Lease and any renewals and extensions of the Lease on the terms and conditions set forth in this Agreement

NOW, THEREFORE, IT IS AGREED

1 **INCORPORATION OF RECITALS**

The Recitals set forth in Paragraphs A through C of this Agreement are true and correct and are incorporated into this Agreement as part of this Agreement

2 **OPTION**

Franchisee does hereby grant to Franchisor an option, exercisable at any time within thirty (30) days after Franchisor's receipt of actual notice of the occurrence of any of the events described in Section 3 1 through Section 3 7 (the **Option**"), to succeed to Franchisee s rights under the Lease and to obtain an assignment of the rights and obligations of Franchisee under the Lease to Franchisor (the **Assignment**') This Agreement shall remain in full force and effect, and the Option granted in this Section 2 shall remain exercisable by Franchisor during the entire term of the Franchise Agreement and the Lease, including all extension terms and /or renewal terms of the Franchise Agreement and the Lease

3 **ONLY EFFECTIVE UPON EXERCISE OF OPTION**

This Agreement shall be effective upon the Effective Date, however, the Assignment shall only become effective if, and when, Franchisor expressly exercises the Option in writing after the occurrence of one or more of the following events

3 1 **Franchise Agreement**. The occurrence of (i) any acts which would result in the immediate termination of the Franchise Agreement, or (ii) the default by Franchisee in the performance of any of the terms

or obligations of the Franchise Agreement, which default is not cured within the applicable cure period set forth in the Franchise Agreement

3 2 **Lease** The occurrence of (i) any acts which would result in the termination or merger of the Lease, or (ii) the default by Franchisee in the performance of any of the terms or obligations of the Lease which default is not cured within the applicable cure period set forth in the Lease

3 3 **Sale of Shop** If Franchisee, without the prior written consent of Franchisor, either (i) sells transfers, assigns, sublets or enters into any agreement to sell, transfer, assign or sublet any of its right, title or interest in and to the Rocket Fizz Shop, including any transfer, assignment or sublet of the Franchise Agreement, the Lease or any of the operating assets of the Rocket Fizz Shop, or (ii) amends the Lease in any manner which would impair the value of the security granted by this Agreement or which would materially affect the rights of Franchisor under this Agreement

3 4 **Failure to Exercise Option to Renew or Extend** If Franchisee shall fail to exercise any option to renew or extend the term of the Lease

3 5 **Insolvency** If Franchisee (i) is adjudicated insolvent or makes an assignment for the benefit of creditors, or (ii) Franchisee applies for or consents to the appointment of a custodian, receiver, trustee or similar officer for it or for all or any substantial part of its property, or (iii) if such a custodian, receiver trustee or similar officer is appointed without the application or consent of Franchisee, and such appointment continues undischarged for a period of sixty (60) days

3 6 **Bankruptcy** If Franchisee (i) is adjudicated bankrupt or institutes (by petition application, answer, consent or otherwise) any bankruptcy, insolvency, reorganization, moratorium, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction, or (ii) any such proceeding is instituted (by petition, application or otherwise) against Franchisee and remains undismissed for a period of sixty (60) days

3 7 **Purchase of Franchised Location** If Franchisee or any entity with which Franchisee has any financial interest enters into any agreement to purchase the Franchised Location from Landlord Franchisee and Landlord shall each provide Franchisor with independent and separate written notice of the occurrence of any of the events described in Section 3 1 through Section 3 7 no later than fifteen (15) days after the occurrence of any of the events described in Section 3 1 through Section 3 7

4 CONSENT TO ASSIGNMENT

Landlord hereby consents to the Assignment and agrees that its consent to the Assignment shall remain in effect during the entire term of the Lease and any and all renewals and extensions of the Lease The Lease shall not be amended, modified, altered, assigned, extended renewed or terminated by Landlord, nor shall the Franchised Location be sublet by Franchisee with the consent of Landlord, without the prior written consent of Franchisor

5 EXERCISE OF OPTION BY FRANCHISOR

Franchisor shall exercise the Option by giving written notice to Franchisee and Landlord of its affirmative election to do so within thirty (30) days after Franchisor's receipt of actual notice of the occurrence of any of the events described in Section 3 1 through Section 3 7

5 1 **Cure Defaults** If Franchisor exercises the Option, Franchisee Franchisor or its franchisee-designee shall have the right to cure all uncured defaults of Franchisee under the Lease which exist as of the date of the exercise of the Option when Franchisor or its franchisee-designee is put into actual possession of the Rocket Fizz Shop The period of time to cure all defaults of Franchisee under the Lease shall be reasonably and appropriately extended by Landlord beyond the cure period provided to Franchisee under the Lease

5 2 **Assignment of Rights** Franchisor shall have the right concurrently with or subsequent to Franchisor's exercise of the Option, to assign and transfer its rights under this Agreement to an affiliate or a franchisee of Franchisor without the prior consent of Landlord In the event of such an assignment or transfer, the Franchisor s affiliate-designee or franchisee-designee shall obtain the Assignment in place and instead of Franchisor

5 3 **Indemnification by Assignor** Franchisee agrees to pay and reimburse Franchisor and to hold Franchisor harmless from and against any and all costs, damages attorneys fees liabilities or other expenses of any nature whatsoever incurred by Franchisor in connection with the enforcement of Franchisor's rights and/or the performance of Franchisor's rights or obligations under this Agreement Franchisor s exercise of the Option shall not release Franchisee from any liability to Landlord or Franchisor for any rents, costs, damages, attorneys fees, liabilities or other expenses incurred by Franchisor or Landlord as a result of Franchisee s defaults or actions under Sections 3 1 through 3 7

6 TERM OF AGREEMENT

This Agreement shall terminate upon the termination of the Lease with the written consent of Franchisor

7 TERMINATION OF LEASE AND FRANCHISE AGREEMENT

7 1 **Termination of Lease** If, and only if Franchisor exercises the Option upon any termination of the Lease prior to the expiration date of the Lease or upon expiration of the term of the Lease in violation of Section 3 4, following Franchisor's exercise of the Option, Franchisor shall, in Franchisor s discretion, either succeed to Franchisee's rights under the Lease or Landlord shall enter into a substitute lease for the Franchised Location with Franchisor, or its designee, on the identical terms and conditions as contained in the Lease, for the remaining term of the Lease, with identical extension or renewal options, within ten (10) business days of the termination or expiration of the Lease

7 2 **Termination of Franchise Agreement** Upon Franchisor's exercise of the Option Franchisee shall surrender possession of the Franchised Location to Franchisor and Franchisor shall be entitled to, and Franchisee shall provide Franchisor with, immediate possession of the Franchised Location and Franchisee shall no longer be entitled to the use or occupancy of the Rocket Fizz Shop or the Franchised Location, including all of Franchisee s rights in and to the same, including all improvements, buildings and fixtures which are a part of the same will in all respects, be deemed to have been terminated and under the terms of this Agreement and the applicable provisions of the Franchise Agreement, assigned to Franchisor Franchisor shall have the right to manage and operate the Rocket Fizz Shop at the Franchised Location immediately upon its exercise of the Option

7 3 **De-Identification of Shop** If Franchisor does not exercise the Option upon a termination of the Franchise Agreement and/or Lease, Franchisor shall have the right to enter the Rocket Fizz Shop and the Franchised Location to remove and modify to Franchisor's satisfaction, all distinctive design features and characteristics of the Rocket Fizz Shop and the Franchised Location, including distinctive interior designs and

surface matenals and refngeration equipment, display fixtures, color decor and intenor and extenor signs and all other items identifying the Rocket Fizz Shop and the Franchised Location as a Rocket Fizz Shop

8 **RESTRICTIONS ON TRANSFER**

This Agreement may not be assigned by Franchisee without the prior written consent of Franchisor Franchisee shall not sell, transfer, assign, sublet or otherwise encumber any or all of its right, title or interest in and to the Rocket Fizz Shop, the Franchise Agreement or the Lease, except in accordance with the applicable terms and conditions of the Franchise Agreement Franchisee shall not amend, modify or alter the Lease during the term of this Agreement without the prior written consent of Franchisor and shall provide Franchisor with at least thirty (30) days prior written notice of any proposed amendment modification, alteration, extension or renewal of the Lease

9 **POWER OF ATTORNEY**

Franchisee hereby irrevocably appoints Franchisor as its attorney-in-fact to exercise any and all of Franchisee s rights in, to and under the Lease and in and to the Franchised Location upon the occurrence of a default or an event of default under the Lease or Franchise Agreement Landlord acknowledges this appointment and agrees to recognize and accept the rights and actions of Franchisor under this appointment

10 **GENERAL PROVISIONS**

10 1 **Governing Law** This Agreement shall be governed and construed in accordance with the laws of the State in which the Franchised Location is located

10 2 **Notices** All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery or by certified mail Service shall be deemed conclusively made (i) at the time of service, if personally served, (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility, or (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid Notices and demands shall be given to the respective Parties at the following addresses, unless and until a different address has been designated by written notice to the other Party

If to Franchisor RPM Summit Group, LLC
770 Mays Boulevard, #5400
Incline Village, Nevada 89450
Attn. Chief Executive Officer

With a copy (which shall not constitute notice) to

Barry Kurtz Esq
Lewitt, Hackman, Shapiro, Marshall and Harlan,
A Law Corporation
16633 Ventura Boulevard, 11th Floor
Encino California 91436

If to Franchisee ____________________
____
____
Attention ____________________

If to Landlord ______________________________

____

____

Attention ______________________

Any Party may change his or its address by giving ten (10) days prior written notice of such change to all other Parties

10 3 **Waivers** The delay omission or forbearance by Franchisor to take action to remedy or seek damages for the breach or default of any term covenant or condition of this Agreement or to exercise any right, power or duty arising from such breach or default shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach or default of the same or any other term, covenant or condition of this Agreement The subsequent acceptance of performance by Franchisor shall not be deemed to be a waiver of any preceding breach or default by Franchisee other than its failure to pay the particular payment so accepted, regardless of Franchisor s knowledge of such preceding breach or default at the time of acceptance of such payment

10 4 **Attorneys Fees** If any legal action is brought to enforce the terms of this Agreement, the prevailing Party shall be entitled to reasonable attorneys fees and costs, and any and all costs of collection, in addition to any other relief to which that Party may be entitled

10 5 **Modification** This Agreement may be modified only by a writing executed by the Party sought to be bound

10 6 **Entire Agreement** This Agreement, and the other agreements referred to in this Agreement, and any other agreement that may be executed by the Parties concurrently with the execution of this Agreement, set forth the entire agreement and understanding of the Parties with regard to the subject matter of this Agreement and any agreement, representation or understanding, express or implied heretofore made by any Party or exchanged between the Parties are hereby waived and canceled

10 7 **Cumulative Remedies** Any specific right or remedy set forth in this Agreement, legal, equitable or otherwise shall not be exclusive, but shall be cumulative with all other rights or remedies set forth in this Agreement or allowed or allowable by law

