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DEPARTMENT OF BUSINESS OVERSIGHT SAN FRANCISCO

# FRANCHISE DISCLOSURE DOCUMENT

TR FIRE GRILL

TONY ROMA'S®
RIBS · SEAFOOD · STEAKS

**Roma Franchise Corporation**
**a Delaware corporation**
**11315 Corporate Boulevard , Suite 100**
**Orlando, Florida 32817**
**321-281-9330**
**franchiseinquiry@romacorp com**
www tonyromasfranchise com
www trfiregrillfranchise com

The franchisee will operate one or more restaurants under the mark TONY ROMA'S®, featuring a wide variety of menu items including ribs, steak, grilled chicken, seafood, sandwiches, salads, appetizers and desserts for dine-in and take-out customers and full bar services, or under the mark TR FIRE GRILL®, a chef-inspired American bistro specializing in artisanal food and beverages using locally sourced, seasonal produce, with full bar services The franchise is for one or both of these two concepts

Tony Roma's restaurants ("Tony Roma's Restaurant") feature a full range of menu items with full bar services The total investment necessary to begin operation of a new Tony Roma's Restaurant ranges from $2,138,500 to $3,536,000 This includes $90,000 to $130,000 that must be paid to us or our affiliates, part of which consists of a development fee ("Development Fee") and a $40,000 franchise fee for each Tony Roma's Restaurant ("Initial Franchise Fee")

The total investment necessary to begin operation of a conversion of an existing restaurant to a Tony Roma's Restaurant ranges from $1,983,500 to $3,311,000 This includes $80,000 to $130,000 that must be paid to us or our affiliates, part of which consists of a Development Fee and a $40,000 Franchise Fee for each Tony Roma's Restaurant

TR Fire Grill restaurant ("Grill Restaurant") features a distinctive chef inspired menu specializing in artisanal food and beverages using locally sourced seasonal produce with full bar services and a contemporary decor The total investment necessary to begin operation of a Grill Restaurant ranges from $2,414,000 to $3,508,000 This includes the $100,000 to $140,000 that must be paid to us or our affiliates, part of which consists of a Development Fee and a $50,000 Initial Franchise Fee for each Grill Restaurant

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

You may wish to receive your Disclosure Document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact the office of the Vice President of Franchise Development, Romacorp, Inc , 11315 Corporate Boulevard, Suite 100, Orlando, Florida 32817, 321-281-9330

The terms of your contract will govern your franchise relationship  Do not rely on this Disclosure Document alone to understand your contract  Read all of your contracts carefully  Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant

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

There may also be laws on franchising in your state  Ask your state agencies about them (see Exhibit F)

Date of Issuance  April 21, 2017, as amended August 2, 2017

## STATE COVER PAGE

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

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

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

Please consider the following RISK FACTORS before you buy this franchise

**UNLESS OTHERWISE REQUIRED BY STATE LAWS, THE FRANCHISE AGREEMENT PERMITS YOU TO SUE US ONLY IN FLORIDA OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT IT ALSO MAY COST YOU MORE TO SUE US IN FLORIDA THAN IN YOUR STATE**

**THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS**

**YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE BUSINESS THIS GUARANTEE WILL PLACE BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS**

**THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE**

State registration effective dates are listed on the following State Registrations page

**ROMA FRANCHISE CORP.**
**STATE REGISTRATIONS**

This Disclosure Document is registered, on file or exempt from registration in the following states with franchise registration and disclosure laws

| State | Effective Date |
|---|---|
| California | |
| Illinois | |
| Indiana | April 21, 2017 |
| Maryland | |
| Michigan | April 27, 2017 |
| Minnesota | |
| New York | |
| North Dakota | |
| Rhode Island | |
| South Dakota | April 27, 2017 |
| Utah | August 16, 2017 |
| Virginia | |
| Washington | |
| Wisconsin | |

**ROMA FRANCHISE CORPORATION FRANCHISE DISCLOSURE DOCUMENT**

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EXHIBITS

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

In this Disclosure Document, we refer to Roma Franchise Corporation as "we", "us" or "Company" and to the person buying the franchise as "you " If the buyer is a corporation or other legal entity, the term "you" will not refer to the entity's principals, unless otherwise stated

In this Disclosure Document, the term "Principal" includes, collectively or individually, you and your spouse, if you are an individual, all officers, directors and holders of an equity interest and/or your outstanding equity interests and the outstanding equity securities of any corporation directly or indirectly controlling you, if you are a corporation, all of your members, if you are a limited liability company, your general partners and the officers, directors and holders of the outstanding equity securities of a corporate general partner and of any corporation which controls, directly or indirectly, any general partner, if you are a partnership, and all or your beneficial owners, if you are a trust

***Who We Are***

We are a Delaware corporation formed on March 29, 1994 We, together will all of our parents and affiliates descripted in this Item, maintain our principal place of business and our Global Support Center at 11315 Corporate Boulevard, Suite 100, Orlando, Florida 32817 We do business only under our corporate name Our agents for service of process are listed in Exhibit G

We have not offered franchises in any line of business other than restaurants, and we do not engage in any other business activity We have never operated a business of the type described in this Disclosure Document, but our parent company, Romacorp, Inc ("Romacorp"), operates 3 Tony Roma's Restaurants, under the mark TONY ROMA'S® Romacorp also operates 1 Grill Restaurant under the mark TR FIRE GRILL®

***Our Predecessors and Affiliates***

Our predecessor Roma Corporation began offering franchises for the type of business described in this Disclosure Document in 1979 As a result of a merger effective December 29, 1991, Romacorp, Inc , a Delaware corporation ("Old Romacorp"), became the successor in interest to Roma Corporation

In 1994, Old Romacorp underwent a corporate reorganization As a result of the reorganization, Roma Dining, L P ("Roma Dining"), a Delaware limited partnership (in which our parent, Romacorp, was the general partner and held a limited partnership interest), predecessor to Roma Dining, L L C , a Delaware limited liability company ("Roma Dining") (in which our parent, Romacorp, holds a 1% membership interest, and our affiliate, Roma Holdings, Inc holds a 99% membership interest) acquired domestic rights to our intellectual property, which it licenses to us (see Item 13), Roma Systems, Inc ("RSI"), a Delaware corporation (and a wholly owned subsidiary of Old Romacorp) acquired international rights in our intellectual property and the right to offer and sell franchises for Roma Restaurants internationally, and we acquired the right to offer and sell franchises in the United States Old Romacorp continued to operate Tony Roma's Restaurants and now also operates 1 Grill Restaurant

In April 1998, Old Romacorp underwent a corporate recapitalization, as a result of which Sentinel Capital Partners, L P ("Sentinel") acquired 80% of Old Romacorp (which changed its name to Roma Restaurant Holdings, Inc as part of the recapitalization) and NPC International, Inc , which owned 100% of the equity of Old Romacorp from June 1993 through June 1998 ("NPC") retained 19 75% Under the recapitalization, Old Romacorp transferred the majority of all assets and liabilities (including its ownership interest in our stock) to a newly formed subsidiary, Romacorp Operating Company, Inc , a Delaware corporation, which simultaneously changed its name to Romacorp, Inc We are a wholly owned subsidiary of Romacorp, Inc The recapitalization was concluded as of June 29, 1998

Effective March 27, 2006 a consensual restructuring under which the outstanding noteholders of Romacorp exchanged all of their outstanding debt for an approximately 99% ownership in Roma Restaurant Holdings, Inc , the parent of Romacorp, was completed The restructuring, which included us, our parent and all affiliated companies, took place under Chapter 11 of the U S Bankruptcy Code Management of the reorganized companies, including us, was unchanged

***The Franchise We Offer***

We grant franchises for Tony Roma's Restaurants and Grill Restaurants Tony Roma's Restaurants, which offer a wide variety of menu items including ribs, steak, grilled chicken, seafood, burgers, sandwiches, salads, appetizers and desserts and full bar services, operate under the trade name and service mark TONY ROMA'S® and TONY ROMA'S FAMOUS FOR RIBS® We also grant franchises for Grill Restaurants, which offer a chef-inspired menu specializing in artisanal food and beverages using locally sourced, seasonal produce, if or when available with full bar service and operate under the trade name and service mark TR FIRE GRILL® We refer to Tony Roma's Restaurants and Grill Restaurants collectively as "Roma Restaurants", and unless we specify otherwise, references in this Disclosure Document to Roma Restaurants also includes Grill Restaurants Previously, we offered franchises for a limited service restaurant under the trade name and service mark TONY ROMA'S EXPRESS® ("Express Restaurants") We no longer offer franchises for Express Restaurants As of the date of this Disclosure Document, one franchised Express Restaurant continues to operate in Florida

All Roma Restaurants use the trade name and/or service mark TONY ROMA'S® or TR FIRE GRILL® and other trade names, service marks, trademarks, logos, emblems and indicia of origin that we license to you, or in the future may license, in connection with the operation of a Roma Restaurant (the "Marks") Roma Restaurants operate under our proprietary business format and system (the "System"), the distinguishing characteristics of which include our proprietary recipes and menu items, distinctive design, decor and color schemes, and furnishings, our standards, specifications, policies and techniques for locating, establishing, operating and promoting a Roma Restaurant (the "Standards"), quality and uniformity of products and services offered, training and assistance, and advertising and promotional programs all of which we reserve the right to change, improve and further develop at any time

Most Tony Roma's Restaurants occupy either an "end cap" location in a shopping center or are freestanding structures, with adjoining parking spaces as required by local law A typical Tony Roma's Restaurant has a kitchen and dining room capacity for approximately 175 to 230 persons A Grill Restaurant features a contemporary decor in a newly constructed in-line location including a kitchen and dining room capacity for approximately180 to 225 persons The success of a Roma Restaurant depends on serving a large number of guests Roma Restaurants generally are located in urban or heavily populated suburban areas and are open year round, typically seven days per week

Tony Roma's Restaurants typically offer a full menu including ribs, chicken, steak, seafood items, burgers, sandwiches, appetizers, salads, and onion loaves, prepared to our specifications The market supply and price of ribs conforming to our specifications is subject to fluctuation During periods of short supply, the price for ribs may substantially increase, because we cannot control supply We do not represent that you can consistently anticipate an adequate supply of acceptable ribs All Tony Roma's Restaurants remain open as late as practicable, under applicable zoning laws, for late night meals and service of alcoholic beverages

Grill Restaurants offer a chef-inspired American bistro specializing in artisanal food and beverages using locally sourced, seasonal produce, if or when available, prepared to our specifications We cannot control the availability of any products used on our menu in your local market, and we do not represent that you can consistently anticipate an adequate supply of acceptable products All Grill Restaurants remain open as late as practicable, under applicable laws and rules, for late night meals and service of alcoholic beverages, where permissible

If we grant you a franchise, you will sign a development agreement ("Development Agreement") granting you the right to develop one or more Roma Restaurants in a specified area Exhibit B is our current standard form of Development Agreement The Development Agreement will require you to develop a minimum number of Roma Restaurants in a specific time period according to a development schedule ("Development Schedule") You also will sign our then-current form of franchise agreement ("Franchise Agreement") for each Roma Restaurant that you develop under the Development Agreement (we refer to the Roma Restaurant(s) that you will operate as the "Restaurant" or "Restaurants") Exhibit C is our current standard form of Franchise Agreement Our then-current form of franchise agreement may substantially differ from Exhibit C and may include, among other things higher franchise fees, royalty fees and advertising fund contributions We may grant you a Development Agreement to develop and a Franchise Agreement to operate, either a single or multiple Tony Roma's Restaurants, Grill Restaurants, or both

***Market and Competition***

Your Roma Restaurant will compete with other businesses performing similar services and offering similar products The market for restaurant services is well-established, and the restaurant business is highly competitive regarding price, service, restaurant location, and food quality, and is often affected by changes in consumer tastes, economic conditions, demographics, and traffic patterns Your Roma Restaurants will be competing with local restaurants offering table-service and/or carry-out products, including similar products as you offer at your Roma Restaurants, as well as with regional and national restaurant chains that offer one or more similar products, and alcoholic beverages, some of which may be larger or have greater financial resources than we have There is also active competition for the employment of qualified management and hourly personnel and for the acquisition of attractive, affordable commercial real estate sites suitable for restaurants

***Laws and Regulations***

The restaurant industry is heavily regulated Certain federal agencies and various state and local health departments administer and enforce laws and regulations that govern food preparation, food service, health and sanitation, menu labeling, advertising, employment, public accommodation and the sale of alcoholic beverages It is your responsibility to comply with all federal, state and local laws, rules and regulations applicable to the operation of your Restaurants

You should investigate state laws concerning the sale of alcoholic beverages State and local laws, regulations and ordinances vary significantly in the procedures, difficulty and cost associated with obtaining a license to sell alcoholic beverages, the restrictions placed on the manner in which alcoholic beverages may be sold or promoted, and the potential liability imposed by these laws involving injuries, directly and indirectly, related to the sale of alcoholic beverages and its consumption

## ITEM 2
## BUSINESS EXPERIENCE

**Bradley E Scher Director, President and Chief Executive Officer**

Mr Scher has been a Director, the President and Chief Executive Officer of Roma Franchise Corporation since July 31, 2017 and of Romacorp, Inc since June 22, 2017 Mr Scher also concurrently serves as be the managing member of Ocean Ridge Capital, LLC located in New Rochelle, New York, and has held that position since February 2002 Ocean Ridge is a financial and operational consulting firm which provides financial, strategic and operational assistance to companies in various industries As part of his duties with Ocean Ridge Capital, Mr Scher has served as part of the management team or on the board of directors of many companies since 2002 See Item 4

**John Brisco Executive Vice President & Chief Development Officer, President, International**

Mr Brisco has served as the Executive Vice President and Chief Development Officer of Romacorp, Inc since May 28, 2013, and is a Director and the President-International of Roma Systems, Inc (our international franchisor) effective December 2, 2014 Prior to that he was President of International Development for Ruby Tuesday, Inc (RT NYSE) in Maryville, Tennessee from August 2010 to April 2013 Mr Brisco's primary office is in Sanibel, Florida

**Michael J Roder Senior Vice President of Operations**

Mr Roder has been the Senior Vice President of Operations of Romacorp, Inc and our Senior Vice President of Operations since March 2017 Before that, Mr Roder was the Vice President of International Operations for Roma Systems, Inc , our affiliate, since November 2016 Previously, Mr Roder was Area Partner of The Piada Group in Columbus, Ohio from May 2016 until November 2016, a Director of Operations for Barteca in Norwalk, Connecticut from March 2015 until March 2016, and Vice President of Operations for Ruby Tuesday, Inc (RT NYSE) in Maryville, Tennessee from 1999 through 2014

**Brian Grusi Director and Chief Financial Officer**

Mr Grusi has been the Chief Financial Officer of Romacorp, Inc since March 2016 and the Chief Financial Officer, and a director, of Roma Franchise Corporation since May 2016 From August 2014 to October 2015 to February 2016, Mr Grusi served first as Senior Director of Finance and Accounting and then as Chief of Staff at Ruby Tuesday, Inc (RT NYSE) in Maryville, Tennessee Mr Grusi served as Chief Financial Officer for Vapiano International in McLean, Virginia from December 2012 to August 2014 From August 1992 to December 2012 Mr Grusi worked for Darden Restaurants, Inc in Orlando, Florida where his last position was Director of Finance for Darden's Specialty Restaurant Group

**Jonathan E Benjamin: Vice President Franchise Development**

Mr Benjamin was appointed the Vice President Franchise Development of Romacorp, Inc in March 2016 Prior to joining Romacorp, Mr Benjamin served as the Chief Executive Officer of KURE Franchising, LLC in Charlotte, North Carolina from June 2015 until November 2015 From June 2013 until June 2015, Mr Benjamin was the Chief Development Officer of Huddle House, Inc in Atlanta, Georgia From December 2011 until June 2013, Mr Benjamin was the Vice President of Development for Corner Bakery Cafe in Dallas, Texas Mr Benjamin's primary office is in Marietta, Georgia

**Scott Isaacs Regional Vice President**

Mr Isaacs has been the Regional Vice President of Franchise Operations – Canada for Romacorp, Inc since August 2015 Before that, Mr Isaacs was the Director of Franchise Operations for Genesis Hospitality Group, Inc in Orlando, Florida from September 2014 until August 2015, and the Director of Operations for Darden Restaurants, Inc in Orlando, Florida from June 2006 until July 2014

**Gary Fassl Regional Vice President**

Mr Fassl was appointed a Regional Vice President of Romacorp, Inc in August 2017 Before joining Romacorp, Mr Fassl was Vice President for Millhouse Holdings, LLC in Brunswick, Georgia from January 2005 until May 2017

**James M Rogers Director, Chief Marketing Officer**

Mr Rogers was appointed the Chief Marketing Officer of Romacorp, Inc in June 2014 and a Director of Roma Franchise Corporation in May 2016 Prior to joining Romacorp, Mr Rogers served as Vice President of International Marketing for Krispy Kreme Doughnuts, Inc in Winston-Salem, North Carolina from February 2001 until February 2014

**Robert J. Gallagher Senior Vice President of Culinary & Beverage**

Mr Gallagher was appointed the Senior Vice President of Culinary of Romacorp, Inc in June 2011 Before this, Mr Gallagher was Romacorp's Executive Director of Culinary from August 2006 until June 2011

**Douglas Nichols Director of Training**

Mr Nichols was appointed our Director of Training in November 2016 Previously, Mr Nichols was Romacorp's Senior Manager of New Restaurant Opening Support from March 2015 until November 2016, Romacorp's Training and Development Manager from March 2014 until March 2015, and Romacorp's Franchise Operations Manager from November 2012 until March 2014

**Jerald R Spoto, Jr Director of Beverage**

Mr Spoto has been our Director of Beverage since August 2016 Previously, Mr Spoto was the Southeast Account Manager for Premium Port Wines, Inc in San Francisco, California from January 2014 until August 2016 Before that, Mr Spoto was a Key Account Manager for Southern Wine & Spirits/Transatlantic Wine & Spirits in Miami, Florida from August 2004 until January 2014

**Darren Gino Director of Information Technology**

Mr Gino has been our Director of Information Technology since January 2016 From March 2001 until December 2015 Mr Gino worked for Darden Restaurants, Inc in Orlando, Florida where his last position was Project Manager