10 8 **Captions** The various titles of the Sections in this Agreement are used solely for convenience and shall not be used in interpreting or construing any word, clause, Section or subparagraph of this Agreement

10 9 **Gender** All words used in this Agreement in the singular shall include the plural and the masculine gender shall include the feminine and neuter and the neuter shall include the masculine and feminine

10 10 **Successors** This Agreement shall be binding upon all of the Parties to this Agreement, their respective heirs, executors, administrators, personal representatives, successors and assigns

10 11 **Severability** The invalidity of any one or more of the provisions contained in this Agreement, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof

10 12 **Additional Documents** Each of the Parties agrees to execute, acknowledge and deliver to the other Party and to procure the execution, acknowledgment and delivery to the other Party of any additional documents or instruments which any Party may reasonably require to fully effectuate and carry out the provisions of this Agreement

10 13 **Counterparts and Electronic Transmission, Electronic Signatures** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement In addition, this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement

10 14 **General** Franchisee acknowledges that Franchisee has carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that Franchisee has obtained the advice of counsel in connection with entering into this Agreement, that Franchisee understands the nature of this Agreement and that Franchisee intends to comply herewith and be bound hereby Franchisee further acknowledges that it has read and understood this Agreement and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee s own choosing about the potential benefits and risks of entering into this Agreement

10 15 **Atypical Terms** Franchisee acknowledges and agrees that Franchisor has made no warranty or representation that all Option to Obtain Lease Assignment Agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement Franchisor may in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Option to Obtain Lease Assignment Agreements previously executed or executed after the date of this Agreement with other Rocket Fizz franchisees in a non-uniform manner

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date

FRANCHISOR

RPM SUMMIT GROUP, LLC
A Nevada limited liability company

By ______________________
Name ______________________
Title ______________________

FRANCHISEE

____
A ______________________

By ______________________
Name ______________________
Title ______________________

LANDLORD

____
A ______________________

By ______________________
Name ______________________
Title ______________________

EXHIBIT D TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

CANDIDATE CONFIDENTIALITY AGREEMENT

RPM SUMMIT GROUP, LLC
CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (this **Agreement**') is made this ___ day of _______________, 20___ (the "**Effective Date**) by and between **RPM SUMMIT GROUP, LLC**, a Nevada limited liability company (**Franchisor**'), on the one hand, and ______________________, a ____________________________ (**Candidate**) on the other hand, who are individually referred to in this Agreement as a '**Party**', and collectively referred to in this Agreement as **Parties**' with reference to the following facts

A Franchisor and its affiliates have developed the **Rocket Fizz System** for the establishment and operation of retail stores that sell unique, old-fashioned style soda pop flavors, cutting-edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items under the trade name "**Rocket Fizz,**" **Rocket Fizz Soda Pop and Candy Shops**' and other related trademarks, service marks, logos and commercial symbols (the **Rocket Fizz Marks**) The **Rocket Fizz System**" is the unique system developed by Franchisor and its affiliates that includes operating methods and business practices related to Rocket Fizz Shops, the relationship between Franchisor and its franchisees, interior and exterior Rocket Fizz Shop design, other items of trade dress specifications for equipment, fixtures and uniforms defined product offerings, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs, and Franchisor s website, all as Franchisor may modify from time to time

B Franchisor has the right to use, and to license others to use, the Rocket Fizz Marks and the Rocket Fizz System, and has, as a result of its expenditure of time, skill, effort and money, developed a distinctive franchise model for qualified franchisees to obtain the right to operate Rocket Fizz Shops using the Rocket Fizz Marks and the Rocket Fizz System

C Franchisor may provide Candidate with confidential and proprietary information regarding the Rocket Fizz System prior to granting or declining to grant Candidate a franchise or entering into a franchise agreement with Candidate Franchisor desires that Candidate maintain the confidentiality of all such confidential and proprietary information on the terms and conditions set forth in this Agreement

NOW, THEREFORE, IT IS AGREED

1 **<u>INCORPORATION OF RECITALS</u>**

The recitals set forth in Paragraph A through Paragraph C above are true and correct and are hereby incorporated by reference into the body of this Agreement

2 **<u>CONFIDENTIALITY</u>**

Candidate acknowledges and agrees

2 1 **<u>Confidential Information</u>** Candidate acknowledges and agrees that the Rocket Fizz System is comprised of confidential information that has been developed by Franchisor and its affiliate by the investment of time skill, effort and money and is widely recognized by the public, is of substantial value, and is proprietary confidential and constitutes trade secrets of Franchisor and its affiliates and includes, without limitation, tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, products and services, sources of inventory and equipment client management and other software, data, other content, formulations, patterns, compilations, programs devices and processes, business relationships contact information for industry professionals, designs, developmental or experimental work and

services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, customer lists and other customer data, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, information regarding the skills and compensation of employees and contractors of Franchisor, designs, drawings, specifications source code, object code, documentation diagrams flowcharts, research, development, marketing techniques and materials trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities, knowledge or know-how concerning the methods of operation of the Rocket Fizz Shop which may be communicated to Candidate, or of which Candidate may be apprised, by virtue of Candidate s operation of the Rocket Fizz Shop under the terms of this Agreement, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential (collectively the "**Confidential Information**') Confidential Information does not include any information that was in the lawful and unrestricted possession of Candidate prior to its disclosure by Franchisor, is or becomes generally available to the public by acts other than those of Candidate after receiving it, has been received lawfully and in good faith by Candidate from a third party who did not derive it from Franchisor or Candidate, or is shown by acceptable evidence to have been independently developed by Candidate

2 2 **Value** That the Confidential Information has been developed by Franchisor and its affiliates by the investment of time, skill, effort and money and is widely recognized by the public and is of substantial value

2 3 **Proprietary** That the Confidential Information is proprietary, confidential and constitutes a trade secret of Franchisor and its affiliates

2 4 **Maintain Confidentiality** That Candidate will fully and strictly maintain the confidentiality of the Confidential Information, will exercise the highest degree of diligence in safeguarding the Confidential Information and will not disclose or reveal the Confidential Information to any person other than another person who is actively and directly participating in the acquisition of the franchise with Candidate, but only after first disclosing the identity of such person to Franchisor in writing and obtaining such person s signature on a Non-Disclosure Agreement similar to this Agreement, unless covered by attorney-client privilege

2 5 **Reproduction and Use** That Candidate will not directly or indirectly reproduce or copy any Confidential Information or any part thereof and will make no use of any Confidential Information for any purpose whatsoever unless and until Candidate becomes a franchisee of Franchisor, and then only in accordance with the provisions of Candidate s Franchise Agreement

2 6 **No Prior Experience, Information or Knowledge** Prior to the Effective Date, Candidate had no experience, information or knowledge whatsoever about the establishment and operation of retail stores that sell unique, old-fashioned style soda pop flavors, cutting-edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items Candidate s knowledge of the Confidential Information was obtained only from Franchisor following the Effective Date

3 GENERAL

3 1 **Injunction** Candidate recognizes the unique value and secondary meaning attached to the Confidential Information and the elements of the Rocket Fizz System and agrees that any noncompliance with the terms of this Agreement or any unauthorized or improper use of the Confidential Information will cause irreparable damage to Franchisor and its franchisees Candidate therefore agrees that if Candidate should engage in any such unauthorized or improper use of the Confidential Information, Franchisor shall be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction without notice or the posting of any bond, in addition to any other remedies prescribed by law

3 2 **Entire Agreement; Heirs and Successors** This Agreement represents the entire understanding between the Parties regarding the subject matter of this Agreement and supersedes all other negotiations, agreements, representations and covenants, oral or written This Agreement may not be modified except by a written instrument signed by Franchisor and Candidate that expressly modifies this Agreement The Parties intend this Agreement to be the entire integration of all of their agreements on this subject of any nature regarding the subject matter of this Agreement No other agreements, representations, promises, commitments or the like, of any nature, exist between the Parties This Agreement shall be binding upon and inure to the benefit of the Parties, their heirs, successors and assigns

3 3 **No Warranties** Candidate acknowledges and agrees that Franchisor has made no promises, representations or warranties to Candidate that are inconsistent with the terms of this Agreement or Franchisor s Franchise Disclosure Document concerning the profitability or likelihood of success of the Rocket Fizz Shop, that Candidate has been informed by Franchisor that there can be no guaranty of success in the Rocket Fizz Shop and that Candidate s business ability and aptitude are primary in determining his success

3 4 **No Right to Use the Rocket Fizz System or the Rocket Fizz Marks** This Agreement is not a Franchise Agreement or a license of any sort and does not grant Candidate any right to use or to franchise or license the use of, the Confidential Information, which right is expressly reserved by Franchisor

3 5 **Waiver** Failure by Franchisor to enforce any rights under this Agreement shall not be construed as a waiver of such rights Any waiver, including a waiver of default, in any one instance shall not constitute a continuing waiver or a waiver in any other instance

3 6 **Validity** Any invalidity of any portion of this Agreement shall not affect the validity of the remaining portions and unless substantial performance of this Agreement is frustrated by any such invalidity, this Agreement shall continue in full force and effect

3 7 **Headings and Gender** The headings herein are for purposes of convenience only and shall not be used in construing the provisions hereof As used herein the male gender shall include the female and neuter genders, the singular shall include the plural and the plural the singular

3 8 **Attorneys Fees** If Franchisor becomes a party to any legal proceedings concerning this Agreement by reason of any act or omission of Candidate or its authorized representatives, Candidate shall be liable to Franchisor for the reasonable attorneys fees and court costs incurred by Franchisor in the legal proceedings If either Party commences a legal proceeding against the other Party arising out of or in connection with this Agreement, the prevailing Party shall be entitled to have and recover from the other Party its reasonable attorneys fees and costs of suit

3 9 **Cumulative Remedies** Any specific right or remedy set forth in this Agreement, legal, equitable, or otherwise, shall not be exclusive, but shall be cumulative with all other rights or remedies set forth herein or allowed or allowable by law

3 10 **Notices** All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery or by certified mail. Service shall be deemed conclusively made (i) at the time of service if personally served, (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility, or (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid Notices and demands shall be given to the respective Parties at the following addresses, unless and until a different address has been designated by written notice to the other Party

Notices to Franchisor

RPM Summit Group, LLC
770 Mays Boulevard #5400
Incline Village, Nevada 89450
Attn. Chief Executive Officer

With a copy to (which shall not constitute notice)

Barry Kurtz, Esq
Lewitt, Hackman, Shapiro, Marshall and Harlan,
A Law Corporation
16633 Ventura Boulevard, 11th Floor
Encino, California 91436

Notices to Candidate

____
____
____
____
Attention ________________

Either Party may change its address for the purpose of receiving notices demands and other communications by a written notice given in the manner set forth above to the other Party

3 11 **Judicial Relief** The Parties agree that disputes arising out of or relating to this Agreement shall be brought in the state or federal Courts located within the state, city and county in which Franchisor has a principal place of business at the time the action is initiated To the fullest extent that the Parties may do so under Applicable Law, the Parties waive the defense of inconvenient forum to the maintenance of an action in these Courts and agree not to commence any action of any kind except in these Courts This Agreement shall be interpreted and construed under the laws of Nevada In the event of any conflict of law, the law of Nevada shall prevail, without regard to the application of Nevada conflict of law rules If however, any provision of this Agreement would not be enforceable under the laws of Nevada and if the Rocket Fizz Shop is to be located outside of Nevada and such provision would be enforceable under the laws of the state in which the Rocket Fizz Shop is located, then such provision shall be interpreted and construed under the laws of that state Nothing in this Section 3 11 is intended by the Parties to subject this Agreement to any franchise or similar law, rules or regulation of any state to which it would not otherwise be subject

3 12 **Counterparts and Electronic Transmission, Electronic Signatures** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed dated and identical in form to the original hard copy version of this Agreement In addition this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date

FRANCHISOR	**CANDIDATE**
RPM SUMMIT GROUP, LLC, A Nevada limited liability company	
By ______________________________	By ______________________________
Name ____________________________	Name ____________________________
Title _____________________________	Title _____________________________

EXHIBIT E TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

RPM SUMMIT GROUP, LLC
NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

THIS NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT (this **Agreement**) is made this ___ day of ____, 20___ (the **Effective Date**'), by and between ____________________________ (**Franchisee**), on the one hand, and ____________________________ (**Recipient**), on the other hand, who are individually referred to in this Agreement as a '**Party** , and collectively referred to in this Agreement as **Parties** with reference to the following facts

A RPM Summit Group LLC ("**Franchisor**') and its affiliates have developed the **Rocket Fizz System**' for the establishment and operation of retail stores that sell unique, old-fashioned style soda pop flavors, cutting-edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items under the trade name "**Rocket Fizz**," '**Rocket Fizz Soda Pop and Candy Shops**' and other related trademarks, service marks, logos and commercial symbols (the '**Rocket Fizz Marks**)

B The Rocket Fizz System includes, without limitation, the operations and training manuals and any other written directives related to the Rocket Fizz System (the **Manuals**), operating methods and business practices related to Rocket Fizz Shops, the relationship between Franchisor and its franchisees interior and exterior Rocket Fizz Shop design, other items of trade dress, specifications for equipment fixtures and uniforms and defined product and merchandise offerings, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs and Franchisor's website, all as Franchisor may modify the same from time to time (collectively, the **Confidential Information**), all of which may be modified by Franchisor from time to time and may be disclosed to Recipient by Franchisee

C Franchisor has and continues to protect the confidentiality of the Confidential Information by, among other things, (i) not revealing the confidential contents of the Confidential Information to unauthorized parties, (ii) requiring Rocket Fizz franchisees to acknowledge and agree in writing that the Confidential Information is confidential, (iii) requiring Rocket Fizz franchisees to agree in writing to maintain the confidentiality of the Confidential Information, (iv) monitoring electronic access to the Confidential Information by the use of passwords and other restrictions so that electronic access to the Confidential Information is limited to authorized parties, and (v) requiring its franchisees to return all Confidential Information to Franchisor upon the expiration and termination of their Franchise Agreements

D Franchisor and Franchisee have entered into a Franchise Agreement under which Franchisor has granted Franchisee the right to own and operate a Rocket Fizz and to use the Rocket Fizz System, the Rocket Fizz Marks, the Manuals, and the Confidential Information in the operation of the Rocket Fizz Shop

E Franchisee is obligated under its Franchise Agreement with Franchisor to obtain a written agreement from all supervisorial and managerial personnel employed by Franchisee and each independent contractor engaged by Franchisee who may have access to the Confidential Information and who may be the recipient of the disclosure of the Confidential Information to maintain the confidentiality of the Confidential Information, to obtain the written agreement of all supervisorial and managerial personnel employed Franchisee and each independent contractor to not use the Confidential Information other than in the course of his or her employment or engagement by Franchisee and to not disclose any of the Confidential Information to any unauthorized parties during the period of time that he or she is providing services for Franchisee and forever after his or her employment or engagement by Franchisee ends

NOW, THEREFORE, IT IS AGREED

1 **ACKNOWLEDGMENTS OF RECIPIENT**

1 1 **No Prior Experience, Information or Knowledge** Prior to his or her employment or engagement by Franchisee, Recipient had no experience, information or knowledge whatsoever about the establishment and operation of retail stores that offer and sell unique, old-fashioned style soda pop flavors, cutting-edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items Recipient s knowledge of the Confidential Information was obtained only from Franchisee following the Effective Date and only in the course of Recipient's employment or engagement by Franchisee

1 2 **Confidential Information** The Confidential Information includes all of the items included elsewhere in this Agreement and in addition without limitation, all tangible and intangible information (whether or not in electronic form) relating to Franchisor s business operations styles, products and services, sources of materials and equipment, client management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, developmental or experimental work and services improvements, discoveries plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators current customer and prospective customer names and addresses, customer lists and other customer data, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, information regarding the skills and compensation of employees and contractors of Franchisor, designs, drawings specifications, source code, object code, documentation, diagrams flowcharts research development, marketing techniques and materials, trademarks trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities the Rocket Fizz System, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential Confidential Information also includes the manner in which any of the above described items may be combined with any other information or products or synthesized or used by Recipient Confidential Information does not include any information that was in the lawful and unrestricted possession of Recipient prior to its disclosure by Franchisee to Recipient, is or becomes generally available to the public by acts other than those of Recipient after receiving it, has been received lawfully and in good faith by Recipient from a third party who did not derive it from Franchisor, Franchisee or Recipient, or is shown by acceptable evidence to have been independently developed by Recipient

1 3 **Independent Value** The Confidential Information (i) is not generally known by the public or parties other than Franchisor its affiliates, its franchisees and Franchisee, (ii) derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or Franchisee, and (iii) is the subject of extensive efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Confidential Information The Confidential Information has been developed by Franchisor its founders and their affiliates by the investment of time, skill, effort and money and is widely recognized by the public, of substantial value, and is proprietary, confidential and constitutes trade secrets of Franchisor, its founder and their affiliates

2 **COVENANTS OF RECIPIENT**

Recipient agrees that so long as Recipient is employed or engaged by Franchisee and forever after his or her employment or engagement by Franchisee ends

2 1 **Maintain Confidentiality** Recipient will fully and strictly maintain the confidentiality of the Confidential Information, will exercise the highest degree of diligence in safeguarding the Confidential Information and will not disclose or reveal the Confidential Information to any person other than Franchisee or other personnel employed by Franchisee or independent contractors engaged by Franchisee while a supervisorial or managerial employee or independent contractor of Franchisee and will then do so only to the degree necessary to carry out Recipient s duties as a supervisorial or managerial employee or independent contractor of Franchisee

2 2 **No Reproduction or Use** Recipient will not directly or indirectly reproduce or copy any Confidential Information and will make no use of any Confidential Information for any purpose whatsoever except as may be required while Recipient is employed or engaged by Franchisee and will then do so only in accordance with the provisions of this Agreement and only to the degree necessary to carry out Recipient s duties as a supervisorial or managerial employee or independent contractor of Franchisee

2 3 **Restrictions** Recipient specifically acknowledges and agrees Recipient may receive valuable specialized training and Confidential Information including, without limitation, Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Rocket Fizz System, which are unique and proprietary to Franchisor derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy Recipient therefore covenants that while employed or engaged by Franchisee, Recipient shall not, either directly or indirectly for himself or herself, or through, on behalf of, or in conjunction with any person, or legal entity (i) divert or attempt to divert any present or prospective Rocket Fizz client to any competitor by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Rocket Fizz Marks and the Rocket Fizz System, (ii) employ or seek to employ any person who is or has been within the previous thirty (30) days employed by Franchisor, Franchisee or an affiliate of Franchisor or Franchisee as a supervisorial or managerial employee or otherwise directly or indirectly induce the person to leave his or her employment, or (iii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee consultant, representative or agent, any business that offers and sells unique, old-fashioned style soda pop flavors, cutting-edge new-to-market beverages, energy drinks, hard-to-find candy brands, other confections and novelty items and any business that looks like, copies, imitates, or operates with similar trade dress or decor to the Rocket Fizz Shop

2 4 **Third Party Beneficiary** Franchisor is, and shall be and remain a third party beneficiary of this Agreement and will have the independent right to enforce the terms of this Agreement Any action brought by Franchisor to enforce the terms of this Agreement shall be interpreted and construed under the laws of Nevada In the event of any conflict of law, the laws of Nevada shall prevail, without regard to the application of Nevada conflict of law rules If, however any provision of this Agreement would not be enforceable under the laws of Nevada, and if the Rocket Fizz Shop is located outside of Nevada and such provision would be enforceable under the laws of the state in which the Rocket Fizz Shop is to be located, then such provision shall be interpreted and construed under the laws of that state Any action brought by Franchisor to enforce the terms of this Agreement shall be brought within the state city and county in which Franchisor has a principal place of business at the time the action is initiated and the Parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision

2.5 <u>No Restriction</u>. Nothing in this <u>Article 2</u> is intended to prohibit or restrict any activity which prohibition or restriction violates Recipient's rights to engage in protected concerted activity under the National Labor Relations Act.

3. <u>GENERAL TERMS</u>

3.1 <u>Injunction</u>. Recipient recognizes the unique value and secondary meaning attached to the Confidential Information and the elements of the Rocket Fizz System and agrees that Recipient's noncompliance with the terms of this Agreement or any unauthorized or improper use of the Confidential Information by Recipient will cause irreparable damage to Franchisor and its franchisees. Recipient therefore agrees that if Recipient should engage in any unauthorized or improper use or disclosure of the Confidential Information, Franchisor and Franchisee, independently, will be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction without notice or the posting of any bond, to prevent any unauthorized or improper use or disclosure of the Confidential Information in addition to any other remedies prescribed by law. Due to the irreparable damage that would result to Franchisor and Franchisee from any violation of this Agreement, Recipient acknowledges and agrees that any claim Recipient believes he or she may have against Franchisor or Franchisee will be deemed to be a matter separate and apart from Recipient's obligations under this Agreement and will not entitle Recipient to violate or justify any violation of the provisions of this Agreement.

3.2 <u>Heirs and Successors, Entire Agreement</u>. This Agreement shall be binding upon and inure to the benefit of the Parties, their heirs, successors and assigns. This Agreement represents the entire understanding between the Parties regarding the subject matter of this Agreement and supersedes all other negotiations, agreements, representations and covenants, oral or written. This Agreement may not be modified except by a written instrument signed by Franchisor and Recipient that expressly modifies this Agreement. The Parties intend this Agreement to be the entire integration of all of their agreements on this subject of any nature regarding the subject matter of this Agreement. No other agreements, representations, promises, commitments or the like, of any nature, exist between the Parties.