**Monika Mogensen  Manager of Purchasing & Supply Chain**

Ms  Mogensen has been our Manager of Purchasing & Supply Chain since December 2016   Previously, Ms  Mogensen was a Merchandise Manager for Tuni Apparel Group Winter Park, Florida from July 2012 until December 2012, and a Shop Manager for Bloomindale's, Inc  in New York, New York from October 2007 until May 2012

**Anthony Sutter  Assistant General Counsel & Secretary**

Mr  Sutter was appointed Assistant General Counsel of Romacorp, Inc  and Roma Franchise Corporation in April 2017, Secretary of Romacorp in June 2017, and Secretary of Roma Franchise on July 31, 2017 Before joining us, Mr  Sutter was General Counsel of Wolf Retail Solutions from January 2012 until March 2017

**Daniel Cronk  General Counsel**

Mr  Cronk was appointed General Counsel of Roma Franchise Corporation and Romacorp, Inc  in May 2016, as an independent contractor (non-employee)   Previously, Mr  Cronk was Secretary (i) of Romacorp from May 2016 until June 2017, and (ii) of Roma Franchise from May 2016 until July 31, 2017   Before joining us, Mr  Cronk was in the private practice of law from December 2004 through April 2016 (Law Offices of Daniel T  Cronk) in Lucas, Texas  Mr  Cronk's office is located in Lucas, Texas

Unless otherwise noted, the location of all of our personnel's current and previous employment is Orlando, Florida

## ITEM 3
## LITIGATION

FRANCHISOR INITIATED LITIGATION

Roma Franchise Corporation v  GB Roma, Inc , Larry Kempen and Howard Johnston (filed  July 1, 2016, in the United States District Court for the Eastern District of Wisconsin, Case No   1 16-cv-00843)  On July 1, 2016, we filed suit to (i) collect unpaid royalty and JMA amounts under 1 expired or terminated franchise agreement with GB Roma, Inc  (a former franchisee) and certain guarantors of GB Roma's obligations, and (ii) obtain injunctive relief prohibiting the unauthorized use of various trademarks, trade names and trade dress   On November 14, 2016, a Default Final Judgment in the amount of $164,119 32 and Permanent Injunction was entered against GB Roma   In April 2017, we settled our claims against defendant Johnston   In July, 2017, an order of Summary Judgment in the amount of $111,937 25, plus interest to be determined, was entered in our favor and against defendant Kempen   We are currently attempting to discover assets to collect this judgment, and are pursuing claims on the guaranties

Roma Franchise Corporation v  James P  Rix (filed February 9, 2017, in the Iowa District Court for Dubuque County, Case No   01311)   On February 9, 2017, we filed suit in the Iowa District Court for Dubuque County, Iowa to collect from the defendant, a guarantor, unpaid royalty and JMA amounts under 2 existing franchise agreements, 1 agreement with Platinum Hospitality Group, LLC (a current franchisee) and 1 agreement with Bloomington Ribs, LLC (a current franchisee)   We also sought to recover our attorney's fees in pursuing this case   In June 2017, we and the defendants reached an agreement to resolve the issues in this case

Roma Franchise Corporation v P B Roma's, Inc (filed January 23, 2017, in the Superior Court of San Diego County, California, Case No 37-2017-00002684-CU-BC-CTL) On January 23, 2017, we filed suit in the Superior Court of San Diego County, California to collect unpaid royalty and JMA amounts under 1 expired or terminated franchise agreement with P B Roma's, Inc (a former franchisee) We also sought to recover our attorney's fees in pursuing this case In May 2017, we and the defendant reached any agreement to resolve the issues in this case

PENDING LITIGATION INITIATED BY OTHERS

Highland Select Equity Fund, L P v John Brecker and Scott Vogel, Defendants, and Roma Restaurant Holdings, Inc , Nominal Defendant (filed July 21, 2017, in the Court of Chancery in the State of Delaware, Case No 2017-0524-TMR)(the "July Case") On July 21, 2017, Highland Select Equity Fund, L P ("Highland Select"), a stockholder of our ultimate parent company Roma Restaurant Holdings, Inc ("RRHI") filed suit in the Delaware Court of Chancery against RRHI and two (2) of the three (3) members of the RRHI board of directors, Mr John Brecker and Mr Scott Vogel. In the July Case, Highland Select seeks a ruling from the Delaware Court of Chancery that Highland Select, acting together with other RRHI stockholders (which includes certain employees of our parent company, Romacorp, Inc , who are alleged to be stockholders of RRHI), have successfully removed directors Brecker and Vogel from the RRHI board and replaced them with Mr Scott Wilson and Mr Kenneth Reimer Previously, in May 2017, in connection with a Delaware Court of Chancery Order in another case called Southpaw Credit Opportunity Master Fund L P and Cloudybluff &Co v Roma Restaurant Holdings, Inc , Scott Wilson and Kenneth J Reimer, PH D (filed January 25, 2017, in the Delaware Court of Chancery, Case No 2017-0059-TMR)(the "January Case") both Wilson and Reimer were removed as directors of RRHI and Mr Howard Golden and Mr Bradley Scher were named RRHI directors Both Southpaw and Cloudybluff are also stockholders of RRHI Later in June 2017, Mr Stephen Judge, formerly a Director, President and Chief Executive Officer of RRHI, Romacorp and us, resigned from the RRHI board and all subsidiary or affiliate boards, including the Romacorp board and our board) In July 2017 Mr Golden resigned from the RRHI board In June 2017 Mr Brecker, and in July 2017 Mr Vogel, were named to the RRHI board and the Romacorp board The July Case is in its initial stages The outcome of the July Case cannot be predicted

CONCLUDED LITIGATION NONE

Other than these actions, no litigation is required to be disclosed in this Item

## ITEM 4
## BANKRUPTCY

In re Romacorp, Inc , United States Bankruptcy Court for the Northern District of Texas, Dallas Division, Case Number 05-86818-BJH-11 Under agreement with the majority of holders of Roma Restaurant Holdings, Inc 's outstanding unsecured Senior Notes due 2008, Franchisor, together with its parent and affiliated companies, filed a consensual restructuring under Chapter 11 of the U S Bankruptcy Code The case, which was jointly administered, was filed on November 6, 2005 The Court confirmed the Modified Joint Plan of Reorganization ("Plan") which became effective on March 27, 2006 Under the Plan, holders of the outstanding unsecured Senior Notes due 2008 became the owners of approximately 99% of the outstanding equity of the reorganized Roma Restaurant Holdings, Inc and all equity interests in that company were deemed cancelled, terminated and extinguished in exchange for a cash payment The officers of Roma Restaurant Holdings, Inc and the subsidiaries and affiliates as of November 5, 2005 continued as officers of the reorganized companies The debtors included Roma Restaurant Holdings, Inc , Romacorp, Roma Holdings, Inc , Roma Franchise Corporation, Roma Systems, Inc , Roma Prince George's, Inc , Roma Owings Mills, Inc and Roma Dining, L P

Our Director, President and Chief Executive Officer Bradley E Scher, in connection with his work with Ocean Ridge Capital, LLC (see Item 2), was

1 Chairman of the Board of Directors of APP Winddown, LLC (5800 South Eastern Avenue, Suite 500, Commerce, California 90040) from September 2016 until February 2017, and as of the date of this Disclosure Document is the Chief Winddown Officer of APP Winddown While Mr Scher was Chairman of APP Winddown, APP Winddown filed for bankruptcy protection in the United States Bankruptcy Court located in Delaware (Case #16-12551) This bankruptcy case remains open as of the date of this disclosure document

2 was Chief Restructuring Officer of Celeritas Management (previously located in Tysons Corner, Virginia) from September 2010 until October 2010 While Mr Scher was Chief Restructuring Officer of Celeritas, Celeritas entered into an assignment for the benefit of creditors in October 2010 (New York State Supreme Court)

3 was Chief Restructuring Officer of Movida Communications Inc (previously located in Kansas City, Missouri) from March 2008 until February 2012 While Mr Scher was Chief Restructuring Officer of Movida, Movida filed for bankruptcy protection in the United States Bankruptcy Court located in Delaware (Case #08-10600) This bankruptcy case was concluded/discharged in June 2012

4 was Chief Executive Officer of RCS Capital Corporation (previously located in New York, New York) from January 2016 until May 2016 While Mr Scher was Chief Executive Officer of RCS, RCS filed for bankruptcy protection in the United States Bankruptcy Court located in Delaware (Case #16-10223) This bankruptcy case was concluded/discharged in May 2016

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

## ITEM 5
## INITIAL FEES

***Development Fee and Initial Franchise Fees***

You must sign a Development Agreement whether you will develop and operate one Roma Restaurant or multiple Roma Restaurants You must pay us a Development Fee when you sign the Development Agreement equal to 100% of the Initial Franchise Fee for your first Roma Restaurant plus 50% of each Initial Franchise Fee for each Roma Restaurant that you are required to develop The Development Fee is consideration to us for administration and other expenses incurred in connection with the execution of the Development Agreement and for the development opportunities lost or deferred by us as a result of the grant to you of the territorial exclusivity and other rights granted under the Development Agreement The Development Fee is considered fully earned, and income to us, when paid and is not refundable

You must also pay us an Initial Franchise Fee for each Roma Restaurant you develop The Initial Franchise Fee is $40,000 for each Tony Roma's Restaurant and $50,000 for each Grill Restaurant You pay us the Initial Franchise Fee for each Roma Restaurant when we send you the Franchise Agreement for each Tony Roma's Restaurant or each Grill Restaurant One hundred percent of the Initial Franchise Fee for your first Roma Restaurant and 50% of each Initial Franchise Fee for each Roma Restaurant that you are required to develop under the Development Agreement shall be credited to the Initial Franchise Fee The Initial Franchise Fee is considered fully earned when paid and is not refundable

***Site Visits***

You are solely responsible for locating sites for your Roma Restaurant(s) that are acceptable to us We will provide to you our site selection guidelines, and other site selection counseling and assistance as we consider appropriate, and you must use diligent efforts to locate a site for each Restaurant that you develop that complies with the guidelines We will provide one site visit for each Roma Restaurant that you develop under the Development Agreement There is no fee for this site visit We may elect to provide additional site visits, including at your request You must reimburse us, on demand, the amount of all travel lodging, dining and other out-of-pocket expenses that we incur in connection with providing additional visits in our discretion and/or at your request

Within a reasonable time after we accept a site for the Restaurant, you must begin construction according to our Standards Following our approval of your plans, receipt of all necessary permits and certifications, you must certify your receipt of the permits and certifications to us and advise us of the date on which you are prepared to begin construction There is no specific time period within which you must begin construction, however, if you fail to have the restaurant open within the time period set out in your agreed Development Schedule, if any, and/or in the Franchise Agreement, you may lose your rights to develop additional Roma Restaurants and you may be in default of the Franchise Agreement

You may, subject to our approval and provided no event of default under the Development Agreement or the Franchise Agreement has occurred and is continuing, obtain from us up to 2 extensions of a Development Period as may be necessary for you to complete construction and commence operation of your Restaurant (see Section III B (3) of the Development Agreement and Section VII K of the Franchise Agreement) Each extension shall be for an additional 30 day period commencing upon the expiration of the applicable Development Period, including any previous extensions ("Extension Date") Your compliance with Section IV of the Development Agreement is a condition precedent to your receipt of an extension In order to obtain an extension, you must notify us in writing at least 30 days prior to the expiration of the applicable Development Period At the same time you provide this notice to us, you shall pay us an extension fee of $5,000 00 Any extension we grant under the Development Agreement shall be the same as, and not cumulative of, any extension we grant under a related Franchise Agreement

We have the right to inspect construction at all reasonable times for purposes of ascertaining that all work complies with the final plans that we have accepted If we agree or deem it necessary to provide construction site visits, we will not charge a fee but you must reimburse us, upon demand, the amount of all travel, lodging, dining and other out-of-pocket expenses that we incur in connection with the construction site visit(s)

*__Openmg Teams Costs and Expenses__*

Before each of your Roma Restaurants opens for busmess, we wIll provIde to you the assIstance of a team of mdIvIduals wIth experIence m operatmg a Roma Restaurant (the "Openmg Team") These mdIvIduals may be employed by us or our affilIates, and/or by other franchIsees of our franchIse system Approxımately 90 days before any Roma Restaurant Is scheduled to open, you must pay us an amount equal to the estımated travel, lodgmg and dınmg expenses of, and wages payable to, members of the Openmg Team durmg the perıod for whıch they are scheduled to provIde assIstance The mItIal deposIt for thIs expense Is $40,000 for a Tony Roma's Restaurant and $50,000 for a Grıll Restaurant We wIll advIse you when thIs deposIt Is due, and we wIll provIde you a statement of actual Openmg Team costs and expenses after the Roma Restaurant opens for busmess You must pay us any excess of the actual costs and expenses versus the mItIal deposIt amount wIthm 10 days after receIvmg that fmal statement of actual cost Any excess of the deposIt versus the actual Openmg Team costs and expenses shall be applIed agamst your other monetary oblIgatIons to us

TypIcally, the Openmg Team for a Tony Roma's Restaurant or a Grıll Restaurant consIsts of up to 15 members, each of whom provIde assIstance for up to approxımately 19 days We estımate that total Openmg Team costs and expenses for each of the first two Roma Restaurants that you develop under the Development Agreement may range between $40,000 to $90,000 for a Tony Roma's Restaurant and $50,000 to $90,000 for a Grıll Restaurant, based upon, wIthout lımItatIon, the fluctuatmg cost of aırfare and ground transportatIon, the market rate and avaIlabIlIty of lodgıng facIlItIes m proxımIty to your Roma Restaurants and other factors at the tıme they open for busmess Before any travel arrangements are made for the Openmg Team, we wIll, approxımately 4 weeks before the Openmg Team Is scheduled to arrIve at the Restaurant sIte, mspect the Restaurant sIte and the status of constructIon to confirm that the Restaurant wIll be m suItable condItIon, as we determme m our sole dIscretIon, to conduct Openmg Team Trammg You wIll reımburse us for all of our travel costs related to such mspectIon mcludmg wIthout lımItatIon aırfare, ground transportatIon, lodgıng, meals and other reasonable costs

The above guIdelmes also apply to any re-locatIon of any Roma Restaurant

## ITEM 6
## OTHER FEES

| Fee[1] | Amount | Due Date | Remarks |
|---|---|---|---|
| Royalty | 4% of Gross Sales[2] | 15th day followmg the end of the prIor monthly accountmg perıod whıch we desıgnate from tıme to tıme (each calendar month as of the date of thIs DIsclosure Document) for whıch the Royalty Fee Is calculated | See Note 2 below for defimtıon of Gross Sales The royalty payment must be (ı) paıd by a franchIsor mItIated (A) wIre transfer from your bank account mto our bank account, (B) automated clearmg house payment mto our account, or (C) other sımIlar payment method whıch we requıre, and (ıı) |

| Fee[1] | Amount | Due Date | Remarks |
|---|---|---|---|
| | | | preceded by a sales report as described in the franchise agreement |
| Joint Marketing Account Fee | Up to 2 5% of Gross Sales | 15th day following the end of the prior monthly accounting period which we designate from time to time (each calendar month as of the date of this Disclosure Document) for which the JMA Fee is calculated | The JMA Fee is payable to Roma JMA, Inc and must be paid by a franchisor initiated (i) wire transfer from your bank account into our account, (ii) automated clearing house payment into our account, or (iii) other similar payment method which we require |
| Minimum Local Marketing Expenditure | 2% of Gross Sales | To vendors, as agreed | You may spend more in your discretion Payment to a co-op may be included and deemed part of this fee We may require that you supply evidence satisfactory to us that you have spent this amount |
| Cooperative Advertising (in areas where a co-op is established) | Maximum of 4% of Gross Sales Specific amount determined by us, but funds spent apply to satisfaction of your local marketing expenditure requirement | 15th day of the month after the month for which the Cooperative Advertising contribution is calculated | Payable to the co-op Franchisor owned restaurant members, if any, contribute an equal amount and have one vote per restaurant as do Franchisee restaurants As of the date of this Disclosure Document, there are not advertising cooperatives, however we reserve the right to establish advertising cooperatives in the future |
| Advertising Fund | Not to exceed 5% of Gross Sales | 15th day of the month after the month for which the Advertising Fund is calculated | Payable to us This Fund currently has not been established, however we reserve the right to establish this Fund in the future |
| Special Advertising Assessment | Not to exceed 1% of monthly Gross Sales, as determined by Franchisor | On request | Payable to cover extraordinary marketing expenditures May be assessed only if the owners of 75% of franchised Roma Restaurants agree to the assessment and proposed expenditure |

| Fee[1] | Amount | Due Date | Remarks |
|---|---|---|---|
| Transfer Fee | 33% of the Initial Franchise Fee at the time of Transfer but not less than $13,335 00 for Tony Roma's/ $16,500 00 for TR Fire Grill | Before Transfer | This fee is nonrefundable |
| Offering Fee | 33% of the Initial Franchise Fee at the time of the offering but not less than $13,335 00 for Tony Roma's/$16,500 00 for TR Fire Grill | Before the proposed Offering | This nonrefundable fee applies only to a public or private offering of equity interests, direct or indirect by a franchisee |
| Renewal Fee | 25% of the Initial Franchise Fee at the time of renewal but not less than $10,000 for Tony Roma's/$12,500 for TR Fire Grill | At least 90 days before renewal | This fee is nonrefundable |
| Extension Fee | $5,000 00 | When you request an extension of a required opening date under the Development Agreement or any Franchise Agreement | This fee is nonrefundable |
| Early Termination Fee | The greater of (i) an amount equal to all Royalty Fees and JMA Fees which you are or were obligated to pay to us under the Franchise Agreement during or with respect to the thirty-six (36) month period immediately prior to the date you give notice of the termination of the Franchise Agreement as described | When you give notice of the termination of the Franchise Agreement pursuant to Section IV C of the Franchise Agreement | You may give notice of the early termination of the Franchise Agreement as of and following the third anniversary of the Commencement Date (as defined in the Franchise Agreement) if no breach or default by you under or in connection with the Franchise Agreement has occurred and is continuing, and if no event or condition has occurred which, with the giving of notice or lapse of time, or both, would constitute a breach or default by you under |

| Fee(1) | Amount | Due Date | Remarks |
|---|---|---|---|
| | in Section IV C of the Franchise Agreement, or (ii) $400,000 | | or in connection with the Franchise Agreement has occurred and is continuing You must give at least 365 days' notice to us of the early termination of the Franchise Agreement You must pay us the Early Termination Fee simultaneously with the giving of notice of early termination, in good funds During the 365 day notice period, you must continue to operate the Restaurant pursuant to the terms and conditions of the Franchise Agreement, including without limitation the payment of Royalty Fees and JMA Fees |
| Audit Fee | Cost of audit | When invoiced | Payable only if an audit reveals that you have understated Gross Sales by at least 2% |
| Real Estate Services Fee | $6,000 for each proposed Site | When you engage the Real Estate Services vendor | You are required to engage a Real Estate Services vendor for each Restaurant Site you propose to us |
| Interest | Lower of (i) 18% per annum, or (ii) the highest rate allowed by applicable law | On demand | Payable on all overdue amounts |
| Indemnification | Varies according to loss | On demand | You must indemnify us when certain of your actions result in loss to us, see Item 9 |
| Liquidated Damages | Varies according to loss | On demand | If you employ or seek to employ any of our employees or those of other franchisees, you must pay a sum equal to 2 of the previous years' gross salary and benefit costs of this person |

| Fee(1) | Amount | Due Date | Remarks |
|---|---|---|---|
| Fee for Additional Training | Reasonable fee plus reimbursement for out-of pocket expenses of personnel who provide training | On demand | We may impose a reasonable fee for providing initial training to your replacement Multi-Unit Managers, General Manager and Managers |
| Gift Card Program | Cost of purchase of cards | Ongoing | |
| ServSafe® or Similar Food Handler Course | Varies by state and course provider Approximate cost is $200 per student | At least 45 days prior to opening | Payable to a third party course provider |
| Global Conference Fee | The amount of the Global Conference Fee is determined by us, in our sole but reasonable discretion The Global Conference Fee may be determined (i) per franchisee, (ii) per attendee, (iii) by the number of Roma Restaurants operated, or committed to be developed and operated in your Development Agreement, and/or (iv) based upon other factors or criteria as we may determine in our sole but reasonable discretion for any conference We last held a Global Conference in 2016 and the Global Conference Fee was $0 | The Global Conference Fee is payable to us within 20 days following the date we notify you that the Global Conference Fee is being assessed See Item 11 | We may arrange and present a conference for all franchisees around the world and to present information about Roma Restaurants and/or Grill Restaurants as we determine in our sole discretion We may require that certain persons attend any conference including, without limitation, representatives of franchisee ownership, Roma Restaurant directors of operations, multi-unit managers, general managers, kitchen managers and/or executive chefs See Item 11 |

**Note 1** All fees and expenses described in this Item 6 are non-refundable and apply equally to all franchisees Except as otherwise indicated in the preceding chart, all fees and expenses are imposed by, and are payable to, us

**Note 2** "Gross Sales" means the total selling price of all services and products and all income of every other kind and nature related to the Restaurant (including, without limitation, catering, delivery and any other sales provided from or related to the Restaurant), whether for cash or credit and regardless of collection in the case of credit Gross Sales shall not include

(1) sales, value added, excise or similar taxes or duties collected directly from customers by Franchisee, provided that these taxes are actually transmitted to the appropriate taxing authority,

(2) tips, gratuities or service charges paid directly by Restaurant customers to employees of Franchisee or paid to Franchisee and promptly paid to employees by Franchisee in lieu of direct tips, gratuities or service charges,

(3) the exchange of merchandise among Franchisee's Restaurants where the exchanges are made solely for the convenient operation of the Franchisee's business and not for the purpose of depriving Franchisor of the benefits of any sales which would otherwise be made at, in or from Franchisee's Tony Roma's/TR Fire Grill restaurants, and

(4) refunds of merchandise sales and the value of complimentary or employee meals, the aggregate amount of which shall not exceed 2% of Gross Sales in the same period

## ITEM 7
## ESTIMATED INITIAL INVESTMENT
## YOUR ESTIMATED INITIAL INVESTMENT

New Construction – Freestanding Location Tony Roma's Restaurant

(4,900 - 5,600 SQ FT)

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment Is to Be Made |
|---|---|---|---|---|
| Development Fee (1) | $40,000 | (1) | (1) | Us |
| Franchise Fee (1) | $40,000 | (1) | (1) | Us |
| Real Estate Services Fee | $6,000 | Lump Sum | As Invoiced | Designated Real Estate Broker/Consultant |
| Architect/ Engineering and Survey Costs (2) | $55,000 – $80,000 | Progress Payment | As Invoiced | Independent Contractor |
| Permits/ Impact Fees | $5,000 – $65,000 | Progress Payment | As Invoiced | City / County / State |
| Building, Landscape, Lighting, Millwork, and Floor Covering (3) | $950,000 – $1,350,000 | As Arranged | As Invoiced | Independent Contractor |
| Signage and Awning Package (4) | $30,000 – $60,000 | Lump Sum | As Invoiced | Independent Contractor |
| Kitchen/Bar Equipment (5) | $400,000 – $600,000 | Lump Sum Negotiable | As Invoiced | Independent Contractor |
| Furniture (tables, chairs, booths) (6) | $150,000 – $300,000 | Lump Sum Negotiable | As Invoiced | Independent Contractor |
| Décor | $5,000 – $25,000 | As Negotiated | As Invoiced | Suppliers |
| POS Equipment (7) | $30,000 – $50,000 | As Negotiated | As Invoiced | Independent |

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment Is to Be Made |
|---|---|---|---|---|
| | | | | Contractor |
| Tech Systems (phones, music, video, POS installation) | $25,000 – $55,000 | As Negotiated | As Invoiced | Independent Contractor |
| Pre-Opening (smallwares, training of staff, advertising costs) | $100,000 – $250,000 | As Arranged | As Invoiced | Suppliers |
| Management Training Expense (8) | $5,000 – $8,000 | Cash | As Incurred | Vendors |
| Insurance (9) | $7,500 – $17,000 | Quarterly | Quarterly | Independent Contractor |
| Opening Team Expense Costs and Expenses (10) | $40,000 – $90,000 | Cash | Estimated Expenses 30 Days Before Opening. Balance on Final Reconciliation | Us |
| Additional Funds (3 months) (11) | $250,000 – $500,000 | As Incurred | As Incurred | Employees, Utilities and Suppliers |
| **TOTALS (12)** | **$2,138,500 – $3,536,000** | | | |

Conversion of Existing Restaurant or In-Line Location to Tony Roma's Restaurant

(5,400 - 7,000 SQ FT)

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment Is to Be Made |
|---|---|---|---|---|
| Development Fee (1) | $40,000 | (1) | (1) | Us |
| Franchise Fee (1) | $40,000 | (1) | (1) | Us |
| Real Estate Services Fee | $6,000 | Lump Sum | As Invoiced | Designated Real Estate Broker/Consultant |
| Architect/ Engineering Costs (2) | $55,000 – $80,000 | Progress Payment | As Invoiced | Independent Contractor |
| Permits/ Impact Fees | $5,000 – $65,000 | Progress Payment | As Invoiced | City / County / State |
| Building, Landscape, Lighting, Millwork, and Floor Covering (no site work or building shell) (3) | $800,000 – $1,100,000 | As Arranged | As Invoiced | Independent Contractor |
| Signage and Awning Package (4) | $25,000 – $60,000 | Lump Sum | As Invoiced | Independent Contractor |

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment Is to Be Made |
|---|---|---|---|---|
| Kitchen / Bar Equipment (5) | \$400,000 – \$600,000 | Lump Sum Negotiable | As Invoiced | Independent Contractor |
| Furniture (tables, chairs, booths) (6) | \$150,000 – \$300,000 | Lump Sum Negotiable | As Invoiced | Independent Contractor |
| Decor | \$5,000 – \$50,000 | As Negotiated | As Invoiced | Suppliers |
| POS Equipment (7) | \$30,000 – \$50,000 | As Negotiated | As Invoiced | Independent Contractor |
| Tech Systems (phones, music, video, POS installation) | \$25,000 – \$55,000 | As Negotiated | As Invoiced | Independent Contractor |
| Pre-Opening (small wares, training of staff, advertising costs) | \$100,000 – \$250,000 | As Arranged | As Invoiced | Suppliers |
| Management Training Expenses (8) | \$5,000 – \$8,000 | Cash | As Incurred | Vendors |
| Insurance (9) | \$7,500 – \$17,000 | Quarterly | Quarterly | Independent Contractor |
| New Restaurant Opening Team Expense (10) | \$40,000 – \$90,000 | Cash | Estimated Expenses 30 Days before Opening Balance on Final Reconciliation | Us |
| Additional Funds (3 months) (11) | \$250,000 – \$500,000 | As Incurred | As Incurred | Employees, Utilities and Suppliers |
| **TOTALS (12)** | **\$1,983,500 – \$3,311,000** | | | |

<u>Note 1</u> See Item 5 for information about the Development Fee and Initial Franchise Fees The amounts included in Item 7 for the Development Fee and the Initial Franchise Fees for Tony Roma's Restaurants assumes that your Development Agreement is for a single Tony Roma's Restaurant In this situation, the Development Fee of \$40,000 is credited to the payment of the Initial Franchise Fee for this single Tony Roma's Restaurant Therefore, in this situation (only 1 Tony Roma's Restaurant required to be developed in the Development Agreement), the total amount of the combined Development Fee and the Initial Franchise Fee is \$40,000

<u>Note 2</u> Fees may vary based on the scope of the work being undertaken to construct the Tony Roma's Restaurant The amount of structural, electrical, mechanical, plumbing, landscaping and kitchen design work required may cause the fee to vary The architect/engineering fees are normally sufficient to provide the necessary plans that we require and local governing agencies These costs may vary due to choice of architect/engineer, scope of work, and quality of work

**Note 3** The figures in the chart do not include the cost of purchasing or acquiring real estate for the Restaurant(s) The cost of purchasing or leasing real estate varies greatly, depending on location, city, state, size, condition, existing improvements, market rates, and general and local economic conditions Acquisition or lease costs also may be affected by factors such as the proximity of the proposed site to commercial or residential development, population densities, access to major highways, and availability and cost of financing, square footage, unusual building conditions or required site work, and other relevant factors specific to each location The Tony Roma's Restaurant may be established either as a free-standing building on a site approximating 80,000 to 90,000 usable square feet and 125 parking spaces, or a commercial space in a retail use development appropriate for a Tony Roma's Restaurant The site should be located on a heavily traveled thoroughfare, with easy access, in a commercial district in reasonable proximity to residences and with appropriate zoning. The Tony Roma's Restaurant itself should be in the size range of 4,900 to 6,500 square feet with seating for 175 to 230 people, including a lounge/bar area Construction and build-out costs and expenses will vary widely, some due to geographic areas, union or non-union labor, supply/demand of work, code requirements, condition of structure (if existing), free-standing or part of another building, amount of site work required, size of building, etc Often landlords will contribute money towards the construction costs of restaurants, this may result in increased rent expense, but will reduce the investment This does not include land cost or site work This figure does not include the Real Estate Services Fee of $6,000

**Note 4** These costs do not include signage over 10 feet high and may vary due to the size of the signs, the number of signs allowed, and whether they are building signs or free-standing pole signs Local codes should be checked carefully for restrictions

**Note 5** A Restaurant/Kitchen/Bar equipment package costs range from $400,000 to $600,000, plus sales tax, freight, and installation Local ordinances of a particular community may result in variances in types of required equipment, which may affect the total price Our average sign package may be purchased at a cost of approximately $25,000 to $60,000, this amount is for two building signs and does not include a free-standing sign Costs for new equipment, will vary due to selection of supplier, brand of equipment, and size of kitchen and bar and shipping costs This estimated cost includes the kitchen exhaust hood which cost may also vary due to code requirements Special air pollution control items are not included in this estimate

**Note 6** The furniture estimate includes table tops, bases, chairs, bar stools, booths, and banquettes There will be a slight variation in costs depending upon the actual number of dining seats, size of restaurant and number of tables

**Note 7** The cost of the POS unit used in our Tony Roma's Restaurants approximates $30,000 to $50,000 This cost may vary due to number of terminals desired, software costs, and choice of manufacturer

**Note 8** The figures in the chart reflect estimated costs and expenses per person associated for your General Manager and three additional Managers to attend initial training (based on estimated expenses of $25 per day for local transportation, meals, phone, and laundry, $80 to $105 per day for hotel accommodations) These amounts do not include any fees or expenses for training any other personnel nor do these amounts include six to ten weeks compensation or travel. These costs will vary depending on your selection of salary levels, lodging and dining facilities and mode and distance of transportation

__Note 9__ These costs may vary widely depending on the nature of your experience and your financial condition This estimate assumes you have strong restaurant experience, no significant history of losses and no workers' compensation modifier However, there are a number of other factors which may be used by an underwriter in determining the ultimate premium for the insurance product

__Note 10__ __See__ Item 5 for more information about the Opening Team and estimated costs and expenses

__Note 11__ This amount is estimated to be a sufficient working capital reserve based on our previous experience It includes estimated initial inventory costs, labor costs, and working capital. Individual store variables can result in ranges of costs for each of these items as indicated in the footnotes to Item 7 However, depending on your rent, security deposit, local utility deposit requirements, business volume, petty cash and register banks, license and zoning permit costs, liquor license costs, insurance costs, and financing and amortization of initial expenses, you may need more working capital. Initial opening costs may vary based on the wages and salaries paid to the management and staff as well as the length of time they must be trained to acquire minimum acceptable standards of proficiency Opening costs are based on actual experience and may vary by region depending on travel expenses and training times The approximate cost of the food and beverage opening inventories, as well as the opening quantities of utensils and supplies for the kitchen, dining room, bar and office, may vary based on the size of the Restaurant

__Note 12__ We relied on our experience in the industry to compile these estimates You should review these figures carefully before you purchase a franchise

Except as specifically provided, we will not refund any of the estimated costs payable to us described above Those estimated costs paid to third parties may be refundable by the third parties depending only upon the terms that you negotiate

__Conversion of Existing Restaurant or In-Line Location to Full Service Fire Grill Restaurant__

(5,000 – 7,000 SQ FT)

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment Is to Be Made |
|---|---|---|---|---|
| Development Fee (1) | $50,000 | (1) | (1) | Us |
| Franchise Fee (1) | $50,000 | (1) | (1) | Us |
| Real Estate Services Fee | $6,000 | Lump Sum | As Invoiced | Designated Real Estate Broker/Consultant |
| Architect/ Engineering and Survey Costs (2) | $65,000 – $100,000 | Progress Payment | As Invoiced | Independent Contractor |
| Permits/ Impact Fees | $5,000 –$75,000 | Progress Payment | As Invoiced | City/County/State |
| Building, Lighting; Millwork, and Floor Covering (3) | $850,000 – $1,200,000 | As Arranged | As Invoiced | Independent Contractor |
| Signage and Awning Package (4) | $25,000 – $50,000 | Lump Sum | As Invoiced | Independent Contractor |

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment Is to Be Made |
|---|---|---|---|---|
| Kitchen/Bar Equipment (5) | $400,000 – $550,000 | Lump Sum Negotiable | As Invoiced | Independent Contractor |
| Furniture (tables, chairs, booths) (6) | $320,000 – $425,000 | | | |
| Decor | $15,000 – $30,000 | As Negotiated | As Invoiced | Suppliers |
| POS Equipment (7) | $40,000 – $60,000 | As Negotiated | As Invoiced | Independent Contractor |
| Tech Systems (phones, music, video, POS installation) | $25,000 – $50,000 | As Negotiated | As Invoiced | Independent Contractor |
| Pre-Opening (smallwares, training of staff, advertising costs) | $150,000 – $250,000 | As Arranged | As Invoiced | Suppliers |
| Management Training Expense (8) | $8,000 – $12,000 | Cash | As Incurred | Vendors |
| Insurance (9) | $5,000 – $10,000 | Quarterly | Quarterly | Independent Contractor |
| New Restaurant Opening Team Expense (10) | $50,000 – $90,000 | Cash | Estimated Expenses 30 Days Before Opening Balance on Final Reconciliation | Us |
| Additional Funds (3 months) (11) | $350,000 – $500,000 | | | |
| **TOTALS (12)** | **$2,414,000-$3,508,000** | | | |

Note 1 See Item 5 for information about the Development Fee and the Initial Franchise Fees The amounts included in Item 7 for Development Fee and Initial Franchise Fees for Grill Restaurants assumes that your Development Agreement is for a single TR Fire Grill Restaurant In this situation, the Development Fee of $50,000 is credited to the payment of the Initial Franchise Fee for this single Tony Roma's Restaurant Therefore, in this situation (only 1 TR Fire Grill Restaurant required to be developed in the Development Agreement, the total amount of the combined Development Fee and the Initial Franchise Fee is $50,000

Note 2 Fees may vary based on the scope of the work being undertaken to construct the Grill Restaurant The amount of structural, electrical, mechanical, plumbing, landscaping and kitchen design work required may cause the fee to vary We will provide a sample set of architectural, structural, mechanical, plumbing and electrical drawings for an inline space for a mall type location The architect/engineering fees are normally sufficient to provide the necessary plans that we require and local governing agencies These costs may vary due to choice of architect/engineer, scope of work, and quality of work

Note 3 The figures in the chart are based on an in-line location in a retail use development The cost of leasing real estate varies greatly, depending on location, city, state, size, condition, existing improvements, market rates, and general and local economic conditions Acquisition or lease costs also may be affected by factors such as the proximity of the proposed location to commercial or residential development, population densities, access to major highways, and availability and cost of financing, square footage, unusual building conditions or required site work, and other relevant factors specific to each location This does not include land cost or site work This figure does not include the Real Estate Services Fee of $6,000
The Grill Restaurant will generally be established as an inline location, or at another commercial space in a retail use development appropriate for a Grill Restaurant

Note 4 These costs may vary due to the size of the signs and the number of signs allowed

Note 5 A Restaurant/Kitchen equipment package costs range from $400,000 to $550,000, plus sales tax, freight, and installation Local ordinances of a particular community may result in variances in types of required equipment, which may affect the total price Costs for new equipment, will vary due to selection of supplier, brand of equipment, and size of kitchen and bar and shipping costs This estimated cost includes the kitchen exhaust hood which cost may also vary due to code requirements Special air pollution control items are not included in this estimate

Note 6 There will be a slight variation in costs depending upon the actual number of dining seats, size or restaurant and number of tables

Note 7 The cost of the POS unit used in our Grill Restaurants approximates $40,000 to $60,000 This cost may vary due to number of terminals desired, software costs, and choice of manufacturer

Note 8 The figures in the chart reflect estimated costs and expenses per person associated for your General Manager and three additional Managers to attend initial training (based on estimated expenses of $25 per day for local transportation, meals, phone, and laundry, $80 to $105 per day for hotel accommodations These amounts do not include any fees or expenses for training any other personnel nor do these amounts include ten to twelve weeks of compensation or travel These costs will be the responsibility of the Franchisee These costs will vary depending on your selection of salary levels, lodging and dining facilities and mode and distance of transportation

Note 9 These costs may vary widely depending on the nature of your experience and your financial condition This estimate assumes you have strong restaurant experience, no significant history of losses and no workers' compensation modifier However, there are a number of other factors which may be used by an underwriter in determining the ultimate premium for the insurance product

Note 10 See Item 5 for more information about the Opening Team and estimated costs and expenses

Note 11 This amount is estimated to be a sufficient working capital reserve based on our previous experience It includes estimated initial inventory costs, labor costs and working capital Individual store variables can result in ranges of costs for each of these items as indicated in the footnotes to Item 7 However, depending on your rent, security deposit, local utility deposit requirements, business volume, petty cash and register banks, license and zoning permit costs, liquor license costs, insurance costs, and financing and amortization of initial expenses, you may need more working capital. Initial opening costs may vary based on the wages and salaries paid to the management and staff as well as the length of time they must be trained to acquire minimum acceptable standards of proficiency. Opening costs are based on actual experience and may vary by region depending on travel expenses and training times. The approximate cost of the food and beverage opening inventories, as well as the opening quantities of utensils and supplies for the kitchen, dining room, bar and office, may vary based on the size of the Restaurant.