3.3 <u>No Right to Use Rocket Fizz Marks or Rocket Fizz System</u>. This Agreement is not a license of any sort, and does not grant Recipient any right to use or to license the use of, the Confidential Information, which right is expressly reserved by Franchisor.

3.4 <u>Waiver and Validity</u>. Failure by Franchisor to enforce any rights under this Agreement shall not be construed as a waiver of such rights. Any waiver, including a waiver of default in any one instance, shall not constitute a continuing waiver or a waiver in any other instance. Any invalidity of any portion of this Agreement shall not affect the validity of the remaining portions and unless substantial performance of this Agreement is frustrated by any such invalidity, this Agreement shall continue in full force and effect.

3.5 <u>Headings and Gender</u>. The headings in this Agreement are for purposes of convenience only and shall not be used in construing the provisions of this Agreement. As used in this Agreement, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular.

3.6 <u>Attorneys' Fees</u>. If Franchisor becomes a party to any legal proceedings concerning this Agreement by reason of any act or omission of Recipient, Recipient shall be liable to Franchisor for the reasonable attorneys' fees and court costs incurred by Franchisor in the legal proceedings. If any Party to this Agreement commences any legal proceeding against another Party arising out of or in connection with this Agreement, the prevailing Party shall be entitled to recover from the other Party its reasonable attorneys' fees and costs of suit.

3 7 **Cumulative Remedies** Any specific right or remedy set forth in this Agreement, legal, equitable, or otherwise, shall not be exclusive, but shall be cumulative with all other rights or remedies set forth herein or allowed or allowable by law

3 8 **Notices** Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the Parties under this Agreement shall be deemed delivered at the time delivered by hand, one (1) business day after transmission by fax or email (with a confirmation copy sent by regular United States mail), or three (3) days after placement in the United States mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed as follows

Any notice or demand to Franchisee shall be given to

____
____
____
Fax ________________

With a copy to

RPM Summit Group, LLC
770 Mays Boulevard, #5400
Incline Village, Nevada 89450
Attn Chief Executive Officer

Any notice or demand to Recipient shall be given to

____
____
____
Fax ________________

Either Party may change their address for the purposes of receiving notices, demands and other communications by a written notice given in the manner set forth above to the other Party

3 9 **Counterparts and Electronic Transmission, Electronic Signatures** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement In addition this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity enforceability and admissibility of this Agreement

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date

FRANCHISEE	**RECIPIENT**
________________________,	
A ________________________	
By ______________________	________________________
Name ____________________	
Title _____________________	

EXHIBIT F TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

GENERAL RELEASE

RPM SUMMIT GROUP, LLC
GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT (this 'Release Agreement) is made and entered into as of ___________ (the Effective Date'), by and among RPM SUMMIT GROUP, LLC, a Nevada limited liability company ("Franchisor), on the one hand, and ____ a ____________________ (Franchisee), and ____________________ (Owner'), on the other hand, who are collectively referred to in this Release Agreement as the "Releasing Parties", with reference to the following facts

A Franchisor and Franchisee are parties to that certain Franchise Agreement and related ancillary agreements dated ______________________ (collectively, the Franchise Agreement) pursuant to which Franchisor granted Franchisee a license (the 'License ') to use the service mark and trade names Rocket Fizz", Rocket Fizz Soda Pop and Candy Shops" and other related trademarks, service marks logos and commercial symbols (the "Marks') and the Rocket Fizz System (the ' System) in connection with the operation of a Rocket Fizz Shop (the 'Rocket Fizz Shop') located at ______________________ (the Franchised Location)

B Franchisee desires to enter into a ____________________________

C This Release Agreement has been requested at a juncture in the relationship of the parties where Franchisor is considering either a change or an expansion of the relationship between the parties and/or their affiliates Franchisor is unwilling to make the anticipated change or expansion in the relationship of the parties unless it is certain that it is proceeding with a 'clean slate" and that there are no outstanding grievances or Claims against it Releasing Parties, therefore, give this Release Agreement as consideration for receiving the agreement of Franchisor to an anticipated change or expansion of the relationship between the parties Releasing Parties acknowledge that this Release Agreement is intended to wipe the slate clean

NOW, THEREFORE, IT IS AGREED

1 **DEFINITIONS** As used in this Release Agreement, the following capitalized terms have the meanings ascribed to them

1 1 "**Claims**' means all actual and alleged claims, demands, Losses, charges, agreements (whether written or oral), covenants, responsibilities, warranties obligations contracts (whether oral or written) debts, violations, suits, counterclaims, cross claims, third party claims, accounts, liabilities costs expenses (including attorneys' fees and court costs), rights to terminate and rescind, rights of action and causes of action of any kind or nature, whatsoever, whether known or unknown, matured or unmatured, accrued or unaccrued, suspected or unsuspected, contingent or non-contingent, liquidated or unliquidated, choate or inchoate, and whether or not asserted, threatened, alleged, or litigated, at law, equity, or otherwise

1 2 "**Constituents**" means past, present and future affiliates, subsidiaries, divisions, partners members, trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents, predecessors, officers, directors, agents managers principals, employees, insurers, successors assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees insurers, successors, assigns, representatives and attorneys of each of the foregoing

1 3 **Excluded Matters** means Franchisor s continuing contractual obligations which arise or continue under and pursuant to the Franchise Agreement on and after the date of this Release Agreement

1 4 **Franchisor Released Parties** means Franchisor, The Rocket Fizz Soda Pop Shop, LLC a California limited liability company, R3 Distribution, LLC, a Nevada limited liability company, and each of their Constituents

1 5 **Losses** means all damages, debts, liabilities, accounts, suits, awards, judgments, payments, diminutions in value and other losses, costs and expenses however suffered or characterized, all interest thereon, all costs and expenses of investigating any Claim, reference proceeding, lawsuit or arbitration and any appeal therefrom all actual attorneys fees incurred in connection therewith, whether or not such Claim reference proceeding, lawsuit or arbitration is ultimately defeated and, all amounts paid incident to any compromise or settlement of any such Claim, reference proceeding, lawsuit or arbitration

2 <u>GENERAL RELEASE AGREEMENT</u> Releasing Parties, for themselves and their Constituents, hereby release and forever discharge Franchisor Released Parties from any and all Claims, whether known or unknown based upon anything that has occurred or existed, or failed to occur or exist, from the beginning of time to the Effective Date, including, without limitation any and all Claims which relate to the Franchise Agreement, the Rocket Fizz Shop the System, the License, the Marks, and the Franchised Location, or to any other agreement entered into prior to the Effective Date between Franchisor Released Parties, on the one hand, and Releasing Parties, on the other hand, except for the Excluded Matters and obligations under this Release Agreement This waiver, release and discharge is effective immediately in its fullest and most comprehensive sense

3 <u>UNKNOWN CLAIMS</u> Releasing Parties acknowledge and agree that among the wide and comprehensive range of Claims being waived, released, and discharged by this Release Agreement, they are waiving, releasing, and discharging unknown and unsuspected Claims which if known or suspected by Releasing Parties to exist in their favor at the time of executing this Release Agreement, may have materially affected Releasing Parties' decision to enter into this Release Agreement It is understood by Releasing Parties that after the Effective Date, the facts under which this Release Agreement is entered into may turn out to be other than or different from the facts Releasing Parties knew or believed to be true on the Effective Date Releasing Parties, therefore, expressly assume the risk of the facts turning out to be so different and agree that this Release Agreement shall be in all respects final and effective and not subject to termination or rescission by any such difference in facts

4 <u>REPRESENTATIONS AND WARRANTIES</u> Releasing Parties hereby represent and warrant that, in entering into this Release Agreement, Releasing Parties (i) are doing so freely and voluntarily, either upon the advice of counsel and business advisors of Releasing Parties own choosing, or without such advice because Releasing Parties, free from coercion, duress or fraud, declined to obtain such advice, (ii) have read and fully understand the terms and scope of this Release Agreement, (iii) understand that this Release Agreement is final and conclusive and intends to be final and conclusive as to the matters set forth in this Release Agreement and (iv) have not assigned transferred, or conveyed to any third party all or any part of their interest, or any contingent interest, in any of the Claims released by this Release Agreement now or in the future and are aware of no third party who contends or claims otherwise, and shall not purport to assign, transfer, or convey any interest in any such Claim after the Effective Date

5 <u>COVENANTS NOT TO SUE</u> Releasing Parties hereby irrevocably covenant that they will not, directly or indirectly (i) commence, initiate, or cause to be commenced or initiated any proceeding, claim, or demand of any kind against Franchisor Released Parties based upon any Claims released under this Release Agreement, or (ii) assist or encourage any person or entity to investigate, inquire into, commence, initiate, or cause to be commenced or initiated any proceeding, claim or demand of any kind against Franchisor Released Parties based upon any Claims released under this Release Agreement

6 <u>INDEMNITY</u> Without in any way limiting any of the rights and remedies otherwise available to the Franchisor Released Parties, Releasing Parties shall defend, indemnify and hold harmless each Franchisor Released Party from and against all Claims whether or not involving third-party Claims arising directly or indirectly from or in connection with (i) the assertion by or on behalf of Releasing Parties or their Constituents of any Claim or other matter released pursuant to this Release Agreement (ii) the assertion by any third party of any Claim or demand against any Franchisor Released Party which Claim or demand arises directly or indirectly from, or in connection with, any Claims or other matters released pursuant to this Release Agreement, (iii) any breach of representations,

warranties or covenants hereunder by Releasing Parties or its Constituents, or (iv) the Franchise Agreement, the Rocket Fizz Shop, the Franchised Location, and/or any and all claims of creditors, customers, vendors, suppliers or invitees of the Rocket Fizz Shop, or other third parties, for obligations incurred and/or acts or omissions to act by Franchisee, both prior to and following the Effective Date

7 **GENERAL PROVISIONS**

7 1 **Amendment** This Release Agreement cannot be modified, altered or otherwise amended except by an agreement in writing signed by all of the parties

7 2 **Entire Agreement** This Release Agreement, together with the agreements referenced in this Release Agreement, constitute the entire understanding between and among the parties with respect to the subject matter of this Release Agreement and supersedes any prior negotiations and agreements, oral or written, with respect to the subject matter of this Release Agreement The Recitals set forth in Paragraphs A through C of this Release Agreement are true and correct and are incorporated into this Release Agreement as part of this Release Agreement

7 3 **Counterparts and Electronic Transmission, Electronic Signatures** This Release Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument Copies of this Release Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Release Agreement for all purposes, provided that the copies are fully executed dated and identical in form to the original hard copy version of this Release Agreement In addition, this Release Agreement may be signed electronically by the parties and electronic signatures appearing on this Release Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Release Agreement