Note 12. We relied on our experience in the industry to compile these estimates. You should review these figures carefully before you purchase a franchise.

Except as specifically provided, we will not refund any of the estimated costs payable to us described above. Those estimated costs paid to third parties may be refundable by the third parties depending only on the terms that you negotiate.

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Because your primary obligation under the Development Agreement is to sign Franchise Agreements to establish and operate Restaurants, we anticipate that your initial investment under the Development Agreement will be an amount equal to the totals described above, multiplied by the number and type(s) of Roma Restaurants described in the Development Schedule.

## ITEM 8
## RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase all food items, ingredients, supplies, materials and other products used or offered for sale at the Roma Restaurant(s), solely from suppliers (including manufacturers, distributors and other sources) who have demonstrated the ability to meet our Standards and requirements, who possess the required quality controls and capacity to supply your needs promptly and reliably and whom we have approved. Except for products or services which we consider proprietary to the System, you need not purchase or lease any products or services from approved or designated suppliers if you identify and we approve alternate suppliers or products. Proprietary products or services must be purchased from suppliers that we designate from time to time. The number of designated suppliers for proprietary products or services is limited, and may be a few as 1 designated supplier. Neither we nor any of our affiliates currently are an approved or designated supplier for any item, although we or our affiliates may periodically purchase and make available to you a supply of ribs. None of our officers owns an interest in any approved supplier.

If you want to purchase products or services from a supplier we have not previously approved, then you must submit to us a written request for approval. You may not purchase any item or service from any supplier unless and until we have provided you written notification of approval. In evaluating a request for approval, we have the right to inspect the supplier's facilities and to require that samples from the supplier be delivered to us or to an independent laboratory that we designate for testing. We or they may charge a reasonable testing fee for these services. We anticipate that we will be able to notify you of our approval or disapproval within 30 to 45 days from the date we receive all required information or complete any necessary inspections or tests We may re-inspect any supplier's facilities and products and may revoke our approval at any time if a supplier fails to meet our then current Standards and criteria We are not required to consider or grant any request for approval If we choose to evaluate a supplier at your request, we will provide you our criteria for supplier approval If we do not receive the completed application and all supporting documentation within 45 days of the application date, then the application will be automatically deemed to have been withdrawn

All food products, equipment and advertising must conform to our Standards as we provide occasionally

We do not require you to purchase specific POS computer hardware or software system from a specific supplier, but we do require that your POS system (hardware and software), and any additional hardware or software we require, meets all of our requirements, is technologically compatible with all of our requirements and is approved by us For example, and not by way of limitation, we currently require that you purchase and install a software system that must be installed on your computer system(s) which will allow us to electronically access and download, in real time and in the manner we require from time to time, your sales and related data/information, whether from your POS system or elsewhere, so that we can view and download all of the information related to, without limitation, your sales, food and beverage costs, labor costs, labor hours and similar information We will provide you with a list of designated suppliers of POS systems and other required hardware and software which meet our requirements

We require that you utilize our designated real estate broker/consultant for all of your site acquisitions As of the date of this Disclosure Document, only 1 real estate broker/consultant is designated by us, that designated real estate broker/consultant is Newmark Midwest Region, LLC d/b/a Newmark Grubb Knight Frank ("NMR") (ATTN Jennifer Watson, 500 West Monroe Street, Suite 2900, Chicago, IL 60661, 312-224-3119, jwatson@ngkf com) Our affiliate, Romacorp, Inc has contracted with NMR to provide real estate broker/consultant services to Romacorp and to our franchisees You are required to engage NMR for these services and you are required to pay NMR the full fee for these services As of the date of this Disclosure Document the fee for this service charged by NMR to Romacorp or to our franchisees is $6,000 for each site Romacorp's agreement with NMR can be terminated, with our without cause, upon 10 days' notice We do not derive any revenue directly from our real estate broker/consultant from your payment of this fee, but we may do so in the future None of our officers owns an interest in our designated real estate broker/consultant It is expected that, upon the completion of a lease or purchase transaction, NMR will be entitled to a standard market commission and that NMR shall look to the landlord or seller for the payment of this commission The services to be provided by our designated real estate broker/consultant include market layout, site selection, demographic information, area sale price or rental rate information, and assistance with letter of intent and lease or purchase agreement negotiations The services of NMR do not include legal services or legal advice

You must comply with all insurance requirements of any lease or mortgage covering the Restaurant premises and all additional coverages and higher minimum limits that we require from time to time All insurance policies must be written by a responsible carrier or carriers acceptable to us As of the date of this Disclosure Document, our minimum insurance coverages and limits currently include

| Type of Insurance | Minimum Required Coverage |
|---|---|
| Worker's compensation insurance (or comparable coverage) | As required by law and in the amounts prescribed by the state or locality in which the Restaurant is located and operated, or such other insurance as may be required by the state or locality in which the Restaurant is located and operated |
| Employer's liability coverage | Employer's liability/Foreign Coverage/United States Longshore & Harbor Worker's Compensation/ Voluntary Compensation<br>At least<br>$1,000,000 each Accident<br>$1,000,000 each Employee<br>$1,000,000 Policy Limit<br><br>If the insurance is required by the state or locality in which the Restaurant is located and operated, in a greater amount as prescribed by such state or locality |
| Comprehensive general liability insurance (with products, completed operations, independent contractors and escalators coverage) and automobile liability insurance (as applicable) | General Liability at least<br>$1,000,000 each occurrence<br>$300,000 Fire Damage Legal Liability<br>$10,000 Medical Expense to any one person'<br>$1,000,000 Personal & Advertising Injury<br>$2,000,000 General Aggregate<br>$2,000,000 Products-Completed Operations Aggregate<br><br>Automobile Liability at least<br>$1,000,000 combined single limit- Non-owned & hired liability only including hired and non-owned liability and physical damage<br><br>Physical Damage at least<br>Actual cash value or cost of repair, whichever is less<br>$500 deductible – schedule of covered autos<br><br>Hired Car Auto Physical Damage at least<br>$500 deductible collision<br>$500 deductible comprehensive |
| Liquor liability insurance | At least<br>$2,000,000 Liquor liability aggregate limit<br>$1,000,000 Liquor liability cause limit |
| Umbrella Coverage | At least<br>$10,000,000 each occurrence<br>$10,000,000 general aggregate<br>$10,000,000 products-completed operations aggregate |

| Type of Insurance | Minimum Required Coverage |
|---|---|
| Blanket Crime Policy | At least<br>$1,000,000 limit each coverage section<br>Coverage Sections<br>Employee Dishonesty<br>Forgery or Alteration<br>Theft, Disappearance & Destruction<br>Robbery & Safe Burglary<br>Computer Fraud with Wire Transfer<br>Money Orders & Counterfeit Currency-Credit Card Forgery |
| D&O, EPL, Fiduciary Coverage | $3,000,000 Policy aggregate limit of liability<br>$3,000,000 Limit of liability – directors & officers<br>$3,000,000 Limit of liability – employment practices liability<br>$1,000,000 Limit of liability – fiduciary |

All required insurance policies must name us and our affiliates as additional insured parties, and expressly provide that these persons' interests will not be affected by your breach of any insurance policy provisions Each required insurance policy must provide no less than 30 days' prior written notice to us in the event of a material alteration to or cancellation of the policy If you fail to obtain or maintain required insurance coverage, we may (but are not obligated to) obtain the insurance and are entitled to collect from you the amount of the premium plus a reasonable administrative fee, which we do not anticipate will be more than 10% of the amount of the annual insurance premium

During our last fiscal year ended December 31, 2016, we did not derive any revenue from required purchases or leases of products and services, but we reserve the right to do so in the future As of September 1, 2016, we or our affiliate that administers our purchasing/distribution program, will retain any rebates, discounts, or similar amounts based upon franchisee purchases from suppliers or distributors with whom we have negotiated purchase arrangements to offset the costs associated with our purchasing and/or distribution efforts, including without limitation the wages, salaries, benefit costs, travel and other fees and expenses of our and our affiliates employees and our vendors which we incur in connection with the negotiation, implementation and operation of the purchasing and distribution arrangements After these costs are fully recovered, we will distribute any remaining discounts, rebates and/or similar amounts to all Roma Restaurants operated by our affiliate and participating franchisees in a reasonable manner determined by us There are no purchasing or distribution cooperatives serving our System

We estimate that your required purchases will account for 0 to 10% of your total purchases in connection with establishing one Restaurant, and 0 to 10% to operate one Restaurant on an ongoing basis

We may negotiate purchase and/or distribution arrangements with suppliers and/or distributors, which may benefit you We do not provide material benefits to you based on your use of designated or approved sources We reserve the right to retain discounts, rebates or similar amounts based upon your purchases from suppliers or distributors with whom we have negotiated purchase arrangements to offset the costs associated with our purchasing and/or distribution efforts, including without limitation the wages, salaries, benefit costs, travel and other fees and expenses of our and our affiliates employees and our vendors which we incur in connection with the negotiation, implementation and operation of the purchasing and distribution arrangements After these costs are fully recovered, we will distribute any remaining discounts, rebates and/or similar amounts to all participating franchisees in a reasonable manner determined by us In our stub year 2016, which began March 30, 2016 and ended December 31, 2016, we retained $25,487 60 of discounts, rebates or similar amounts based upon franchisee purchases We may require that you participate in our purchasing and distribution arrangements and we may require that you sign an agreement with our parent company, Romacorp, Inc , in the form of Attachment D to the form of Franchise Agreement attached to this Disclosure Document as Exhibit C If we do not require that you participate in our purchasing and distribution arrangement and sign an agreement in the form of Attachment D to the form of Franchise Agreement at the same time you sign the Franchise Agreement, we will provide you with at least 60 notice that you must participate in our purchasing and distribution arrangement and sign an agreement in the form of Attachment D to the form of Franchise Agreement

## ITEM 9
## FRANCHISEE'S OBLIGATIONS

**These tables list your principal obligations under the franchise and other agreements They will help you find more detailed information about your obligation in these agreements and in other items of this Disclosure Document**

| | OBLIGATION | SECTION IN AGREEMENT | DISCLOSURE DOCUMENT ITEM |
|---|---|---|---|
| a | Site selection and acquisition/lease | §VII Franchise Agreement<br>§III Development Agreement | Item 11 |
| b | Pre-opening purchases/leases | §III Development Agreement<br>§§VII & XIII Franchise Agreement | Item 11 |
| c | Site development & other pre-opening requirements | §III Development Agreement<br>§VII Franchise Agreement | Item 11 |
| d | Initial & On-going training | §§VII & XI Franchise Agreement<br>§VII Development Agreement | Item 11 |
| e | Opening | §§III, IV &VII Development Agreement<br>§§VII XI & XIII Franchise Agreement | Item 11 |
| f | Fees | §§I & V Franchise Agreement<br>§§A, II, IV Development Agreement | Items 5, 6 & 11 |
| g. | Compliance with standards & policies / Manuals | §§III, IV, VI, IX, XI, XIII Franchise Agreement<br>§§III, IV, VII, XVII Development Agreement | Item 14 |
| h | Trademarks & proprietary information | Recitals & §§I, II, III, VI, XIII, XV, XVIII, XIX Franchise | Items 13 & 14 |

| | OBLIGATION | SECTION IN AGREEMENT | DISCLOSURE DOCUMENT ITEM |
|---|---|---|---|
| | | Agreement<br>Recitals & §§ A, I, VIII, IX, X, XIII<br>Development Agreement | |
| i. | Restrictions on products / services offered | §§VII, XIII Franchise Agreement<br>§III Development Agreement | Item 16 |
| j | Warranty and guest service requirements | Not applicable | Not applicable |
| k | Territorial development and sales quotas | §§I, III Development Agreement | Item 12 |
| l. | Ongoing product / service purchases | §§VII, XII, XIII Franchise Agreement | Item 8 |
| m | Maintenance, appearance & remodeling requirements | §XIII Franchise Agreement | Item 11 |
| n | Insurance | §§IV, XIV Franchise Agreement | Item 7 and Item 8 |
| o | Advertising | §VI Franchise Agreement | Item 11 |
| p | Indemnification | §XIV Franchise Agreement<br>§X Development Agreement | Not applicable |
| q | Owner's participation/management/staffing | §§VIII, XI Franchise Agreement<br>§§I, VI, VII, VIII Development Agreement | Item 15 |
| r | Records & Reports | §XII Franchise Agreement<br>§VI Development Agreement | Not applicable |
| s | Inspections & Audits | §XII Franchise Agreement<br>§VI Development Agreement | Not applicable |
| t | Transfer | §XVIII Franchise Agreement<br>§IX Development Agreement | Item 17 |
| u | Renewal | §IV Franchise Agreement | Item 17 |
| v | Post-termination obligations | §§X, XII, XIV, XV, XIX, XXI Franchise Agreement<br>§§VIII, X, XIII, XIV Development Agreement | Item 17 |
| w | Non-competition covenants | §XV Franchise Agreement<br>§VIII Development Agreement | Item 17 |
| x. | Dispute resolution | §XIV Development Agreement<br>§XXI Franchise Agreement | Item 17 |
| y | Gift Cards | §§XII A 9 Franchise Agreement | Item 11 |
| z | Remodels | §§IV , XIII H Franchise Agreement | Item 11 |
| aa | Offering Fee | §§I, XVIII Franchise Agreement<br>§§A, IX Development Agreement | Item 5 |

| | OBLIGATION | SECTION IN AGREEMENT | DISCLOSURE DOCUMENT ITEM |
|---|---|---|---|
| bb | Development Fee | §§A, II, IV Development Agreement<br>§§I, V Franchise Agreement | Item 5 |
| cc | Franchise Fee | §§A, II, IV Development Agreement<br>§§I, V Franchise Agreement | Item 5 |
| dd | JMA Fee | §§I, V, VI, XII, XVIII, XXII Franchise Agreement | Item 6 |
| ee | Renewal Fee | '§§I, IV Franchise Agreement | Item 6 |
| ff | Royalty Fee | §§I, V, VI, XII, XVIII, XXII Franchise Agreement | Item 6 |
| gg. | Transfer Fee | §§A, IX Development Agreement<br>§§I, XVIII Franchise Agreement | Item 6 |
| hh | Real Estate Services Fee | §III Development Agreement<br>§VII Franchise Agreement | Item 5 & 6 |
| ii | Extension Fee | §III B 3 Development Agreement<br>§VII K Franchise Agreement | Items 5 & 6 |
| jj | Global Conference Fee | § XVII K Development Agreement<br>§XIII K Franchise Agreement | Items 6 & 11 |

## ITEM 10 FINANCING

Neither we nor our affiliates offer direct or indirect financing. Neither we nor our affiliates will guarantee your note, lease or any other obligation

## 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 a Roma Restaurant opens for business**

We will provide to you our site selection guidelines, and any site selection counseling and assistance as we determine appropriate (Development Agreement, Section III C & D, Franchise Agreement, Section VII B & C) You are required to utilize our designated real estate broker/consultant for all of your site acquisitions (See Item 8, Development Agreement Section III C and Franchise Agreement Section VII B)

We will provide one site visit per Roma Restaurant to be developed We will not impose a fee for this visit, but you may be responsible for some of our out-of-pocket expenses (Development Agreement, Section III D, Franchise Agreement, Section VII C)

At your request or in our discretion, we may elect to provide additional site visits You must pay for our out-of-pocket expenses (Development Agreement, Section III C, Franchise Agreement, Section VII C)

We will provide to you sample plans and specifications for the design of a Roma Restaurant, including requirements for exterior and interior design and layout, fixtures, furnishings, equipment and signs (Development Agreement, Section III J, Franchise Agreement, SectionVII A.2 and VII I)

At your request, we may elect to provide construction site visits We will not charge a fee for any visit(s), but you must pay for our out-of-pocket expenses (Development Agreement, Section III K, Franchise Agreement, Section VII J)

If you comply with all of our requirements we permit you to enter into a Franchise Agreement for each Roma Restaurant to be developed under the Development Agreement (Development Agreement, Section IV )

We will provide you access to electronic version of the Manuals, which, if printed, consists of approximately 1,000 pages (Franchise Agreement, Section IX ) Attached as Exhibit D to this Disclosure Document is a copy of the Table of Contents to the Manuals and a copy of the form of Confidentiality Agreement that you must sign before you review the Manuals Our Standards do not include any personnel policies or procedures or security-related policies or procedures that we (at our option) may make available to you in the Manual or otherwise for your optional use You will determine to what extent, if any, these policies and procedures might apply to your operations at the Roma Restaurant We neither dictate nor control labor or employment matters for franchisees and their employees and we are not responsible for the safety and security of Roma Restaurant employees or patrons