7 4 **Heirs, Successors and Assigns** This Release Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and permitted assigns In addition, each of Franchisor Released Parties that is not a party shall be a third party beneficiary of this Release Agreement, with the right to enforce this Release Agreement for his, her, or its benefit, whether acting alone or in combination with any other Franchisor Released Party

7 5 **Interpretation** The rule that an agreement is to be construed against the party drafting the agreement is hereby waived by the parties and shall have no applicability in construing this Release Agreement or any of its terms The headings used in this Release Agreement are for purposes of convenience only and shall not be used in construing the provisions of this Release Agreement As used in this Release Agreement, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular

7 6 **Severability and Validity** Any provision of this Release Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions of this Release Agreement or affecting the validity, enforceability or legality of such provision in any other jurisdiction

7 7 **Governing Law and Venue** The parties agree that disputes arising out of or relating to this Agreement shall be brought in the state or federal Courts located within the state, city and county in which Franchisor has a principal place of business at the time the action is initiated To the fullest extent that the parties may do so under Applicable Law, the parties waive the defense of inconvenient forum to the maintenance of an action in these Courts and agree not to commence any action of any kind except in these Courts This Release Agreement shall be interpreted and construed under the laws of Nevada In the event of any conflict of law the law of Nevada shall prevail, without regard to the application of Nevada conflict of law rules If however, any provision of this Release Agreement would not be enforceable under the laws of Nevada and if the Rocket Fizz Shop is located outside of Nevada and such provision would be enforceable under the laws of the state in which the Rocket Fizz Shop is located,

then such provision shall be interpreted and construed under the laws of that state Nothing in this Section 7 7 is intended by the parties to subject this Release Agreement to any franchise or similar law, rule, or regulation of the state of Nevada to which it would not otherwise be subject

7 8 **Authority of Franchisor** Franchisor represents and warrants that (i) Franchisor has the power and authority to enter into this Release Agreement and to perform its obligations under this Release Agreement without the approval or consent of any other person or entity, and (ii) the individual who executes this Release Agreement on Franchisor's behalf is duly authorized to do so without the approval or consent of any other person or entity

7 9 **Authority of Releasing Parties** Releasing Parties represent and warrant that (i) they have the power and authority to enter into this Release Agreement and to perform their obligations under this Release Agreement without the approval or consent of any other person or entity, and (ii) the individuals who execute this Release Agreement on Releasing Parties behalves are duly authorized to do so without the approval or consent of any other person or entity

7 10 **No Waiver** No delay waiver, omission, or forbearance on the part of any party to exercise any right, option, duty, or power arising out of any breach or default by any other party of any of the terms, provisions, or covenants of this Release Agreement, and no custom or practice by the parties at variance with the terms of this Release Agreement, shall constitute a waiver by any party to enforce any such right option, or power as against the other parties, or as to a subsequent breach or default by the other parties

7 11 **Attorneys Fees** If any legal action is brought to enforce the terms of this Release Agreement, the prevailing party shall be entitled to reasonable attorneys fees and costs, and any and all costs of collection, in addition to any other relief to which that party may be entitled

7 12 **Further Acts** The parties agree to execute acknowledge and deliver to any requesting party and to procure the execution, acknowledgment and delivery to any requesting party of any additional documents or instruments which the requesting party may reasonably require to fully effectuate and carry out the provisions of this Release Agreement

IN WITNESS WHEREOF, the parties to this Release Agreement have executed this Release Agreement as of the Effective Date

FRANCHISOR

RPM SUMMIT GROUP, LLC,
A Nevada limited liability company

By ______________________________

Name ______________________________

Title ______________________________

FRANCHISEE

____
A ______________________________

By ______________________________
Name ______________________________
Title ______________________________

OWNER.

____
______________________________, an individual

____
______________________________, an individual

EXHIBIT G TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

PROMISSORY NOTE

RPM SUMMIT GROUP, LLC
PROMISSORY NOTE

$______________ Inclıne Vıllage, Nevada ___________, 20__

1 **PRINCIPAL, INTEREST AND PAYMENT**

FOR VALUE RECEIVED the undersıgned, ________________________ (**Franchısee**'), promıses to pay to **RPM SUMMIT GROUP, LLC**, a Nevada lımıted lıabılıty company (**Franchısor**) at the address specıfied for notıce to Franchısor ın Sectıon 9 of thıs Promıssory Note (or at such other place as Franchısor shall specıfy ın wrıtıng), ın lawful money of the Unıted States of Amerıca, the prıncıpal amount of ________________________ DOLLARS ($_________), together wıth ınterest thereon at a rate equal to ___________ percent per annum Franchısee shall pay Franchısor the prıncıpal and ınterest due under thıs Promıssory Note as follows ____ when thıs Promıssory Note shall be paıd ın full, ın connectıon wıth Franchısee s purchase of a franchıse for the Rocket Fızz Shop (the **Rocket Fızz Shop**') to be located at ______________________________ (the **Franchısed Locatıon**")

2 **PREPAYMENT**

Thıs Promıssory Note may be prepaıd by Franchısee at any tıme or from tıme to tıme, ın whole or ın part, wıthout premıum or penalty

3 **APPLICATION OF PAYMENTS**

Each payment on thıs Promıssory Note (whether made when due or otherwıse) shall first be credıted agaınst any ınterest then due, all costs of collectıon, and the remaınder of such payment shall be credıted agaınst the unpaıd prıncıpal

4 **DEFAULT, ACCELERATION**

If one or more of the followıng events shall occur (each, an **Event of Default**)

4 1 Franchısee shall default ın the due and punctual payment the prıncıpal amount due under thıs Promıssory Note, whether at maturıty, upon acceleratıon or otherwıse, or faıl to perform any representatıon, warranty or covenant or oblıgatıons under any loan agreement wıth any thırd-party lender, or ıts assıgnee, for money borrowed foı the Rocket Fızz Shop, and such default shall contınue for a perıod of ten (10) days after wrıtten notıce of such default ıs gıven by Franchısor to Franchısee

4 2 Franchısee shall default ın the performance of Franchısee s oblıgatıons under the Franchıse Agreement between Franchısee and Fıanchısor dated ________, 20__ [or under the Area Development Agreement between Franchısee and Franchısor dated ________, 20__] , or under Franchısee s Lease for the Franchısed Locatıon, or under any other agreement or promıssory note between Franchısee and Franchısor and such default shall contınue for a perıod of ten (10) days after wrıtten notıce of such default ıs gıven to Franchısee

4 3 Franchısee shall sell, exchange, transfer or make any other dısposıtıon of all or substantıally all of the assets (other than a transfer by Franchısee to an affılıated entıty) of Franchısee and/or of the Rocket Fızz

Shop or the Rocket Fizz Shop business, whether individually or collectively, or forty (40%) or more of the Equity interests of Franchisee

4 4 Franchisee shall be adjudicated bankrupt or insolvent, or make an assignment for the benefit of creditors, or Franchisee shall apply for or consent to the appointment of a custodian, receiver, trustee, or similar officer for Franchisee or for all or any substantial part of its property or such custodian receiver, trustee or similar officer shall be appointed without the application or consent of Franchisee, and such appointment shall continue undischarged for a period of sixty (60) days

4 5 Franchisee shall institute (by petition application, answer, consent or otherwise) any bankruptcy insolvency, reorganization, moratorium, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to Franchisee under the laws of any jurisdiction, or any such proceeding shall be instituted (by petition, application or otherwise) against Franchisee and shall remain undismissed for a period of sixty (60) days,

THEN

upon the occurrence of an Event of Default under Sections 4 3, 4 4 or 4 5 above, automatically, and, upon the occurrence of an Event of Default under Sections 4 1 or 4 2, upon the election of Franchisor following the expiration of the ten (10) day period provided for therein the entire principal balance of this Note, and all accrued interest, without further demand, shall immediately become due and payable Upon the occurrence of an Event of Default, interest shall begin to accrue on the unpaid principal balance at the at the maximum interest rate permitted by Applicable Law until the default is cured or this Promissory Note is paid in full, whichever first occurs No delay or omission on the part of Franchisor in exercising any right to enforce this Promissory Note shall operate as a waiver of such right It is the express intent of Franchisee and Franchisor not to violate any applicable usury laws or to exceed the maximum amount of interest permitted under Applicable Law If a court declares that any interest payable under this Promissory Note is excessive, any excess payment shall be applied to principal in inverse order of maturity, and any remaining excess shall be refunded to Franchisee following Franchisee s payment in full of this Promissory Note

5 **WAIVER**

Franchisee waives presentment, protest and demand, notice of protest, demand, dishonor and nonpayment of this Promissory Note notice of acceleration, notice of intent to accelerate and any and all other notices or matters of a like nature provided that such waiver shall not extend to any notice of default to be given by Franchisor under Section 4 No delay or omission on the part of Franchisor in exercising any right under this Promissory Note shall operate as a waiver of such right

6 **ATTORNEYS' FEES**

If legal action is brought to enforce or collect this Promissory Note Franchisor shall be entitled to reasonable attorney s fees and costs, including any and all costs of collection, in addition to any other relief to which Franchisor may be entitled This provision shall be applicable to the entire Promissory Note

7 **SEVERABILITY**

Every provision of this Promissory Note is intended to be severable If any term or provision hereof is declared by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect, the balance of the terms and provisions hereof, which term and provisions shall remain binding and enforceable

8 NOTICES

All notices statements or demands shall be in writing and shall be served in person, by Express Mail, by certified mail or by private overnight delivery Service shall be deemed conclusively made (i) at the time of service, if personally served, (ii) twenty-four (24) hours (exclusive of weekends and national holidays) after deposit in the United States mail, properly addressed and postage prepaid, if served by Express Mail, (iii) upon the earlier of actual receipt, or three (3) calendar days after deposit in the United States mail, properly addressed and postage prepaid, return receipt requested, if served by certified mail and (d) twenty-four (24) hours after delivery by the party giving the notice, statement or demand if by private overnight delivery

Notices to Franchisor

RPM Summit Group, LLC
770 Mays Boulevard #5400
Incline Village, Nevada 89450
Attention Chief Executive Officer

With a copy (which shall not constitute notice) to

Barry Kurtz, Esq
Lewitt, Hackman, Shapiro, Marshall & Harlan
16633 Ventura Boulevard, 11th Floor
Encino, California 91436

Notices to Franchisee

____
____
____
Fax __________________

Either party may change its address for the purpose of receiving notices, demands and other communications as provided in this Agreement by a written notice given in the manner aforesaid to the other party

9 SECURITY FOR PAYMENT OF NOTE

Payment of this Promissory Note shall be secured by a security interest in the assets located at the Rocket Fizz Shop and certain other assets of the Rocket Fizz Shop as evidenced by Section 4 10 of the Franchise Agreement

10 ASSIGNMENT OF FRANCHISOR'S RIGHTS

Franchisor may, without any notice to Franchisee or Franchisee's consent, transfer any of Franchisor's rights under this Promissory Note, and any collateral related thereto, and, upon notice, Franchisee shall render all performance under this Agreement to such transferee Franchisee agrees that any such transferee shall have the rights and benefits assigned, but none of the obligations, and will not be subject to any claims, defenses or set-off that Franchisee may have against Franchisor

11 BINDING EFFECT

All the terms and provisions of this Promissory Note shall be binding upon and inure to the benefit of the Franchisor and Franchisee and their respective successors and assigns

12 GOVERNING LAW AND VENUE

This Promissory Note takes effect upon its acceptance by Franchisor in Nevada and shall be interpreted and construed under the laws of Nevada In the event of any conflict of law, the law of Nevada shall prevail, without regard to the application of Nevada conflict of law rules If, however, any provision of this Promissory Note would not be enforceable under the laws of Nevada, and if the Rocket Fizz Shop is located outside of Nevada and such provision would be enforceable under the applicable law of the state in which the Rocket Fizz Shop is located, then such provision shall be interpreted and construed under the applicable law of that state Nothing in this Section 12 is intended to subject this Promissory Note to any laws, rules or regulations of any state to which it would not otherwise be subject Disputes arising out of or relating to this Guarantee shall be brought in the state or federal courts in a county in Nevada in which Franchisor has a principal place of business at the time the action is initiated To the fullest extent that Franchisee may do so under applicable law, Franchisee waives the defense of inconvenient forum to the maintenance of an action in these courts and agrees not to commence any action of any kind except in these courts

IN WITNESS WHEREOF, Franchisee has executed this Promissory Note on the date set forth above

FRANCHISEE

____

A ____________________________

By ___________________________

Name _________________________

Title __________________________

OR

____

____

____

EXHIBIT H TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

CALIFORNIA
STATE ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a Disclosure Document approved by the Department of Business Oversight, 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

Our 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

1 The following language is added to the end of Item 3 of the Disclosure Document

Neither we nor any person identified in Item 2, or an affiliate or franchise broker offering franchises under our principal trademark 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, 15 U S C A 78a et seq., suspending or expelling such person from membership in such association or exchange

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

3 Section 31125 of the Corporations Code requires us to give you a Disclosure Document approved by the Commissioner of Department of Business Oversight before we ask you to consider a material modification of your franchise agreement

4 **YOU MUST SIGN A GENERAL RELEASE IF YOU RENEW OR TRANSFER YOUR FRANCHISE CALIFORNIA CORPORATIONS CODE SECTION 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE SECTIONS 31000 THROUGH 31516) BUSINESS AND PROFESSIONS CODE SECTION 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE SECTIONS 20034 THROUGH 20043)**

5 The California Department of Business Oversight requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, Cal Bus & Prof Code Section 31000 et seq , and the California Franchise Relations Act Cal Bus & Prof Code Section 20000 et seq If the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended

a 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)

b The Franchise Agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable

c The Franchise Agreement requires mediation The mediation will occur in a county in Nevada in which Franchisor has a principal place of business at the time the mediation is initiated, with the costs being borne equally by Franchisor and Franchisee

d 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 but we will enforce it to the extent enforceable

e The Franchise Agreement requires application of the laws of the state of Nevada This provision may not be enforceable under California law, but we will enforce it to the extent enforceable

6 Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5 Code of Civil Procedure Section 1281 and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California

7 The Franchise Agreement requires mediation The mediation will occur in in a county in Nevada in which we have a principal place of business at the time the action is initiated with the costs being borne equally by the parties

8 The following paragraph is added at the end of Item 19 of the Disclosure Document

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business Franchisees or former franchisees, listed in the offering circular, may be one source of this information

CALIFORNIA
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this '**Addendum**") dated ________________, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the '**Franchise Agreement**') dated ________________, by and between **RPM SUMMIT GROUP, LLC**, a Nevada limited liability company, as franchisor (**Franchisor**') and ____________________________, as franchisee (**Franchisee**) Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum

1 For the purposes of Cal Bus & Prof Code Section 20022, Franchisor and Franchisee agree that

a They will use the declining-balance depreciation method to calculate the value of Franchisee s assets (inventory, supplies, equipment, fixtures, and furnishings) for the purposes of a purchase by Franchisor under Section 20022 The purchase price by Franchisor for these assets will not include the cost of removal and transportation of those assets, which will be Franchisee s responsibility

b For the purposes of Section 20022 Franchisee is not able to provide Franchisor with clear title and possession" to Franchisee s Assets if those Assets are subject to liens or encumbrances including (i) purchase money security interests, (ii) blanket security interests, (iii) rights of first refusal, (iv) liens by Franchisee s landlord, or (v) tax liens

c For the purposes of Section 20022(h), Franchisor s right of offset will include the following amounts owed by Franchisee to Franchisor or Franchisor s Affiliates (i) Royalty Fees, (ii) Marketing Fund Fees, (iii) liquidated damages, (iv) Transfer Fees, and (v) any other type of fee owed by Franchisee to Franchisor or Franchisor s Affiliates

2 For the purposes of Cal Bus & Prof Code Section 20035, Franchisor and Franchisee agree that

a '**Fair market value of the franchise assets** means the value of Franchisee's Assets, valued according to the declining-balance method of depreciation The purchase price by Franchisor for the Assets will not include the cost of removal and transportation of those assets, which will be Franchisee s responsibility

b **Fair market value of the franchised business** means the "**fair market value of the franchise assets**' as defined above, plus goodwill The parties agree that the value of goodwill is the amount of Royalty Fees paid by Franchisee to Franchisor within the twelve (12) month period immediately before Franchisor's termination or failure to renew if Franchisor is in violation of the California Franchise Relations Act

(Signature Page Follows)

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms

FRANCHISOR	**FRANCHISEE**
RPM SUMMIT GROUP, LLC A Nevada limited liability company	____________________ A ____________________
By ____________________	By ____________________
Name ____________________	Name ____________________
Title ____________________	Title ____________________

EXHIBIT I TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE COMPLIANCE CERTIFICATE

RPM SUMMIT GROUP, LLC
FRANCHISE COMPLIANCE CERTIFICATE
FRANCHISE AGREEMENT NUMBER. _____

The undersigned Franchisee desires to enter into (check one) [ ] an Area Development Agreement with **RPM SUMMIT GROUP, LLC**, a Nevada limited liability company (**Franchisor**) for the development territory described below (the **Development Territory'**) or [ ] a Franchise Agreement with Franchisor Franchisor requires Franchisee to complete this Franchise Compliance Certificate to enable Franchisor to confirm that Franchisor and its employees and representatives have fully complied with all applicable franchise registration and disclosure laws

1 Full name of Franchisee

____

2 [ ] Development Territory or [ ] Franchise Location

____

____

3 Franchisee is (Check applicable box)

[ ] An individual,

[ ] A corporation,

[ ] A general partnership,

[ ] A limited partnership, or

[ ] A limited liability company

State of Incorporation/Organization ____________________

4 If Franchisee is other than an individual, indicate the capacity in which the undersigned is authorized to act on behalf of Franchisee (Check applicable box)

[ ] Officer (insert title) ______________________________

[ ] General Partner ______________________________

[ ] Manager ______________________________

[ ] Member ______________________________

[ ] Other (please explain) ______________________________

5 Did Franchisee receive a Franchise Disclosure Document? [ ] Yes [ ] No

6 On what date was the Disclosure Document received, and by whom?

Recipient: ______________________________

Date ______________________________

7 Below, please indicate the contracts proposed to be executed by Franchisee in connection with execution of the Area Development Agreement or Franchise Agreement, as applicable (collectively referred to as the "**Agreements**") and the date that the final form of such Agreements were delivered to Franchisee

	Agreement	Date Received
[ ]	Area Development Agreement	________
[ ]	Franchise Agreement	________
[ ]	Guaranty	________
[ ]	General Release	________
[ ]	________________	________

8 Name of salesperson(s) handling this sale for Company

____

9 Were any oral or written statements made to Franchisee by Franchisor, the salesperson(s) listed above, or any other representatives of Company concerning the actual sales, profits or earnings of any franchised or company-owned store(s) or potential sales, profits or earnings that could be anticipated at any location, including a location within the Development Territory? [ ] Yes [ ] No

If yes, please explain in detail (attach additional sheet if necessary) and if none, write none

____

____

____

____

10 Did Franchisee carefully review and understand the Disclosure Document, the Area Development Agreement, the Franchise Agreement, and the other Agreements? [ ] Yes [ ] No

If no, please explain

____

____

____

11 Did Franchisee ask Franchisor any questions concerning the Disclosure Document, Franchise Agreement or other Agreements that were not satisfactorily answered? [ ] Yes [ ] No

If yes, please explain

12 Did the salesperson(s) listed above, or any other employee or representative of Franchisor, make any statement to Franchisee which is inconsistent with the information described in the Disclosure Document?

[ ] Yes [ ] No

If yes, please explain

13 Did any employee or other person on Franchisor s behalf make any statement or promise about Franchisor s affiliated companies other than the information contained in the Disclosure Document?

[ ] Yes [ ] No

If yes, please explain

14 Did Franchisee contact other area developers and franchisees of Franchisor to discuss Franchisee s possible execution of the Area Development Agreement or Franchise Agreement as applicable? [ ] Yes [ ] No

15 If your answer to question 14 was yes, please identify such area developers or franchisees (attach extra sheets if necessary)

16 Did Franchisee employ an attorney to render advice to Franchisee concerning the execution of the Area Development Agreement or Franchise Agreement? [ ] Yes [ ] No

If yes, please insert the name address and telephone number of such attorney

____

____

____

17 Did Franchisee consult with an accountant or other financial advisor in connection with the execution of the Area Development Agreement or Franchise Agreement? [ ] Yes [ ] No

If yes, please insert the name address and telephone number of such accountant or financial advisor

[ ] Accountant

[ ] Other (please describe) ____________________________________

____

____

____

18 Has Franchisee, directly or through one or more affiliated business entities, previously constructed a Rocket Fizz Shop [ ] Yes [ ] No, if 'yes , how many? ______

19 Has Franchisee, directly or through one or more affiliated business entities, previously operated a "Rocket Fizz Shop [ ] Yes [ ] No, if 'yes , for how long? _____

20 If Franchisee has checked "yes' to question 18 and/or 19, Franchisee represents and agrees that Franchisee is entering into the Franchise Agreement based on Franchisee s own knowledge of, and experience with, the 'Rocket Fizz system, and Franchisee's other shop(s), and not in reliance upon any statements or information made or provided, or alleged to have been made or provided by Company or its affiliates, or any of its or their officers, directors, agents, employees or representatives