We will admit your General Manager and three of your Managers to our initial training program, described below There must be a minimum of four Managers trained before opening the first and subsequent Roma Restaurants

To assist you with the opening of your Roma Restaurant(s) we will provide to you the assistance of an Opening Team These individuals may be employed by us or our affiliates, or by other franchisees of the Roma franchise system Typically, the Opening Team consists of up to 15 members, each of whom provide assistance for approximately 19 days (Development Agreement Section VII D, Franchise Agreement, Section XI D )

**During the term of the Franchise Agreement**

We will advise and consult with you periodically in connection with the operation of the Roma Restaurant (Franchise Agreement, Section VII A)

We will provide initial training to your replacement General Manager(s) and Manager(s), but we have the right to impose a fee for this training (Franchise Agreement, Section XI A, B, C & F)

We will make available to your General Manager and Managers any additional training programs as we may offer periodically (Franchise Agreement, Section XI C )

We will provide any advice and materials to assist with the opening promotional programs for the Roma Restaurant as we determine

We will provide any merchandising, marketing and advertising research data as we may develop periodically, which we consider may be helpful in the operation of a Roma Restaurant

We will communicate to you, as they occur, new developments, techniques and improvements in food preparation, equipment, food products, packaging and restaurant management that we consider relevant to the operation of a Roma Restaurant

***Site Selection***

You will select the site for each Roma Restaurant subject to our review You must engage our designated real estate broker/consultant to assist you with the location and acquisition of each location of a Roma Restaurant (see Item 5) The Roma Restaurant may not be relocated without our prior written consent Before leasing or purchasing the site for the Restaurant, you, with the assistance of our designated real estate broker/consultant, must locate a site that satisfies our site selection guidelines You must submit to us in the form we specify, a description of the site, including evidence that satisfies our site selection guidelines, together with other information and materials that we may reasonably require, including a letter of intent or other evidence that confirms your favorable prospects for obtaining the site We will have 30 days after we receive the information and materials from you to review the submission and either reject the site or issue a "No Objection Letter" for the proposed Roma Restaurant site You may be required to obtain our non-objection to any sale or lease contract before you sign it If we reject the proposed site, you must submit a description of a replacement site together with other information and material relating to the site as described above We will have 30 days after we receive the information and materials on the replacement site from you to review the submission and either reject the site or and issue a "No Objection Letter" for the replacement Roma Restaurant site If you do not find a site to which we do not object during the term provided in the Development Agreement, we may terminate the Development Agreement and retain the Development Fee

None of our officers owns an interest in our designated real estate broker/consultant

We will provide you with our current written site selection guidelines and other site selection counseling and assistance as we deem advisable We will also provide you an on-site evaluation of the proposed site Site selection factors include, but are not limited to, size of property, access, visibility, available parking, signage and identification, proximity to other restaurants, other retail shopping, office concentration, hotels, amusement and entertainment facilities Demographics will include population, income levels, growth in the area, and quality of competition

***Typical Length of Time Between Signing the Development Agreement and Opening the First Restaurant***

We estimate that the time from the signing of the Development Agreement to the opening of the first Restaurant will be approximately 9 to 12 months, but may be up to 18 months This time may be shorter or longer depending upon the time necessary to obtain an acceptable site, to obtain financing, to obtain the permits and licenses for the construction and operation of the Restaurant, to complete construction or remodeling as may be affected by weather conditions, shortages, delivery schedules and other similar factors, to complete the interior and exterior of the Roma Restaurant, including decorating, purchasing and installing fixtures, equipment and signs, and landscaping, and to complete preparation for operating the Roma Restaurant, including purchasing inventory and supplies and training You must open the Roma Restaurant and begin business within the time agreed in the Development Agreement, unless you obtain a written extension of this time period from us If you do not obtain an acceptable site and open the Roma Restaurant within the time period required, we may terminate the Development Agreement

***Initial and Ongoing Training***

Initial Management Training Program At least 45 days before a particular Roma Restaurant is scheduled to open, your General Manager and at least three Managers must have attended and completed, to our satisfaction, our initial management training program and a Serve Safe or similar food handling course that is accredited by the state where the Roma Restaurant will be operated Our initial management training program is conducted by our personnel, each of whom has served as a manager in a Roma Restaurant Initial manager training programs are four to eight weeks in length and are conducted on an as-needed basis Locations where initial training programs are now given are at Roma Restaurant locations in Florida We reserve the right to require that training be conducted in other locations as we determine

The program is designed to accommodate both Front-of-House and Back-of-House (kitchen) managers The curriculum consists of classroom style seminars, hands on skills training for each department, self-study and shift management techniques While the management training program is best suited for candidates with management experience, the positive, individual characteristics of each person are what are most important for the successful completion of the program

**TRAINING PROGRAM FOR TONY ROMA'S RESTAURANTS**

| SUBJECT | HOURS OF CLASSROOM TRAINING | HOURS OF ON-THE-JOB TRAINING | LOCATION* |
|---|---|---|---|
| Orientation | 4 | 4 | Roma Restaurant locations in Florida |
| Prep & Bake | 0 | 27 | Roma Restaurant locations in Florida |
| Fry cook | 0 | 27 | Roma Restaurant locations in Florida |
| Steak Grill | 0 | 27 | Roma Restaurant locations in Florida |
| Rib Broil | 0 | 27 | Roma Restaurant locations in Florida |
| Window | 0 | 20 | Roma Restaurant locations in Florida |
| Expeditor | 0 | 25 | Roma Restaurant locations in Florida |
| Server | 0 | 18 | Roma Restaurant locations in Florida |
| Porter/Busser | 2 | 0 | Roma Restaurant locations in Florida |
| Host/Packer | 0 | 18 | Roma Restaurant locations in Florida |

| | | | |
|---|---|---|---|
| Bartender | 0 | 18 | Roma Restaurant locations in Florida |
| Shift Management | | | |
| - Kitchen | 0 | 110 | Roma Restaurant locations in Florida |
| - Front of House | 0 | 110 | Roma Restaurant locations in Florida |
| Discretionary Time | 15 | 41 | Roma Restaurant locations in Florida |
| **TOTAL HOURS** | **21** | **472** | |

* We reserve the right to require that training be conducted in other locations as we determine periodically

**TRAINING PROGRAM FOR GRILL RESTAURANTS**

| SUBJECT | HOURS OF CLASSROOM TRAINING | HOURS OF ON-THE-JOB TRAINING | LOCATION* |
|---|---|---|---|
| Orientation | 3 | 0 | Roma Restaurant location in Florida |
| **Front of House** | | | |
| Server | 10 | 25 | Roma Restaurant location in Florida |
| Bartender | 10 | 25 | Roma Restaurant location in Florida |
| Server Assistant | 10 | 25 | Roma Restaurant location in Florida |
| Host | 19 | 16 | Roma Restaurant location in Florida |
| **Back of House** | | | |
| Prep Cook | 7 | 28 | Roma Restaurant location in Florida |
| Expeditor | 7 | 28 | Roma Restaurant location in Florida |
| Pantry | 7 | 28 | Roma Restaurant location in Florida |
| Wood Grill | 7 | 28 | Roma Restaurant location in Florida |
| Rib Grill | 7 | 28 | Roma Restaurant location in Florida |
| Dishwasher | 5 | 30 | Roma Restaurant location in Florida |
| **Management** | 14 Front of House<br>14 Kitchen | 77 Front of House<br>77 Kitchen | Roma Restaurant location in Florida<br>Roma Restaurant location in Florida |
| Discretionary Time | 15 | 15 | Roma Restaurant location in Florida |
| **Total Hours** | **135** | **430** | Roma Restaurant location in Florida |

* We reserve the right to require that training be conducted in other locations as we determine periodically

We also require that your key employees attend our management training program In addition, each replacement Multi-Unit Manager, General Manager or Manager may be required to complete our initial management training program within 90 days after they begin employment

We do not charge a tuition or for training materials in connection with the initial training for your General Manager and up to three Managers You will be solely responsible for supplying or purchasing appropriate training attire, including chef coats which we may offer to you for sale We may impose a fee for additional training or training additional persons You must pay for all expenses that you and your employees incur in connection with participating in our management training programs including wages, employer insurance and costs of travel, transportation, meals and lodging

We may periodically conduct refresher programs and seminars and you, your Multi-Unit Managers, General Managers and other Managers must attend these programs and seminars We may impose a reasonable fee for these programs and seminars You must pay for all expenses that you and your employees incur in connection with attending these programs and seminars

***New Restaurant Opening Team Training Program*** We also will provide, under the supervision of a Restaurant Opening Manager and/or a Regional Vice President of Operations ("RVP"), an Opening Team, consisting of the Restaurant Opening Manager as the Front-of-House Lead and Back-of-House trainers, and an experienced staff of certified trainers, to provide on-site pre-opening and opening training and supervision before and shortly following the opening of the Restaurant The Opening Team will provide training and assistance for approximately nineteen days, and will include training in all hourly employee functions The instructional materials used in the training are manuals, handouts and video, which will be provided by us at your expense The costs and expenses associated with the training are borne by you

There will also be at least four meal training sessions with friends & family, and VIP training parties for the purpose of providing extra "on the job" training needed to support the successful opening of the Roma Restaurant Trainers generally stay a total of up to seven days after opening day, with four trainers staying an additional seven days, as necessary Trainers may stay for up to approximately 19 days If it is decided that additional training support is needed, it will be coordinated by the Restaurant Opening Manager at your additional cost The Restaurant Opening Manager and RVP will make this decision based on the performance of the Roma Restaurant and the availability of trainers

Before any travel arrangements are made for the Opening Team, we will, approximately four (4) weeks before the Opening Team is scheduled to arrive at the Restaurant site, inspect the Restaurant site and the status of construction to confirm that the Restaurant will be in suitable condition, as we determine in our sole discretion, to conduct Opening Team Training You will reimburse us for all of our travel costs related to such inspection including without limitation airfare, ground transportation, lodging, meals and other reasonable costs

You must pay the wages and all expenses incurred by the Opening Team members Approximately ninety (90) days before any Tony Roma's Restaurant is scheduled to open, you must pay to us a $40,000 deposit against the estimated amount of these expenses Approximately 90 days before any Grill Restaurant is scheduled to open, you must pay to us a $50,000 deposit against the estimated amount of these expenses We will advise you when this deposit is due, and we will provide you a statement of our actual costs after the Roma Restaurant opens for business You must pay us any difference between the estimated and actual costs and expenses, which may have fluctuated due to changing air fares, delayed openings and like circumstances within 10 days of receipt of a final invoice after the Roma Restaurant opens for business Any excess of the estimate over actual Opening Team expenses shall be credited to your other obligations

*Global Franchise Conference*

We may, but are not required to, arrange and present, not more frequently than on an annual basis, a conference for all franchisees around the world and to present at such conference such information about Roma Restaurants and/or Grill Restaurants as we determine in our sole discretion Such conferences may be presented at such locations as we determine in our sole discretion and shall be for such a period of time as we determine in our sole discretion (although typically the length of this conference shall not exceed one week) We have the right, in our sole discretion, to (i) make attendance by representatives of each franchise group (as reasonably determined by us) at any such conference mandatory for each franchise group, and/or (ii) charge a fee as determined by us, in our sole but reasonable discretion, for any such conference (the "Global Conference Fee") The Global Conference Fee may be determined (i) per franchisee, (ii) per attendee, (iii) by the number of Roma Restaurants operated, or committed to be developed and operated in your Development Agreement, and/or (iv) based upon other factors or criteria as we may determine in our sole but reasonable discretion for any conference We held a Global Conference in 2016 and the Global Conference Fee for this conference was $0 We may require that certain persons attend any conference including, without limitation, representatives of franchisee ownership, Roma Restaurant directors of operations, multi-unit managers, general managers, kitchen managers and/or executive chefs You shall pay the Global Conference Fee to us within 20 days following the date we notify you that the Global Conference Fee is being assessed, whether or not each franchise group is required to attend, or attends, such conference, and/or we may apply JMA Fees (defined below in this Item 11 under "Joint Marketing Account") to pay for up to all of the costs and expenses we incur in arranging for and putting on such a conference You must pay all of your or your representatives costs and expenses incurred to attend any such conference including, without limitation, travel, lodging, meals and incidental expenses

*Advertising*

Our advertising for the products and services offered by Roma Restaurants consists of local and regional marketing, sales promotion and public relations efforts Advertising is created by in-house personnel who are assisted by outside agencies You may use your own advertising materials only if we have previously approved them Any advertising funds not spent in the fiscal year in which they accrue are carried over into the next fiscal year Unless otherwise specifically provided, advertising funds are aggregated across all Roma Restaurant brands

*Joint Marketing Account*

You must pay to a Joint Marketing Account ("JMA"), during each month throughout the term of the Franchise Agreement, a monthly fee equal to up to 2 5% of the Restaurant's Gross Sales ("JMA Fee") The JMA is a brand development fund used for the benefit of the System for the development of local, regional and global marketing materials, sales promotion and public relations efforts, including funding of creative production, marketing research expenditures, new product and/or services development, advertising development, website development and maintenance, digital and social marketing program development, the testing of marketing, advertising and promotional concepts and/or all other costs of making available direct marketing support (but excluding media) to franchisees (including our costs to arrange or put on any conferences for franchisees, including our periodic Global Franchise Conference) We use JMA Fees for the benefit of the System and do not segregate the funds for each concept All expenditures will be at the discretion of the JMA We will provide to you an annual report reflecting JMA expenditures upon request We reserve the right to apply a portion of the JMA Fee collected from you and other Roma Restaurant franchisees, as reasonably determined by us or JMA, to offset the costs associated with our advertising, marketing and promotional efforts, including without limitation the wages, salaries, benefit costs, travel and other fees and expenses of our, JMA's and our affiliates' employees and our vendors which we incur in connection with JMA's advertising, marketing and promotional efforts

***Advertising Fund***

We also may establish and administer an advertising fund for the purpose of purchasing media advertising for the System on a regional and/or national basis (the "Fund") There currently is no Fund and therefore, no franchisees contributed to any Fund during our last fiscal year ended March 31, 2016 If a Fund is established, we will provide written notice to you and you must make contributions to the Fund in an amount not to exceed 5% of the Restaurant's Gross Sales for each preceding month, to be paid in the same manner as you make your royalty payments Company-owned and franchised Roma Restaurants will contribute on the same basis at the same rate Funds not spent in any one calendar year are to be carried over to the following year We or our designee will maintain and administer the Fund

We will direct all marketing and advertising programs and have the right to approve or disapprove the creative concepts, materials and media used in the programs and their placement and allocation The Fund is intended to maximize general public recognition and acceptance of the Roma Marks and the Tony Roma's "brand" In administering the Fund, neither we nor our designees must make expenditures that are equivalent or proportionate to your contribution or to ensure that any particular franchisee benefits directly or *pro rata* from the placement of advertising media

The Fund may be used to satisfy the costs of maintaining, administering, directing and preparing advertising, including the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns, direct mail and outdoor advertising, public relations activities, employing advertising agencies, and providing other advertising materials to Roma Restaurants We will keep all sums you pay to the Fund in a separate account and will not use them to defray any of our general operating expenses, except for reasonable administrative costs and overhead, if any, that we may incur in activities reasonably relating to the administration or direction of the Fund and advertising programs for the System (including without limitation the wages, salaries, benefit costs, travel and other fees and expenses of our and our affiliates employees and our vendors which we incur in connection with the Fund) The Fund and its earnings will not otherwise benefit us

We will provide an annual statement of the operation of the Fund, if you request it The Fund will not be separately audited Although the Fund is intended to be perpetual, we may terminate the Fund at any time The Fund will not be terminated, however, until all monies in the Fund have been spent for advertising or promotional purposes or returned to contributors on the basis described above The Fund will not be used for the solicitation of franchise sales

We do not have an advertising council, composed of franchisees or otherwise

***Advertising Cooperative***

We may designate any geographic area in which two or more Roma Restaurants (whether operated by us or our affiliates or franchised) are located as a region for purposes of establishing an advertising cooperative ("Coop") Each Co-op will be organized for the exclusive purposes of administering advertising programs and developing, subject to our approval, promotional materials for use by the members in local advertising. If a Co-op has been established for a geographic area where your Roma Restaurant is located when the Franchise Agreement is signed, or if any Co-op is established during the term of the Franchise Agreement, you must sign all documents we request and remain a member of the Co-op according to the terms of the documents

You must contribute to the Co-op the amounts that we require, up to a maximum of 4% of your monthly Gross Sales These payments may be applied toward satisfaction of your local marketing expenditure requirement as described below All contributions to the Co-op will be maintained and administered in accordance with the documents governing the Co-op No advertising or promotion plans or materials may be used by the Co-op or furnished to its members without our prior approval.

***Special Advertising Assessment***

We may institute a special assessment, not to exceed 1% of monthly Gross Sales, to cover extraordinary marketing expenditures

***Local Marketing Expenditure***

You must, at your sole cost and expense, develop advertising and promotional programs designed to promote and enhance the value of the Restaurant, and to that end must expend at least 2% of Gross Sales of each Roma Restaurant on local marketing Except as described above, we are not obligated to spend any amount on advertising in the area where your Roma Restaurant is located We may require that you supply evidence satisfactory to us that you have spent this amount

***Gift Card Program***

You must fully participate in the Tony Roma's Gift Card Program or any successor cash card or comparable program whereby people purchase at your Restaurant or otherwise and are issued electronic or other cash cards, but not credit cards, for redemption by Roma Restaurant customers as gift cards or otherwise for the purchase of goods and services at a Roma Restaurant including your Restaurant

***Guest Satisfaction Program***

You must participate in any food and service quality measurement or guest satisfaction programs as we may require for the System to evaluate your compliance with the procedures and policies of the System The Franchise Agreement provides that you must pay the cost of this participation, although, at the current time, we are paying for the cost of this program We retain the right to select alternative customer satisfaction programs which we may require for use in the System

***Remodels***

You must make improvements and alterations that we may determine to be necessary for the Roma Restaurant to conform to the System image as we may prescribe at that time  You must undertake and complete the improvements and alterations within times we specify, at your expense  In our experience, remodels are required every five to seven years, but could be required more frequently

***Computer Systems***

We do not require you to purchase specific POS computer hardware or software system from a specific supplier, but we do require that your POS system (hardware and software), and any additional hardware or software we require, meets all of our requirements, is technologically compatible with all of our requirements and is approved by us  For example, and not by way of limitation, we currently require that you purchase and install a software system that must be installed on your computer system(s) which will allow us to electronically access and download, in real time and in the manner we require from time to time, your sales and related data/information, whether from your POS system or elsewhere, so that we can view and download all of the information related to, without limitation, your sales, food and beverage costs, labor costs, labor hours and similar information  There are no contractual limitations on our access to your computer information  We will provide you with a list of designated suppliers of POS systems and other required hardware and software which meet our requirements  We estimate the cost to purchase the POS System and related software to be between $30,000 to $50,000  This cost may vary due to number of terminals desired, software costs, and choice of manufacturer  See Item 7, Note 7  Neither we nor any of our affiliates have an obligation to provide ongoing maintenance, repairs, upgrades or updates to the POS system

***Electronic Media***

You may not register the Marks, or use any part of the Marks, as part of any company name, Internet domain name or URL, and may neither display nor use any of the Marks or other Intellectual Property in connection with, or associate the System with (through a link or otherwise), any web site advertising, address, or listing on the World Wide Web or any other portion of the Internet without our prior written consent

## ITEM 12

## TERRITORY

***The Development Agreement***

You will sign a Development Agreement that grants you the right to establish a specified number of Roma Restaurants within a defined area (the "Territory")  The size of the Territory will be determined based on your interest, the market conditions in the proposed Territory and your financial capabilities  Failure to comply with the agreed-upon opening schedule may result in termination of the Development Agreement and of other rights to develop Roma Restaurants

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 that we control  However, during the term of the Development Agreement, subject to your full compliance with the Development Agreement, we will neither franchise nor establish a Tony Roma's Restaurant or a Grill Restaurant, whichever is covered in your Development Agreement, in the Territory, provided, however, that we retain for ourselves all other rights within and outside the Development Area, including the right to engage in the following activities, regardless of the economic impact or competitive effect the practice may have on the Restaurants

(1) to advertise and promote the System, and accept and fill orders received from customers in the Territory,

(2) offer and sell collateral and ancillary products and services which may be similar to those offered by the Restaurants in the Territory under the Marks if offered and sold other than through a full-service Tony Roma's/TR Fire Grill (whichever is covered in your Development Agreement) restaurant including, without limitation, supermarkets, club stores, convenience stores, mail order or over the internet, such as pre-packaged or prepared food products, t-shirts and restaurant memorabilia,

(3) (i) offer and sell the products and services under the Marks in the Territory at, and (ii) operate a full-service Tony Roma's/TR Fire Grill restaurants or other similar food service facilities offering the same products and services offered by a full-service Tony Roma's/TR Fire Grill restaurant in any, Alternative Distribution Sites,

(4) offer and sell (or may authorize others to offer and sell) products and services under any other names and marks, and

(5) establish and operate a full-service Tony Roma's/TR Fire Grill restaurant anywhere outside of the Territory regardless of proximity to the Territory or the Protected Area (as defined in the Franchise Agreement) and regardless of the economic or competitive impact this operation by have on any of the Restaurants

Alternate Distribution Sites means any (i) enclosed area of retail sales establishments, (ii) food courts, (iii) permanent, temporary or seasonal food service facility (e g , a kiosk, concession or multi-brand facility, (iv) transportation facilities or the grounds thereof or buildings situated thereon (e g , military, airport, train station, bus terminals, port authorities and resort properties),, (v) special use or non-public location (e g., schools, colleges, other institutions, public auditoriums, concert halls, hospitals and other health care facilities, cafeterias, commissaries, (vi) hotels, and sports and entertainment facilities (e g , stadiums, arenas, ballparks, convention centers), and (vii) other mass gathering locations or events designated by us

***The Franchise Agreement***

You will sign a separate Franchise Agreement for each Roma Restaurant that you develop under the Development Agreement The Franchise Agreement grants you the right to operate a Roma Restaurant at a single location You must operate the Roma Restaurant only at this location and may not relocate the Restaurant without our prior written consent The location criteria or standards for our acceptance of relocation are generally the same as those for the selection of an initial site, including, for example, population density, car count, site visibility and access, and proximity of competitive businesses, and your use of our designated real estate broker/consultant We may accept your request to relocate the Roma Restaurant if you cannot operate the Roma Restaurant at the original location due to damage or destruction of the premises You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control

You will have no rights or authority under the Franchise Agreement to sell any product or service from catalogues, an Internet Website, telemarketing or other distribution channels without our express prior permission

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 that we control However, during the term of the Franchise Agreement, we will neither franchise nor establish a Roma Restaurant within a designated area surrounding the Roma Restaurant location, typically a 3-mile radius (the "Protected Area") We retain for ourselves all other rights within and outside the Protected Area, including the right to engage in the following activities, regardless of the economic impact or competitive effect the practice may have on the Restaurant

(1) to advertise and promote the System, and accept and fill orders received from customers in the Territory,

(2) offer and sell collateral and ancillary products and services which may be similar to those offered by the Restaurants under the Marks if offered and sold other than through a full-service Tony Roma's/TR Fire Grill restaurant including, without limitation, supermarkets, club stores, convenience stores, mail order or over the internet, such as pre-packaged or prepared food products, t-shirts and Tony Roma's/TR Fire Grill memorabilia,

(3) (i) offer and sell the products and services under the Marks in the Territory at, and (ii) operate a full-service Tony Roma's/TR Fire Grill restaurants or other similar food service facilities offering the same products and services offered by a full-service Tony Roma's/TR Fire Grill restaurant in any, Alternative Distribution Sites,

(4) offer and sell (or may authorize others to offer and sell) products and services under any other names and marks, and

(5) establish and operate a full-service Tony Roma's/TR Fire Grill restaurant anywhere outside of the Territory regardless of proximity to the Territory or the Protected Area (as defined in the Franchise Agreement) and regardless of the economic or competitive impact this operation by have on any of the Restaurants

Neither the Franchise Agreement nor the Development Agreement prohibits or restricts us or other franchisees from soliciting sales or accepting orders within the Territory or the Protected Area, and neither we nor other franchisees must pay any compensation to you for soliciting or accepting orders within your Territory or Protected Area

We are not required to provide you any right of first refusal, however, we retain the right to extend first consideration to existing franchisees in the granting of new franchises within a market area However, no right to any additional franchise should be inferred from this consideration or from our future or prior course of dealing We have no specific process governing the grant of additional franchises, rather, because each situation is different, we consider, on an ad hoc basis, whether any request for an additional franchise is, in our judgment, in our best interest and in the best interest of other franchisees and the System

We are not otherwise restricted from developing or operating, or franchising others to develop or operate, Roma Restaurants at any location that we choose We have in the past considered, and expect to continue to consider, the potential impact of any new Roma Restaurant on existing Roma Restaurants including a prospective location in relation to other Roma Restaurants However, there is no assurance that any new Roma Restaurant will not impact an existing Restaurant's revenue

We have not established other franchises or company-owned outlets offering similar products or services under different proprietary marks, although we have the right to do so We do not offer any options, rights of first refusal or similar rights to acquire additional franchises, except according to the Development Agreement as described in this Disclosure Document Continuation of your territorial protection does not depend on your achievement of a certain sales volume, market penetration or other contingency We may not alter the boundaries of your Territory or Protected Area without your written agreement, except as provided for in the Development Agreement or the Franchise Agreement

## ITEM 13
## TRADEMARKS

Roma Dining, LLC owns and has registered the following Marks on the Principal Register of the U S Patent and Trademark Office ("USPTO") and has filed all required affidavits

| Mark | Registration Date (Application Date) | Registration Number |
|---|---|---|
| TONY ROMA'S® | February 5, 1985 Renewed April 14, 2014 | 1,318,693 |
| TONY ROMA'S • FAMOUS FOR RIBS •® | November 5, 1996 Renewed August 9, 2006 | 2,013,399 |
| TR FIRE GRILL ® | September 8, 2015 | 4,810,267 |

The "TONY ROMA'S" mark, as displayed in the word mark and Logo above, is the Mark which is to be used in connection with the development and operation of new franchised Tony Roma's Restaurants The "TR FIRE GRILL" mark, as displayed in the Logo above, is the Mark which is to be used in connection with the development and operation of new Grill Restaurants We reserve the right to change, alter or modify any of the service marks or service names at any time

There are currently no effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceeding, or material litigation involving the principal trademarks before these courts

Roma Dining, LLC owns and has granted us the exclusive license to franchise and license the operation of Roma Restaurants in the United States according to that certain License Agreement, dated March 25, 1997, between Roma Dining LLC and Roma Franchise Corporation ("License Agreement"), with a 20-year term and unlimited rights of renewal. The License Agreement is subject to cancellation only if we fail to maintain the standards required to protect the Marks Because all the parties are within the Romacorp group of affiliated entities, we anticipate no impact or limitation on our ability to maintain the License Agreement There are no other agreements currently in effect that significantly limit our rights to use or license the use of the Marks in any manner material to the franchise

You must use all names and marks in full compliance with our rules You are prohibited from using any name or mark as part of any company name, web site or other internet locator or with any prefix, suffix or any other modifying words, terms, designs or symbols (other than logos licensed by us to you) In addition, you may not use any name or mark relating to the sale of any unauthorized product or service or in any other manner not explicitly authorized by us

You will immediately notify us of any infringement of or challenge to your use of any of the Marks or any claim by any person of any right in or to any of the Marks We will have the right to take action as we deem appropriate and the exclusive right to control any litigation or administrative proceeding involving any claim of infringement, challenge or other claim relating to any of the Marks You must sign any and all instruments and documents, render any assistance and do any acts and things as may, in our or our counsel's opinion, be necessary or advisable, in our counsel's opinion, to protect our interest in any litigation or proceeding or in the Marks If you are named as a party in any action for infringement as a result of your use of any of the Marks in full compliance with the Franchise Agreement and our System, we will indemnify you for your reasonable attorneys' fees and costs related to defense of the action, and the amount of any judgment or settlement resulting from the litigation You agree to provide evidence and expert assistance as you may have, within your control, concerning any challenge or prosecution

If it becomes advisable, we retain the right to modify or discontinue the use of any name or mark and/or to use one or more additional or substitute names or marks, you must do so at your sole cost and expense

You agree not to contest, directly or indirectly, our ownership, title, right or interest in our name or marks, trade secrets, methods, procedures, and advertising techniques, which are a part of our business or contest our sole right to register, use or license others to use these names and marks, trade secrets, methods, procedures, and techniques

There are other concepts which use references to "ribs", "a place for ribs" or "place for ribs" in their name or as a part of their marketing efforts However, we are not aware of any infringing uses of the Marks which would materially affect your use of the Marks in any state in which the franchised business is to be located

We have filed, and there is currently pending, 1 case in which we have obtained injunctive relief for the unauthorized use of the Marks That case is Roma Franchise Corporation v GB Roma, Inc, Larry Kempen and Howard Johnson (filed July 1, 2016, in the United States District Court for the Eastern District of Wisconsin, Case No 1 16-cv-00843) See Item 3 for more information about this case

## ITEM 14

## PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents, pending patent applications or registered copyrights material to the franchise, but we claim copyright protection in many elements of the System including the Manuals, the content and design of all advertising and sales literature, our menus and point of sale advertising, and the design and content of our web site (the "Copyrighted Works")

You and your Principals and employees must maintain the confidentiality of all trade secrets, knowledge and know how concerning the location, construction, operation and promotion of Roma Restaurants (including our proprietary recipes and techniques for preparing menu items, the Standards, all information contained in the manual and all other information that we designate as Confidential Information (collectively, the "Confidential Information") Neither you nor your Principals or employees may communicate, divulge or use for the benefit of any other person any Confidential Information You and your Principals may divulge the Confidential Information only to your Multi-Unit Managers, General Managers, Managers and other of your employees who must have access to it to operate the Restaurant, on a need-to-know basis Neither you nor your Principals may copy, duplicate, record or otherwise reproduce or appropriate any of the Confidential Information, or make any Confidential Information available to any unauthorized person

Each of your Principals must sign a Guaranty of Payment and Performance substantially in the form of Attachment C to the Development Agreement and Attachment E to each Franchise Agreement, under which they guaranty all of the monetary and other obligations, and become personally bound to the confidentiality and non-compete provisions contained in, the Development Agreement and each Franchise Agreement We retain the right to eliminate or reduce the scope of any non-compete provision contained in any agreement to be signed by your employees

If you or your Principals or any of your officers, directors, shareholders, employees, agents or independent contractors develop any new concept, process or improvement in the operations or promotion of the Roma Restaurant, you must promptly notify us and give us all necessary information, free of charge You and your Principals must acknowledge that any of these concepts, processes or improvements will become our property and we may use and share the information in the System

## ITEM 15

## OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

When you sign the Development Agreement, you must designate a Managing Principal. The Managing Principal may be you, if you are an individual or, if you are a corporation, partnership or other legal entity, the Managing Principal must have an Ownership Interest in you unless otherwise agreeable to us The Managing Principal must be an individual acceptable to us and, during the entire period he or she serves as the Managing Principal, must satisfy our training requirements and educational and business experience criteria The Managing Principal must devote full time and best efforts to the supervision and performance of the development activities contemplated under the Development Agreement, and to the supervision of the operation of the Restaurants under the Franchise Agreements We have the final approval over the selection of your Managing Principal and the initial management team. We must also approve any changes in the Managing Principal, Multi-Unit Managers, or General Managers after you open your Restaurant(s) during the term of your Franchise Agreement. On the departure of the Managing Principal, Multi-Unit Manager, or General Manager you must replace these persons with persons approved by us. Each replacement must complete the training program as approved by us. A successor must be employed for the position within 45 days from the vacancy.

Each Roma Restaurant must at all times be under the on-premises supervision of your General Manager or at least one of your Managers. Your General Manager and all of your Managers must attend and complete to our satisfaction our initial management training program described in Item 11. They need not have any equity interest in you or the Franchise Agreement. We may require your General Manager and/or some or all of your Managers to sign a confidentiality agreement as a condition to their attendance at any initial or refresher training program.

In addition, each of your Principals must personally guarantee payment and performance of your obligations under the Development Agreement and Franchise Agreements and must personally undertake to pay all amounts due under these agreements. If your Principal is married, we may require your Principal's spouse to also personally guarantee payment and performance of your obligations under the Development Agreement and Franchise Agreements and must personally undertake to pay all amounts due under these agreements.

## ITEM 16
## RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all menu items, products and services that we designate, and may offer and sell only the menu items, products and services that we have expressly approved for sale. We may periodically introduce new menu items prepared according to our proprietary recipes ("Proprietary Items") and you must offer the Proprietary Items as we require. We may add, eliminate or modify menu items and other products and services offered for sale at any time. There is no limit on our right to make these changes.

We have the right to change the menu format as well as types of menu items, products and services offered by you at the Roma Restaurant at any time. You may not use the premises for any purpose other than the operation of a Restaurant.

We may negotiate purchase and/or distribution arrangements with suppliers and/or distributors, which may benefit you. We do not provide material benefits to you based on your use of designated or approved sources. We reserve the right to retain discounts, rebates or similar amounts based upon your purchases from suppliers or distributors with whom we have negotiated purchase arrangements to offset the costs associated with our purchasing and/or distribution efforts, including without limitation the wages, salaries, benefit costs, travel and other fees and expenses of our and our affiliates employees and our vendors which we incur in connection with the negotiation, implementation and operation of these purchasing and distribution arrangements. After these costs are fully recovered, we will distribute any remaining discounts, rebates and/or similar amounts to all participating franchisees in a reasonable manner determined by us. If you wish to participate in our purchasing and distribution arrangements, you must sign an agreement with our parent company, Romacorp, Inc , in the form of Attachment D to the form of Franchise Agreement attached to this Disclosure Document as Exhibit C

We do not limit the customers whom you may serve, however, the jurisdiction in which you operate the Roma Restaurant may impose minimum age restrictions on, or otherwise restrict, the sale of alcoholic beverages We require that the Roma Restaurant be open for business seven days a week, subject to any restrictions imposed by law or ordinance in the jurisdiction in which you operate the Roma Restaurant