AGREED ________________
Franchisee s Initials

Franchisee understands that Franchisor is acting in reliance on the truthfulness and completeness of Franchisee s responses to the questions above in entering into the Area Development Agreement and/or Franchise Agreement with Franchisee FRANCHISEE ACKNOWLEDGES AND AGREES THAT IN THE EVENT THAT ANY DISPUTE ARISES, THIS QUESTIONNAIRE SHALL BE ADMISSIBLE AS EVIDENCE IN ANY LEGAL ACTION, AND FRANCHISEE HEREBY WAIVES, TO THE FULLEST EXTENT PERMISSIBLE UNDER THE LAW, ANY OBJECTION TO SUCH ADMISSION OF THIS QUESTIONNAIRE

21 All representations requiring prospective franchisees to assent to a release, estoppel, or waiver of liability are not intended to, nor shall they act as a release, estoppel or waive of any liability incurred under the Maryland Franchise Registration and Disclosure Law

FRANCHISEE

By ______________________________

Name ______________________________

Title ______________________________

Date ______________________________

FRANCHISEE

By ______________________________

Name ______________________________

Title ______________________________

Date ______________________________

FRANCHISEE

By ______________________________

Name ______________________________

Title ______________________________

Date ______________________________

FRANCHISEE

By ______________________________

Name ______________________________

Title ______________________________

Date ______________________________

FRANCHISEE
(IF FRANCHISEE IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP)

____
[Print Name of Franchisee Entity]

By ______________________________
Name ______________________________
Title ______________________________

EXHIBIT J TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

LIST OF CURRENT FRANCHISEES
AS OF DECEMBER 31, 2017

Owner(s)	**Address**	**City**	**State**	**Zip**	**Store phone**
Danny McMullen & Diane Murray	1010 Oak Street	Conway	AR	72032	(501) 504-6947
Danny McMullen & Diane Murray	718 Central Avenue	Hot Springs	AR	71901	(501) 609-9074
Jacob Cox	350 North Gilbert Road Suite 105	Gilbert	AZ	85234	(480) 219-6981
Michael Paul and Suzanne Engdahl	13802 North Scottsdale Road, Suite 132	Scottsdale	AZ	85254	(480) 306-8144
Kim Fry	13681 N Litchfield Road, Suite 122	Surprise	AZ	85379	(623) 546-3499
Luke Jacobellis and Jack Cross	3524 Magnolia Blvd	Burbank	CA	91502	(818) 846-7632
Lisa Pelgrim and Chris Dunn	220 East Campbell Avenue	Campbell	CA	95008	(408) 370-1510
Dani Simanian	Irvine Spectrum Center 823 Spectrum Center Drive	Irvine	CA	92618	(949) 453-0992
Sandy Smith	43530 10th Street W Suite 105	Lancaster	CA	93534	(661) 948-3499
Suzanne Uppman	5282 E 2nd Street	Long Beach	CA	90803	(562) 433-8880
Mark McLaughlin	298 Castro Street	Mountain View	CA	94041	(650) 943-6184
Rusteen Rusty Hadjilou	107 Avenida Del Mar	San Clemente	CA	92672	(310) 925-7570
Josh Rexford Morrow and Virlena Rexford	699 Higuera Street	San Luis Obispo	CA	93401	(805) 543-7632
Ted and Lori Jeries	1555 Simi Town Center Way #420	Simi Valley	CA	93065	(805) 526-7632
Steven and Shawnee Kellar	1001 Heavenly Village Way Suite #21	South Lake Tahoe	CA	96150	(530) 542-3499
Michael Diamond	593 N Moorpark Road, Suite D	Thousand Oaks	CA	91360	(805) 494-7632
Greg Stoddard	24300 Town Center Drive #103	Valencia	CA	91355	(661) 253-3499
Dani Simanian	1067 Broxton Avenue	Westwood	CA	90024	(310) 208-4509
David McLaughlin	1441 Pearl Street	Boulder	CO	80302	(303) 447-3499
Lance and Stephanie Monahan*	4987 Factory Shops Blvd, Unit B 110	Castle Rock	CO	80108	(720) 531-3422
Steve Benavides	5166 North Nevada Avenue, Suite B 140	Colorado Springs	CO	80918	(719) 323-6714
Bill Sallada	1512 Larimer Street, R-25	Denver	CO	80202	(303) 893-4355
Jeff and Polly Sindelar	356 E Elkhorn Avenue #3	Estes Park	CO	80517	(970) 577-1688
Jeff and Polly Sindelar	123 North College Avenue, Suite 180	Fort Collins	CO	80524	(970) 493-9464
Patrick Evans	9567 S University Blvd , Suite C-1	Highlands Ranch	CO	80126	(303) 346-4821
Amber and Wally Sallee	8210 Northfield Blvd #1290	Northfield	CO	80238	(303) 371-1088
Lance and Stephanie Monahan	19751 E Main St Suite R7	Parker	CO	80138	(720) 643-5671

Owner(s)	Address	City	State	Zip	Store phone
Gary Rustmann	250 N Atlantic Avenue, Unit 100	Daytona Beach	FL	32118	(386) 492-2259
Shawn & Jean Adams	10035 Gulf Center Drive, Unit F-130	Fort Myers	FL	33913	(239) 489 3499
Bill Sallada	1529 Town Center Drive	Lakeland #2	FL	33803	(863) 698-7812
Bill Sallada	28163 Paseo Drive, Suite 115	Wesley Chapel #2	FL	33544	(813) 803-7179
Mehrdad and Shereen Harini	520 South Park Avenue	Winter Park	FL	32789	(407) 645-3499
Jason & Gwen Lewis	115 Clairemont Avenue	Decatur	GA	30030	(678) 765-8818
Richard Mashburn	128 South Park Square	Marietta	GA	30060	(678) 426-7520
Stephan and Andrea Nelson	344B Newnan Crossing Bypass	Newnan	GA	30263	(770) 683-2877
Richard Mashburn	320 W Broughton Street	Savannah	GA	31401	(770) 871-5253
Jason & Gwen Lewis	340 Town Center Avenue, Suite A-9	Suwanee (Atlanta)	GA	30024	(678) 765-8818
Bob and Cindy Peters	1550 North Ankeny Blvd Suite 104	Ankeny (Des Moines)	IA	50023	(515) 261-3499
Jon and Kim Nething	301 West Main Street	St Charles	IL	60174	(630) 797-5889
Jon and Kim Nething	55 Monument Circle #52	Indianapolis	IN	46204	(317) 822-3499
Jon and Kim Nething	13170 Harrell Parkway Suite 450	Noblesville	IN	46060	(317) 773-7632
Jon and Kim Nething	313 Marketplace Mile, Suite 160	Plainfield	IN	46168	(317) 742-7654
Greg and Bethany Hartman	1005 East Canal Street	Winona Lake	IN	46590	(574) 267-3789
Pam & Randy Isaacson	2350 N Greenwich Road, Suite 700	Wichita	KS	67226	(316) 613-2410
Richard Morris	610 Boardwalk Blvd Unit A	Bossier City	LA	71111	(318) 588-5044
Phylis Luscy	831 Decatur Street	New Orleans	LA	70116	(504) 566-7500
Mike & Jodi Pitsch*	2090 Celebration Drive, Suite 122	Grand Rapids	MI	49525	(616) 279-2913
Mark Fogarasi*	44225 W 12 Mile Road, Suite C104	Novi	MI	48377	(248) 308-2200
Mark & Cheryl Strahm and Mike Rohrbacker	6372 Delmar Boulevard	University City (St Louis)	MO	63130	(314) 833-4614
Richard Mashburn	21 Battery Park Avenue	Asheville	NC	28801	(828) 575-2360
Bradley and Justin Qualls	1023 Boston Drive	Burlington	NC	27215	(336) 524-6902
Bill Sallada	155 Southeast Cary Parkway	Cary	NC	27511	(919) 377-2833
Rhett Batanides and Bill Sallada	The Epicentre, 210 East Trade Street, Space # A-102	Charlotte	NC	28202	(704) 910-2950
Ann Wiremalm and Kyle Sims	1916 Skibo Road, unit A7	Fayetteville	NC	28314	(910) 867-6032

Owner(s)	Address	City	State	Zip	Store phone
Bill Sallada	5017 Falls of Neuse Road	Raleigh	NC	27609	(919) 706-5142
Jeff and Polly Sindelar	601 R Street Suite 130	Lincoln	NE	68508	(402) 328-3499
Al Nicolosi and Joy Curley	101 Route 73 South, Suite 113	Marlton	NJ	08053	(856) 574-4740
Joann and Andrew Ammazzaorsi	46 Haddon Avenue	Westmont	NJ	08108	(856) 854-3499
Sheri Stewart and Damian Barton	9410 W Sahara #120 Village Square	Las Vegas	NV	89117	(702) 889-4292
Edwin Reyes and Jaipaul Samujh	3517 Hempstead Turnpike	Levittown	NY	11756	(516) 261-9797
Susan and Robert Hale	530 Euclid Avenue suite 22B	Cleveland	OH	44114	(216) 505-5225
Lyndsay and Colin Maher	944 North High Street	Columbus	OH	43201	(614) 525-0052
Scott and Pamela Shelnut	307 S Main Street	Broken Arrow	OK	74012	(918) 957-1500
Tina and Alan Bevel	130 N Broadway, Suites 100 & 110	Edmond	OK	73034	(405) 509-2301
Kristin Kris Allen	12345 SW Horizon Blvd , #51	Beaverton	OR	97007	(503) 336-0263
Larry Lang	255 W Bridge Street, Unit 2A	Homestead (Pittsburgh)	PA	15120	(412) 461-6462
Joe Rutter, George Rutter	302 Arch Street	Philadelphia	PA	19106	(215) 650-3163
Andrew Ryan	306 McHolme Drive	Robinson Township	PA	15275	(412) 977-8088
Michael Clancy	40 Shelter Cove Lane Suite 182	Hilton Head Island	SC	29928	(843) 785-3510
Richard Mashburn	411 Broad Street, Suite 105	Chattanooga	TN	37402	(423) 777-5699
Jack and Verena Bruner	201 N 2nd Avenue	Nashville	TN	37201	(615) 730-8085
Richard Morris	1707 N Collins Street, Suite 111	Arlington	TX	76011	(682) 706-3390
Brett and Leah Wright	5425 South Padre Island Drive, Suite 163	Corpus Christi	TX	78411	(361) 336-6410
Jacob Cox	2701 Main Street, Suite 160	Deep Ellum	TX	75226	(972) 773-9155
Neil Mouton	7620 Katy Freeway, Suite 315	Houston #3	TX	77024	(832) 301-3483
Bill Sallada	513 E Houston Street, Suite 120	San Antonio	TX	78205	(210) 229-1077
Bill Sallada	The Gateway Mall, 15 South Rio Grande Street, Suite B	Salt Lake City	UT	84101	(801) 456-2613
Mark and Carolyn Johnson	1604 Village Market Blvd #122	Leesburg	VA	20175	(703) 771-6300
Bill Sallada	3031 West Cary Street	Richmond	VA	23221	(804) 793-8808
Douglas and Jennifer Dixon	120 Central Way	Kirkland	WA	98033	(425) 822-9999
Theresa Sindelar & Jeff and Polly Sindelar	127 Broadway Ave East Suite B	Seattle	WA	98102	(206) 328-4312