## ITEM 17
## RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

### THE FRANCHISE RELATIONSHIP

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

| | Provision | Section in Agreement | Summary |
|---|---|---|---|
| a | Length of the franchise or development term | §V Development Agreement<br>§IV A. & C Franchise Agreement | Development Agreement Term expires on the date when the final Restaurant is due pursuant to the Development Schedule, unless terminated earlier<br>Franchise Agreement Term continues for 20 years from the Commencement Date, unless terminated earlier The Commencement Date is the first to occur of the opening of the Restaurant or the date the Restaurant is required to open pursuant to the Development Schedule See Item 6 regarding your right to terminate the Franchise Agreement after three years following the Commencement Date upon notice to us and payment of the Early Termination Fee, as more fully described in Item 6 and in the Franchise Agreement |
| b | Renewal or extension of the term | §IV B Franchise Agreement | Agreement may be renewed at your option for 10 more years |
| c | Requirements for you to renew or extend | §IV B 1 -11 Franchise Agreement | You must give 12 months written notice of your desire to renew your franchise rights, not be in default of any provision of the Agreement, repair and update equipment and Restaurant premises, have the right to remain in possession of the Restaurant premises, pay renewal fee, sign then-current franchise agreement (which may contain materially different terms and conditions as the original franchise agreement), if we require, sign a general release, correct deficiencies in your sales, marketing and operational procedures and comply with then-current qualifications and training requirements, all unless we waive |

| | Provision | Section in Agreement | Summary |
|---|---|---|---|
| d | Termination by you | §IV C Franchise Agreement | You may give notice of the early termination of the Franchise Agreement as of and following the third (3rd) anniversary of the Commencement Date (as defined in the Franchise Agreement) if no breach or default by you under or in connection with the Franchise Agreement has occurred and is continuing, and if no event or condition has occurred which, with the giving of notice or lapse of time, or both, would constitute a breach or default by you under or in connection with the Franchise Agreement has occurred and is continuing You must give at least 365 days' notice to us of the early termination of the Franchise Agreement You must pay us the Early Termination Fee simultaneously with the giving of notice of early termination, in good funds During the 365 day notice period, you must continue to operate the Restaurant pursuant to the terms and conditions of the Franchise Agreement, including without limitation the payment of Royalty Fees and JMA Fees The Early Termination Fee is the greater of (i) an amount equal to all Royalty Fees and JMA Fees which you are or were obligated to pay to us under the Franchise Agreement during or with respect to the thirty-six month period immediately prior to the date you give notice of the termination of the Franchise Agreement as described in Section IV C of the Franchise Agreement, or (ii) $400,000 |
| e | Termination by us without "cause" | Not Applicable | Not Applicable |
| f | Termination by us with "cause" | §XIII Development Agreement<br>§XIX Franchise Agreement | Each of your obligations under the Franchise Agreement and Development Agreement is a material and essential obligation, the breach of which may result in termination |
| g | "Cause" defined - curable defaults | §XIII B & C Development Agreement<br>§XIX B & C Franchise Agreement | <u>Development Agreement</u> You may have the opportunity, before termination, to cure any specified default to our satisfaction, by providing us proof that the default has been cured within any cure period <u>Franchise Agreement</u> You may have the opportunity, before termination, to cure any specified default to our satisfaction, by providing us proof that the default has been cured within any cure period |

| | Provision | Section in Agreement | Summary |
|---|---|---|---|
| h | "Cause" defined – non-curable defaults | §XIII A. & B Development Agreement<br>§XIX A. & B Franchise Agreement | If you become insolvent, make a general assignment for benefit of creditors, file a petition initiated against you under federal bankruptcy laws, have outstanding judgments against you for over 30 days, sell unauthorized products or services, fail to acquire an acceptable location within time required, fail to remodel when required, fail to open the Restaurant when required, abandon or lose right to the Restaurant premises, are convicted of a felony or other crime that may have an adverse effect on the System or Marks, transfer any interest without our consent or maintain false books or records |
| i | Your obligations on termination/nonrenewal | §XIII E Development Agreement<br>§XIX D Franchise Agreement | You must cease operating the Restaurant and using the Marks and System and completely de-identify the business, pay all amounts due to us or our affiliates, return all Manuals and other proprietary materials, comply with confidentiality requirements, and at our option, sell or assign to us your rights in the Restaurant premises and the equipment and fixtures used in the business |
| j | Assignment of Agreement by us | §IX A. Development Agreement<br>§XVIII A. Franchise Agreement | We have the right to transfer or assign our interest in the Development Agreement and Franchise Agreement to any person or entity without restriction |
| k | "Transfer" by you defined | §A. of Development Agreement<br>§I of Franchise Agreement | Includes sale, assignment, conveyance, pledge, mortgage or other encumbrances of any interest in the Development/Franchise Agreement, the Restaurant or you (if you are not a natural person) |
| l | Our approval of transfer by you | §IX B Development Agreement<br>§XVIII B Franchise Agreement | You must obtain consent before transferring any interest We will not unreasonably withhold our consent |
| m | Conditions for Our approval of transfer | §IX C Development Agreement<br>§XVIII C Franchise Agreement | You or transferor must pay all amounts due us or our subsidiaries of affiliates, not otherwise be in default, execute a general release, and pay a transfer fee Transferee must meet our criteria, attend training and execute current form agreements, if we require The Restaurant must also meet our current image requirements |
| n | Our right of first refusal to acquire Your business | §IX D Development Agreement<br>§XVIII D Franchise Agreement | Within 30 days after notice, we have the option to purchase the transferred interest on the same terms and conditions |

| | Provision | Section in Agreement | Summary |
|---|---|---|---|
| o | Our option to purchase Your business | Not Applicable | Not Applicable |
| p | Death or disability of You | §IX'E Development Agreement<br>§XVIII E Franchise Agreement | If you or your Principal is a natural person, on death of permanent disability, distributee must be approved by us, or franchise must be transferred to someone approved by us within 12 months after death or notice of permanent disability under the same terms and conditions as for any inter vivos transfer (which includes, without limitation, the payment of a transfer fee) |
| q | Non-competition covenants during the term of the franchise | §VIII C Development Agreement<br>§XV C Franchise Agreement | You are prohibited from operating or having an interest in a similar business |
| r | Non-competition covenants after the franchise is terminated or expires | §VIII C Development Agreement<br>§XV C Franchise Agreement | You are prohibited from operating or having an interest in a similar business which is located (i) in the United States, its territories, or commonwealths, (ii) the Territory, (iii) within a 10 mile radius of (a) any Roma Restaurant, or (b) the location of any of your Restaurants, for 24 months |
| s | Modification of the agreement | §XVII B Development Agreement<br>§XXII C Franchise Agreement | You must comply with Manuals as amended |
| t | Integration/merger clause | §XVI A Development Agreement<br>§XXII A. Franchise Agreement | Only the terms of the Franchise Agreement and Development Agreement are binding (subject to state law) Any representations or promises outside of the Disclosure Document, the Franchise Agreement and the Development Agreement may not be enforceable |
| u | Dispute resolution by arbitration or mediation | Not Applicable | Not Applicable |
| v | Choice of forum | §XIV Development Agreement<br>§XXI Franchise Agreement | The venue for all proceedings relating to or arising out of the Franchise Agreement or Development Agreement is Orlando, Florida, unless otherwise brought by us, this choice of forum may not be enforceable under your state's law |
| w | Choice of law | §XIV A. Development Agreement<br>§XXI A. Franchise Agreement | The Development and Franchise Agreement are to be interpreted and construed under Florida law (except for Florida choice of law rules), this choice of law may not be enforceable under your state's law |

## ITEM 18

## PUBLIC FIGURES

We do not use any public figure to promote our franchise

## ITEM 19
## FINANCIAL PERFORMANCE REPRESENTATIONS

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

This sales information in this Item 19 contains the averages of "Sales" for Tony Roma's Restaurants operated by our affiliate, Romacorp, Inc , and at certain franchised Tony Roma's Restaurants in the United States for the calendar year 2016 (January 1, 2016 through December 31, 2016) "Sales" at these Tony Roma's Restaurants was calculated as the total selling price of all services and products and all income of every other kind and nature related to the restaurant, whether for cash or credit, provided, however, that "Sales" does not include (i) sales, value added or similar taxes, (ii) tips, gratuities or service charges paid to employees, or (iii) any deduction for refunds or the value of complimentary or employee meals Our franchisees self-report their sales to us

This information does not contain any sales or other information with respect to any Grill Restaurant

The Sales information regarding franchised Tony Roma's Restaurants in this Item 19 below, and subject to the terms, conditions and disclaimers included in this Item 19, is an aggregate compilation of the average franchised Tony Roma's Restaurant Sales reported to us by our Tony Roma's franchisees in the United States for the calendar year 2016 (January 1, 2016 through December 31, 2016) Only Romacorp operated or franchised Tony Roma's Restaurants which (i) had been open and operating at least 18 months as of January 1, 2016, and (ii) were open and operating for all of calendar year 2016 are included in the Sales information below Therefore, franchised Tony Roma's Restaurants which were closed during calendar year 2016 are excluded from the Sales information below Based on this criteria, the Sales of 17 franchised Tony Roma's Restaurants are included in the sales information below One of those franchised Tony Roma's restaurants reported Sales to us only for the period January 1, 2016 through October 25, 2016, but this Tony Roma's Restaurant remained open through December 31, 2016 The Sales information that was reported to us (January 1 – October 25, 2016) is included in the Sales information for franchised Tony Roma's Restaurants We have not estimated the Sales at this franchised Tony Roma's Restaurant for the period October 26 – December 31, 2016 This Tony Roma's Restaurant closed on or about January 31, 2017 No cost, expense or other information is provided The franchised Tony Roma's Restaurants included in the information below were located in the states of California, Florida, Hawaii, Iowa, Illinois, Minnesota, Nevada, New Jersey, New York and Texas The 1 franchised Express Restaurant, located in Florida, is not included in the Sales information below

The Sales information regarding Tony Roma's Restaurants operated by Romacorp in this Item 19, and subject to the terms, conditions and disclaimers included in this Item 19, is an aggregate compilation of the average Sales recorded by Romacorp at the 3 Tony Roma's Restaurants it operated in the state of Florida for the calendar year 2016 Each of these Romacorp operated Tony Roma's Restaurants (i) had been open and operating at least 18 months as of January 1, 2016, and (ii) was open and operating for all of calendar year 2016 Romacorp's Tony Roma's Restaurant located in Orlando, Florida, was remodeled during 2016 and, as a result, parts of this Romacorp Tony Roma's Restaurant were not open to the public while the remodel was on-going. The Sales at this Tony Roma's Restaurant during calendar year 2016 are included in the Sales information below No cost, expense or other information is provided

In this Item 19, average Sales information is divided into 8 categories (i) the average Sales at the 3 Romacorp operated Tony Roma's Restaurants in calendar year 2016, (ii) the average Sales at the 17 franchised Tony Roma's Restaurants in calendar year 2016, (iii) average Sales at franchised Tony Roma's Restaurants which were in the top 20% of per restaurant Sales in calendar year 2016 (4 franchised Tony Roma's Restaurants), (iv) average Sales at franchised Tony Roma's Restaurants which were in the top 40% of per restaurant Sales in calendar year 2016 (7 franchised Tony Roma's Restaurants), (v) average Sales at franchised Tony Roma's Restaurants which were in the top 60% of per restaurant Sales in calendar year 2016 (10 franchised Tony Roma's Restaurants), (vi) average Sales at franchised Tony Roma's Restaurants which were in the bottom 60% of per restaurant Sales in calendar year 2016 (10 franchised Tony Roma's Restaurants), (vii) average Sales at franchised Tony Roma's Restaurants which were in the bottom 40% of per restaurant Sales in calendar year 2016 (7 franchised Tony Roma's Restaurants), and (viii) average Sales at franchised Tony Roma's Restaurants which were in the bottom 20% of per restaurant Sales in calendar year 2016 (4 franchised Tony Roma's Restaurants) The arithmetic mean average of Sales for each of the 8 categories was calculated We have not included a separate analysis of the average Sales based upon the type of location of each Tony Roma's Restaurant, such as free standing, shopping center, in-line or mall restaurants

The amount of Sales realized and costs and expenses incurred will vary from unit to unit The Sales, costs and expenses of your Restaurants will be directly affected by many factors such as the Restaurant's size, geographic location, competition in the marketplace, the presence of other Tony Roma's restaurants, the quality of management and service at the Restaurant, contractual relationships with lessors and vendors, the extent to which you finance the construction and operation of a Restaurant, your legal, accounting, real estate and other professional fees, federal, state and local income, gross profits or other taxes, discretionary expenditures, accounting methods used and certain benefits and economies of scale that may be derived as a result of operating Restaurants on a consolidated basis You should, therefore, use this information only as a reference to conduct your own analysis
You should particularly note the following

You are urged to consult with appropriate financial, business and legal advisers to conduct your own analysis with the information contained in this Item 19

The information in this Item 19 is an aggregate compilation of the arithmetic mean of the Sales of certain franchised Tony Roma's Restaurants in the United States as reported by our franchisees and Sales of Romacorp operated Tony Roma's Restaurants for calendar year 2016 We have not confirmed or audited these Sales reported by our franchisees, rather we have relied on the reports provided to us by our franchisees The levels of Sales by our franchisees in this aggregate compilation arithmetic mean should not be considered as the actual or potential Sales that you will realize The information in this Item 19 does not contain any cost, income or profit information and we do not possess this information for franchised Tony Roma's Restaurants or provide this information for Romacorp operated Tony Roma's Restaurants Your success will largely depend on your ability

This analysis does not include any estimates of any taxes that would be payable on the Sales or income that may be applicable to the particular jurisdiction in which a restaurant may be located You are strongly urged to consult with your tax advisor regarding the impact that taxes will have on the amounts shown in this Item 19

<u>Romacorp Operated Tony Roma's Restaurants</u>

The 3 Romacorp operated Tony Roma's Restaurants included in this information were (i) open and in operation at least 18 months as of January 1, 2016, and (ii) open and in operation for the entire 2016 calendar year The Romacorp operated Tony Roma's Restaurant located on International Drive in Orlando, Florida was remodeled during calendar year 2016 While the remodeling was on-going, between approximately February 22, 2016 and September 25, 2016, this Restaurant did not close, but parts of this Restaurant were not open to the public during the remodel period The Sales information below for Romacorp operated Tony Roma's Restaurants includes Sales at the International Drive Restaurant during the remodeling period

| | **Romacorp operated Tony Roma's Restaurants** |
|---|---|
| **Average Sales*** | **$2,578,066** |
| **Number of Tony Roma's Restaurants in this Group** | **3** |
| **Number of Tony Roma's Restaurants in this Group which met or exceeded average sales** | **1** |

*average Sales is an arithmetic average of Sales at Romacorp operated Tony Roma's Restaurants

The highest restaurant Sales level at a Romacorp operated Tony Roma's Restaurant in calendar year 2016 was $2,687,301 The lowest restaurant Sales level at a Romacorp operated Tony Roma's Restaurant in calendar year 2016 was $2,518,314

Each of the 3 Romacorp operated Tony Roma's Restaurants included in the information above recorded Sales according to the definition above The information contained in this Item 19 has not been audited

<u>Franchised Tony Roma's Restaurants</u>

The 17 franchised Tony Roma's Restaurants included in this information were (i) open and in operation at least 18 months as of January 1, 2016, and (ii) open and in operation for the entire 2016 calendar year, and were divided into 7 categories as described above The arithmetic average of Sales for the 2016calendar year within the 7 categories are listed below

| | Top 20% Sales of Franchised Tony Roma's Restaurants | Top 40% Sales of Franchised Tony Roma's Restaurants | Top 60% of Sales of Franchised Tony Roma's Restaurants | All Franchised Tony Roma's Restaurants* | Bottom 60% Sales of Franchised Tony Roma's Restaurants* | Bottom 40% Sales of Franchised Tony Roma's Restaurants* | Bottom 20% of Sales of Franchised Tony Roma's Restaurants* |
|---|---|---|---|---|---|---|---|
| Average Sales* | $4,301,819 | $3,565,605 | $3,189,230 | $2,537,441 | $1,817,770 | $1,606,376 | $1,383,949 |
| Number of Tony Roma's Restaurants in this Group | 4 | 7 | 10 | 17 | 10 | 7 | 4 |
| Number of Tony Roma's Restaurants in this Group which met or exceeded average sales | 1 | 3 | 3 | 7 | 12 | 14 | 16 |

*** 1 of these Tony Roma's Restaurants with Sales in calendar year 2016 of $898,844 (the lowest Sales of franchised Tony Roma's Restaurants in this group) reported Sales to us only for the period January 1, 2016 through October 25, 2016, but this franchised Tony Roma's Restaurant remained open through December 31, 2016 The Sales information that was reported to us (January 1 – October 25, 2016) is included in the Sales information for franchised Tony Roma's Restaurants We have not estimated the Sales at this franchised Tony Roma's Restaurant for the period October 26 – December 31, 2016 This franchised Tony Roma's Restaurant closed on or about January 31, 2017**

*average Sales is an arithmetic average of Sales at franchised Tony Roma's Restaurants reported by our franchisees

The highest restaurant Sales level at a franchisee operated Tony Roma's Restaurant in calendar year 2016 was $6,229,683 The lowest restaurant Sales level at a franchisee operated Tony Roma's Restaurant in calendar year 2016 was $898,844 This Tony Roma's Restaurant closed on or about January 31, 2017

To our knowledge, each of our franchisees reported their Sales to us as required by their franchise agreement(s) The information contained in this Item 19 has not been audited

***

Some Tony Roma's Restaurants have attained the above figures Your individual results may differ from the results described above There is no assurance that you will attain as much

Other than the preceding financial performance representation, we do not make any financial performance representations We also do not authorize our employees or representatives to make any such representations either orally or in writing. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request 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 the Office of the President/CEO, Roma Franchise Corporation, 11315 Corporate Boulevard, Suite 100, Orlando, Florida 32817, 321-281, 9330, the Federal Trade Commission, and the appropriate state regulatory agencies

## ITEM 20

## OUTLETS AND FRANCHISEE INFORMATION

ALL OUTLETS IN THE TABLES IN THIS ITEM 20 ARE TONY ROMA'S RESTAURANTS EXCEPT AS NOTED

**TABLE NO 1**
**SYSTEMWIDE OUTLET SUMMARY FOR FISCAL YEARS 2015 & 2016, and STUB YEAR 2016 (March 30, 2016 - December 31, 2016)**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---|---|---|---|---|
| Franchised+ | FY2015 | 29 | 26 | -3 |
| | FY2016 | 26 | 23 | -3 |
| | SY2016 | 23 | 18 | -5 |
| Company-Owned | FY2015 | 6* | *5 | -1 |
| | FY2016 | 5 | 4 | -1 |
| | SY2016 | 4 | 4 | 0 |
| **Total Outlets** | **FY2015** | 35 | 31 | -4 |
| | **FY2016** | 31 | 27 | -4 |
| | **SY2016** | 27 | 22** | -5 |

Our 2015 fiscal year began April 2, 2014 and ended March 31, 2015
Our 2016 fiscal year began April 1, 2015 and ended March 29, 2016
Our 2016 stub year began March 30, 2016 and ended December 31, 2016

* Romacorp worked with a developer to develop a restaurant owned by that developer and managed by Romacorp On March 29, 2016, the Managed Restaurant converted to a Franchised Restaurant

** One of these outlets closed on or about January 31, 2017
+ Currently, there is one franchised Express Restaurant in Florida

## TABLE NO 2
## TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR FISCAL YEARS 2015 TO STUB YEAR 2016
## (March 30, 2016 - December 31, 2016)

| State | Year | Number of Transfers |
|---|---|---|
| Texas | FY2015 | 0 |
| | FY2016 | 0 |
| | SY2016 | 0 |
| **Totals** | **FY2015** | **0** |
| | **FY2016** | **0** |
| | **SY2016** | 0 |