Owner(s)	Address	City	State	Zip	Store phone
Bill Sallada	2427 Grand Avenue, Unit A	Laramie	WY	82070	(307) 460-9909

*Area Developer

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM

LIST OF FRANCHISEES WHOSE OUTLETS WERE TERMINATED, DID NOT RENEW, REACQUIRED BY FRANCHISOR, OR CEASED OPERATIONS FOR OTHER REASONS
AS OF DECEMBER 31, 2017

Terminated or Ceased Operations

Owner(s)	City	State
Lisa Pelgrim and Chris Dunn	Palo Alto	CA
Robert Fukutomi	Vista	CA
Steve & Marianne Banales	Tampa	FL
Stephen and Carmela Martino	Township of Washington	NJ

Reacquired By Franchisor

Owner(s)	City	State
Jack Dempsey	Ventura	CA

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM

LIST OF OUTLETS TRANSFERRED TO NEW OWNERS
AS OF DECEMBER 31, 2017

Owner(s)	**Address**	**City**	**State**	**Zip**
Steve & Marianne Banales	1529 Town Center Drive	Lakeland	FL	33803
Steve & Marianne Banales	28163 Paseo Drive, Suite 115	Wesley Chapel	FL	33544
Robert Brescia	301 West Main Street	St Charles	IL	60174
Wendy and David Pratt	2427 Grand Avenue, Unit A	Laramie	WY	82070

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM

LIST OF FRANCHISEES WHO SIGNED AGREEMENTS BUT THE LOCATIONS ARE NOT YET OPEN
AS OF DECEMBER 31, 2017

Owner(s)	Address	City	State	Zip	Store phone
Danny McMullen & Diane Murray	TBD	Conway	AR	TBD	TBD
Lance and Stephanie Monahan*	TBD	Tempe	AZ	TBD	TBD
Suzanne Uppman*	TBD	Huntington Beach #2	CA	TBD	TBD
Evet Sahakian	107 Avenida Del Mar	San Clemente #2	CA	92672	(949) 492-0099
Dani Simanian	TBD	Santa Monica	CA	TBD	TBD
Chuck Lerette and Cindy Lerette	TBD	Solvang	CA	TBD	TBD
Lance and Stephanie Monahan*	TBD	Aurora	CO	TBD	TBD
Victor & Rebecca Fleischer	1375 N Ferdon Blvd Unit 110	Crestview	FL	32536	(850) 306-3602
Paul & Reka Kallenberg	TBD	Naples	FL	TBD	TBD
Victor & Rebecca Fleischer*	TBD	Okaloosa County #1	FL	TBD	TBD
Victor & Rebecca Fleischer*	TBD	Okaloosa County #2	FL	TBD	TBD
Steve & Marianne Banales*	TBD	Tampa #2	FL	TBD	TBD
Steve & Marianne Banales*	TBD	Tampa #3	FL	TBD	TBD
Steve & Marianne Banales*	TBD	Tampa #4	FL	TBD	TBD
Steve & Marianne Banales*	TBD	Tampa #5	FL	TBD	TBD
Jon Cato	TBD	Alpharetta	GA	TBD	TBD
Robert Brescia	TBD	Chicago #3	IL	TBD	TBD
Robert Brescia	TBD	Glenview	IL	TBD	TBD
Richard Morris	TBD	Baton Rouge	LA	TBD	TBD
Mark Fogarasi	TBD	Ann Arbor	MI	TBD	TBD
Mark Fogarasi*	TBD	Birmingham or Ferndale or Royal Oak	MI	TBD	TBD
Mark Fogarasi*	TBD	Detroit	MI	TBD	TBD
Heather Holmer	125 S Kalamazoo Mall	Kalamazoo	MI	49007	TBD
Mark Fogarasi*	TBD	Macomb	MI	TBD	TBD
Louie Qarana & Larven Qarana	TBD	Rochester	MI	TBD	TBD
Mike & Jodi Pitsch	TBD	Wyoming	MI	TBD	TBD
Bradley and Justin Qualls*	TBD	Greensboro	NC	TBD	TBD
Ann Wiremalm and Kyle Sims*	TBD	Greenville	NC	TBD	TBD

Owner(s)	Address	City	State	Zip	Store phone
Ann Wiremalm and Kyle Sims*	TBD	Jacksonville	NC	TBD	TBD
Ann Wiremalm and Kyle Sims	TBD	Wilmington	NC	TBD	TBD
Rob Bixon & Ken Carter*	TBD	Montclair	NJ	TBD	TBD
Rob Bixon & Ken Carter*	TBD	Paramus #2	NJ	TBD	TBD
Rob Bixon & Ken Carter*	TBD	Paramus #3	NJ	TBD	TBD
Rob Bixon & Ken Carter*	TBD	Paramus #4	NJ	TBD	TBD
Edwin Reyes and Jaipaul Samujh*	TBD	Nassau County #1	NY	TBD	TBD
Edwin Reyes and Jaipaul Samujh*	TBD	Nassau County #2	NY	TBD	TBD
Edwin Reyes and Jaipaul Samujh*	TBD	Nassau County #3	NY	TBD	TBD
Ernie Vaglio	TBD	Staten Island	NY	TBD	TBD
Jon and Kim Nething	TBD	Cincinnati	OH	TBD	TBD
Scott and Pamela Shelnut*	TBD	Jenks	OK	TBD	TBD
Scott and Pamela Shelnut*	TBD	Tulsa	OK	TBD	TBD
Joe Rutter, George Rutter	418 South Street	South Street	PA	19147	TBD
Allan Houpt	TBD	Gatlinburg and Pigeon Forge	TN	TBD	TBD
Jack and Verena Bruner	TBD	Nashville #2	TN	TBD	TBD
Jack and Verena Bruner	TBD	Nashville #3	TN	TBD	TBD
Jacob Cox*	TBD	Dallas #3	TX	TBD	TBD
Jacob Cox*	TBD	Dallas #4	TX	TBD	TBD
Todd Clements	TBD	Temple	TX	TBD	TBD
Jacob Cox	TBD	Vineyard	UT	TBD	TBD

*Area Developer

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM

EXHIBIT L TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7505 (866) 275-2677	California Commissioner of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7505 (866) 275-2677
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Commissioner of Securities, Department of Commerce & Consumer Affairs 335 Merchant Street Room 203 Honolulu, Hawaii 96813 (808) 586-2722
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield Illinois 62706 (217) 782-4465
INDIANA	Indiana Secretary of State Securities Division 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531
MARYLAND	Office of the Attorney General Securities Division 200 St Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360	Maryland Securities Commissioner Office of the Attorney General Securities Division 200 St Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attn Franchise Section G Mennen Williams Building, 1st Floor 525 West Ottawa Lansing, Michigan 48933 (517) 373-7117	Michigan Department of Commerce Corporations and Securities Bureau P O Box 30054 6546 Mercantile Way Lansing, Michigan 48909 (517) 241-6345
MINNESOTA	Minnesota Department of Commerce 85 7th Place East Suite 280 St Paul, Minnesota 55101-2198 (651) 539-1600	Minnesota Commissioner of Commerce Department of Commerce 85 7th Place East Suite 280 St Paul, Minnesota 55101-2198 (651) 539-1600
NEW YORK	Office of the New York State Attorney General Investor Protection Bureau 120 Broadway, 23rd Floor New York, New York 10271-0332 (212) 416-8236 (Phone) (212) 416-6042 (Fax)	New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231-0001 (518) 473-2492

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NORTH DAKOTA	Office of the Securities Commissioner 600 East Boulevard Avenue Fifth Floor, Department 414 Bismarck North Dakota 58505-0510 (701) 328-4712	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-2910
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem Oregon 97310 (503) 378-4387
RHODE ISLAND	Director, Securities Division State of Rhode Island Department of Business Regulation Bldg 69, First Floor John O Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462- 9582	Securities Division Department of Business Regulation Bldg 69, First Floor John O Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462 9582
SOUTH DAKOTA	Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	Director Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre South Dakota 57501 (605) 773-3563
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, Ninth Floor Richmond Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371-9051
WASHINGTON	Department of Financial Institutions Securities Division P O Box 9033 Olympia, Washington 98507 (360) 902-8760	Director, Department of Financial Institutions Securities Division 150 Israel Road S W Tumwater Washington 98501
WISCONSIN	Franchise Registration Division of Securities Wisconsin Department of Financial Institutions 201 West Washington Avenue Suite 300 Madison Wisconsin 53703 (608) 266-1064	Securities and Franchise Registration Wisconsin Securities Commission 201 West Washington Avenue Suite 300 Madison Wisconsin 53703 (608) 266-1064

EXHIBIT M TO

THE ROCKET FIZZ

FRANCHISE DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT

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

If RPM Summit Group, LLC offers you a franchise, RPM Summit Group, LLC must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale

Michigan requires that we give you this Disclosure Document at the earlier of 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship

New York requires you to receive this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship

If RPM Summit Group, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to The Federal Trade Commission, Washington D C 20580 and the appropriate State Agency Identified on **Exhibit L**

The franchisor is RPM Summit Group, LLC located at 770 Mays Boulevard, #5400, Incline Village, Nevada 89450, (775) 544-9527

Issuance Date March 27, 2018

The name, principal business address and telephone number of each Franchise Seller offering the Franchise Richard Shane, Robert Powells, and Ryan Morgan, 770 Mays Boulevard, #5400, Incline Village, Nevada 89450 (775) 544-9527, and Rhett Batanides, 2907 Providence Road, Suite 302, Charlotte, North Carolina 28211,________________________

We authorize the persons and/or entities listed on **Exhibit L** to receive service of process for us

I have received a Disclosure Document dated March 27, 2018 This Disclosure Document includes the following Exhibits

Exhibit A	Franchise Agreement and Attachments
Exhibit B	Area Development Agreement and Attachments
Exhibit C	Option to Obtain Lease Assignment
Exhibit D	Confidentiality Agreement for Prospective Franchisees
Exhibit E	Non-Disclosure and Confidentiality Agreement for Employees of Franchisee
Exhibit F	General Release Agreement
Exhibit G	Promissory Note
Exhibit H	State Specific Addenda
Exhibit I	Franchise Compliance Certificate
Exhibit J	List of Franchisees
Exhibit K	Financial Statements
Exhibit L	State Administrators and Agents for Service of Process
Exhibit M	Receipts

____________________ ____________________

Date Franchisee

Please sign this copy of the Receipt, date your signature, and return it to Robert Powells, 770 Mays Boulevard #5400, Incline Village, Nevada 89450, Telephone (775) 544-9527

RECEIPT

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

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Exhibit M	Receipts

______________________________ ______________________________

Date Franchisee

Keep this copy for your records This Disclosure Document may be available in several formats including on paper, on a CD in pdf format or on our website **www rocketfizz com**