## TABLE NO 3
## FRANCHISED OUTLETS STATUS SUMMARY
## FOR FISCAL YEARS 2015 & 2016 TO STUB YEAR 2016 (March 30, 2016 - December 31, 2016)

| State | Year | Outlets Operating at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations Other Reasons | Outlets Operating At Year End |
|---|---|---|---|---|---|---|---|---|
| California | 2015 | 8 | 0 | | 0 | 0 | 2 | 6 |
| | 2016 | 6 | 0 | 0 | 0 | 0 | 1 | 5 |
| | SY2016 | 5 | 0 | 0 | 0 | 0 | 1 | 4 |
| Florida | 2015 | 4 | 0 | 0 | 0 | 0 | 1 | 3 |
| | 2016 | 3 | 1 | 0 | 0 | 0 | 2 | 2 |
| | SY2016 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| Hawaii | 2015 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2016 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | SY2016 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| Illinois | 2015 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | SY2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Iowa | 2015 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | SY2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Minnesota | 2015 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | SY2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |

| State | Year | Outlets Operating at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations Other Reasons | Outlets Operating At Year End |
|---|---|---|---|---|---|---|---|---|
| Nevada | 2015 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | SY2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| New Jersey | 2015 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | SY2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| New York | | | | | | | | |
| | 2015 | 3 | 1 | 0 | 0 | 0 | 0 | 4 |
| | 2016 | 4 | 1 | 0 | 0 | 0 | 0 | 5 |
| | SY2016 | 5 | 0 | 0 | 0 | 0 | 3 | 2 (1 of these outlets closed on or about January 31 2017) |
| Texas | 2015 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| | 2016 | 5 | 0 | 0 | 0 | 0 | 2 | 3 |
| | SY2016 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| Washington | , 2015 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2016 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SY2016 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wisconsin | 2015 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2016 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | SY2016 | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| **Totals** | **2015** | **29** | **2** | **0** | **0** | **0** | **3** | **26** |
| | **2016** | **26** | **2** | **0** | **0** | **0** | **5** | **23** |
| | **SY2016** | **23** | **1** | **0** | **0** | **0** | **5** | **19 (1 of these outlets closed January 31, 2017)** |

* The San Antonio, Texas outlet was formerly franchised, and was managed by Romacorp until March 6, 2012, when it was converted back to a franchisee managed restaurant

**TABLE NO 4**
**COMPANY-OWNED AND MANAGED OUTLETS STATUS SUMMARY FOR FISCAL YEARS 2015 & 2016 TO STUB YEAR 2016 (March 30, 2016 - December 31, 2016)**

| State | Year | Outlets Operating at Start of Year | Outlets Opened | Outlets Reacquired From Franchisee | Outlets Closed | Outlets Sold to Franchisee | Outlets Operating At End of Year |
|---|---|---|---|---|---|---|---|
| California | 2015 | 1 | 0 | 0 | 1 | 0 | 0 |
| | 2016 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SY2016 | 0 | 0 | 0 | 0 | 0 | 0 |
| Florida | 2015 | 5 | 0 | 0 | 0 | 0 | 5* |
| | 2016 | 5* | 1** | 0 | 1 | 1 | 4 |
| | SY2016 | 4 | 0 | 0 | 0 | 0 | 4 |
| Nevada | 2015 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2016 | 0 | 0 | 0 | 0 | 0 | 0 |
| | SY2016 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Totals** | **2015** | **6** | **0** | **0** | **1** | **0** | **5** |
| | **2015** | **5** | **1**** | **0** | **1** | **1** | **4** |
| | **SY2016** | **4** | **0** | **0** | **0** | **0** | **4** |

* Romacorp, worked with one developer to develop a restaurant owned by that developer and managed by Romacorp On March 29, 2016, this restaurant converted to a franchised restaurant

** One Grill Restaurant

**TABLE NO. 5**
**PROJECTED OPENINGS AS OF DECEMBER 31, 2016**

| State | Franchise Agreements Signed But Outlet Not Opened | Projected New Franchised Outlets in the Next Fiscal Year | Projected New Company Owned Outlets in the Next Fiscal Year |
|---|---|---|---|
| Totals | 0 | 0 | 0 |

**List of Current Franchisees**

Exhibit E to this Disclosure Document includes a list of our current franchisees

**List of Former Franchisees**

Exhibit E to this Disclosure Document includes a list of the name and last known address and telephone number of every franchisee who has had a franchise terminated, canceled, not renewed, transferred or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed stub year 2016 (which began March 30, 2016 and ended December 31, 2016) or who have not communicated with us within 10 weeks of the date of this Disclosure Document or the date of our application for registration of this Disclosure Document

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

## Purchase of Previously-Owned Franchise

If you are purchasing a previously-owned franchised outlet, we will provide you additional information on the previously-owned franchised outlet in an addendum to this Disclosure Document

## Confidentiality Clauses

During the last three fiscal years, we have not signed any agreements with franchisees that contain confidentiality clauses that would restrict their ability to speak openly about their experience

## Trademark-Specific Franchisee Organizations

We are not currently aware of any trademark-specific franchisee organizations associated with the franchise system which we have created, sponsored or endorsed, or any independent franchisee organizations that have asked to be included in this Disclosure Document

# ITEM 21
# FINANCIAL STATEMENTS

The financial statements listed below are attached to this Disclosure Document as Exhibit A

**Audited Financial Statements**

1 **Financial Statements and Report of Independent Certified Public Accountants Roma Franchise Corporation – April 21, 2017**

Balance Sheets at December 31, 2016 and March 29, 2016

Statements of Income for the Period March 30, 2016 Through December 31, 2016, and for the Years Ended March 29, 2016 and March 31, 2015

Statements of Changes in Stockholder's Equity for the Period March 30, 2016 Through December 31, 2016, and for the Years Ended March 29, 2016 and March 31, 2015

Statements of Cash Flows for the Period March 30, 2016 Through December 31, 2016, and for the Years Ended March 29, 2016 and March 31, 2015

Notes to Financial Statements

2 **Financial Statements and Report of Independent Certified Public Accountants**

**Roma Franchise Corporation – March 29, 2016**

Balance Sheets at March 29, 2016 and March 31, 2015

Statements of Income for the Years Ended March 29, 2016, March 31, 2015 and April 1, 2014

Statements of Changes in Stockholder's Equity for the Years Ended March 29, 2016, March 31, 2015 and April 1, 2014

Statements of Cash Flows for the Years Ended March 29, 2016, March 31, 2015 and April 1, 2014

Notes to Financial Statements

***

Our fiscal year begins on January 1 ends on December 31 of each year We changed to this fiscal year end on September 23, 2016 Previously, we had a fiscal year that ended on the Sunday closest to April 30th each year

## ITEM 22 CONTRACTS

Included as Exhibits to this Disclosure Document are the following contracts and their attachments

| | |
|---|---|
| Development Agreement | Exhibit B |
| Franchise Agreement | Exhibit C |
| Confidentiality Agreement | Exhibit D |
| General Release | Exhibit I |
| Receipt | Exhibit J |

## ITEM 23 RECEIPTS

Exhibit J is a detachable document, in duplicate, acknowledging receipt of this Disclosure Document by a prospective franchisee You should sign both copies of the Receipt You should retain one copy of the Receipt for your records and return the other signed copy to Roma Franchise Corporation, 11315 Corporate Boulevard, Suite 100, Orlando, Florida 32817, Attention Jonathan E Benjamin

Department of
Business Oversight

AUG - 8 2017

RECEIVED
San Francisco

**EXHIBIT A**

**FINANCIAL STATEMENTS**

# Roma Franchise Corporation

(A Wholly Owned Subsidiary of Romacorp, Inc.)

Financial Report
December 31, 2016

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM

**Contents**

RSM

**RSM US LLP**

## Independent Auditor's Report

To the Board of Directors
Roma Franchise Corporation

**Report on the Financial Statements**
We have audited the accompanying financial statements of Roma Franchise Corporation which comprise the balance sheets as of December 31 2016 and March 29 2016, and the related statements of income, changes in stockholder's equity and cash flows for the period from March 30, 2016 through December 31, 2016 and the years ended March 29 2016 and March 31, 2015, and the related notes to the financial statements

**Management's Responsibility for the Financial Statements**
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error

**Auditor's Responsibility**
Our responsibility is to express an opinion on these financial statements based on our audits We conducted our audits in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error In making those risk assessments the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity s internal control Accordingly, we express no such opinion An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion

**Basis for Qualified Opinion**
The statement of income includes a $9 000 allocation of stock compensation expense from Romacorp Inc for the period from March 30 2016 through December 31, 2016 We were unable to obtain sufficient appropriate audit evidence about the expense recognized during the period from March 30, 2016 through December 31 2016 Consequently, we were unable to determine whether any adjustments to these amounts were necessary

**Qualified Opinion**
In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects the financial position of Roma Franchise Corporation as of December 31 2016 and March 29 2016 and the results of its operations and its cash flows for the period from March 30, 2016 through December 31, 2016 and the years ended March 29 2016 and March 31 2015 in accordance with accounting principles generally accepted in the United States of America

RSM US LLP

Dallas Texas
April 20 2017

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AUDIT | TAX | CONSULTING

**Roma Franchise Corporation**
**(A Wholly Owned Subsidiary of Romacorp, Inc )**

**Balance Sheets**
**December 31, 2016 and March 29, 2016**
**(Dollars in Thousands, Except Par Value Amount)**

| | December 31, 2016 | March 29, 2016 |
|---|---|---|
| **Assets** | | |
| Current assets | | |
| Accounts receivable, net of allowance for doubtful accounts of $315 and $268 at December 31, 2016 and March 29, 2016, respectively | $ 294 | $ 356 |
| Prepaid expenses | 14 | - |
| **Total current assets** | 308 | 356 |
| Furniture and equipment, net | - | 54 |
| Intangible assets, net | 179 | 260 |
| **Total assets** | $ 487 | $ 670 |
| **Liabilities and Stockholder's Equity** | | |
| Liabilities | | |
| Deferred revenue | $ 40 | $ 60 |
| Other accrued expenses | 6 | 146 |
| **Total liabilities** | 46 | 206 |
| Contingencies (Note 6) | | |
| Stockholder's equity | | |
| Common stock, $0 01 par value, 100 shares authorized, 100 shares issued and outstanding | - | - |
| Additional paid-in capital | 5,737 | 4,975 |
| Accumulated deficit | (5,296) | (4,511) |
| **Total stockholder's equity** | 441 | 464 |
| **Total liabilities and stockholder's equity** | $ 487 | $ 670 |

See notes to financial statements

**Roma Franchise Corporation**
**(A Wholly Owned Subsidiary of Romacorp, Inc )**

**Statements of Income**
**Period from March 30, 2016 through December 31, 2016 and Years Ended March 29, 2016 and March 31, 2015**
**(Dollars in Thousands)**

| | Period from March 30, 2016 through December 31, 2016 | Year Ended March 29, 2016 | Year Ended March 31, 2015 |
|---|---|---|---|
| Revenues | | | |
| Royalty income | $ 1,341 | $ 2,102 | $ 2,270 |
| Related party royalty income | 281 | 439 | 477 |
| Franchise fee income | 50 | 40 | 40 |
| Other income | 428 | - | - |
| **Total revenues** | 2,100 | 2,581 | 2,787 |
| Operating expenses | | | |
| Trademark license fees paid to related party | 1,154 | 1,500 | 1,500 |
| General and administrative expenses | 1,650 | 1,385 | 1,915 |
| Depreciation and amortization | 81 | 131 | 137 |
| **Total operating expenses** | 2,885 | 3,016 | 3,552 |
| **Loss before income taxes** | (785) | (435) | (765) |
| Income tax benefit | - | - | 206 |
| **Net loss** | $ (785) | $ (435) | $ (559) |

See notes to financial statements

**Roma Franchise Corporation**
**(A Wholly Owned Subsidiary of Romacorp, Inc )**

**Statements of Changes in Stockholder's Equity**
**Period from March 30, 2016 through December 31, 2016 and Years Ended March 29, 2016 and March 31, 2015**
**(Dollars in Thousands)**

| | Common Stock Shares | Common Stock Amount | Additional Paid-In Capital | Accumulated Deficit | Total |
|---|---|---|---|---|---|
| Balance, April 1, 2014 | 100 | $ - | $ 4,251 | $ (3,517) | $ 734 |
| Net loss | - | - | - | (559) | (559) |
| Contributions from parent, net | - | - | 383 | - | 383 |
| Balance, March 31, 2015 | 100 | - | 4,634 | (4,076) | 558 |
| Net loss | - | - | - | (435) | (435) |
| Contributions from parent, net | - | - | 341 | - | 341 |
| Balance, March 29, 2016 | 100 | - | 4,975 | (4,511) | 464 |
| Net loss | - | - | - | (785) | (785) |
| Contributions from parent, net | - | - | 762 | - | 762 |
| **Balance, December 31, 2016** | **100** | **$ -** | **$ 5,737** | **$ (5,296)** | **$ 441** |

See notes to financial statements

**Roma Franchise Corporation**
**(A Wholly Owned Subsidiary of Romacorp, Inc )**

**Statements of Cash Flows**
**Period from March 30, 2016 through December 31, 2016 and Years Ended March 29, 2016 and March 31, 2015**
**(Dollars in Thousands)**

| | Period from March 30, 2016 through December 31, 2016 | Year Ended March 29, 2016 | Year Ended March 31, 2015 |
|---|---|---|---|
| Cash flows from operating activities | | | |
| Net loss | $ (785) | $ (435) | $ (559) |
| Adjustments to reconcile net loss to net cash used in operating activities | | | |
| Depreciation and amortization | 81 | 131 | 137 |
| Bad debt expense | 58 | 130 | 136 |
| Changes in operating assets and liabilities | | | |
| Accounts receivable | 4 | (64) | (111) |
| Prepaid expenses | (14) | 5 | - |
| Other accrued expenses | (140) | (1) | (7) |
| Deferred revenue | (20) | (80) | 60 |
| **Net cash used in operating activities** | (816) | (314) | (344) |
| Cash flows from investing activities | | | |
| Purchase of furniture and equipment | - | (27) | (39) |
| **Net cash used in investing activities** | - | (27) | (39) |
| Cash flows from financing activities | | | |
| Contributions from parent, net | 816 | 341 | 383 |
| **Net cash provided by financing activities** | 816 | 341 | 383 |
| **Net change in cash** | - | - | - |
| Cash | | | |
| Beginning of year | - | - | - |
| End of year | $ - | $ - | $ - |
| Non-cash investing and financing activities | | | |
| Transfer of furniture and equipment to parent | $ 54 | $ - | $ - |

See notes to financial statements

## Note 1 Organization, Operations and Basis of Presentation

Roma Franchise Corporation (the Company) (a Delaware Corporation) is a wholly owned subsidiary of Romacorp, Inc (Romacorp) The Company holds the rights to license and sublicense the use of the Tony Roma's concept and trademarks in the United States and therefore, the Company also holds the rights to offer and sell franchises in the United States These rights were obtained in 1994 pursuant to a license agreement with Roma Dining, LLC (Roma Dining), a Delaware limited liability company that is a wholly owned subsidiary of Romacorp

These financial statements should be read in conjunction with the consolidated financial statements of Romacorp Certain disclosures regarding income taxes, among other items, may provide additional information relevant to the Company

At December 31, 2016 and March 29, 2016, there were 19 and 23 franchised Tony Roma's restaurants, respectively, in 10 states Another subsidiary of Romacorp holds international franchise rights through which another 123 and 119 restaurants operated at December 31, 2016 and March 29, 2016, respectively, in 31 foreign countries The results of the international franchise operations are not included in these financial statements In addition to franchise management functions, the Company also provides marketing, purchasing, training and menu development for the entire Tony Roma's system and allocates a portion of these costs to an affiliated company The Company maintains its corporate office in Orlando, Florida The financial statements include the related party transactions between the Company and Romacorp and its other subsidiaries

## Note 2 Summary of Significant Accounting Policies

**Change in Accounting Estimate** Effective March 30, 2016, the Company changed its estimates and internal methodology for allocating certain general and administrative expenses incurred by Romacorp and charged to the Company As the Company's focus has been on refreshing the concept and overall growth, the change in estimate more accurately captures how Company employees are spending their time in the accomplishment of these endeavors Had this methodology been utilized in prior periods, the following effects to the prior period financial statements would result, for the year ended March 29, 2016, furniture and equipment, as well as, total assets would decrease by $54, accrued expenses and total liabilities would decrease by $98, with total stockholder's equity increasing by $44 Further, for the years ended March 29, 2016 and March 31, 2015, total revenues would decrease $179, and $36, respectively, total general and administrative expenses would increase $184 for the year ended March 29, 2016 and decrease $425 for the year ended March 31, 2015, depreciation and amortization expense for the years ended March 29, 2016 and March 31, 2015, would decrease $26 and $31, respectively, causing total operating expenses to increase $158 for the year ended March 29, 2016 and decrease $456 for the year ended March 31, 2015 As a result, net loss before tax for the year ended March 29, 2016 would increase $337, while net loss before tax for the year ended March 31, 2015 would decrease $420

**Fiscal year** For the years ended March 29, 2016 and March 31, 2015, the Company operated on a 52- or 53- week fiscal year ending either on the last Tuesday in March or the first Tuesday in April The fiscal years ended March 29, 2016 and March 31, 2015 included 52 weeks During the current period, the Company changed their year-end to December 31, moving to a calendar year-end

Notes to Financial Statements (Dollars in thousands)

## Note 2 Summary of Significant Accounting Policies (Continued)

**Royalty and franchise fee income** The franchise agreements for Tony Roma's restaurants provide for an initial fee and continuing royalty payments based upon gross sales, in return for operational support, product development, marketing programs and various administrative services Royalty revenue is recognized on the accrual basis Initial franchise fees and fees for granting exclusive development rights to specific geographic areas are deferred until the franchisee's restaurant is opened, the Company has performed substantially all of its obligations related to the new restaurant and cash that has been received is nonrefundable The Company receives royalty income from restaurants operated by Romacorp and franchisees of the Tony Roma's concept operating in the United States Franchisees also participate in national and local marketing programs with all contributions made by franchisees to an affiliate of the Company The activity of these programs is separate and not included in the accompanying financial statements

**Accounts receivable** Receivables represent royalties due from the Company's franchisees and other amounts due related to services provided and fees assessed in accordance with the franchise agreement The Company periodically assesses the collectability of accounts receivable based on delinquency status, franchisee financial condition, historical loss condition and existing economic conditions Franchise receivables are charged to operations after collection efforts are exhausted and the account is deemed uncollectible Subsequent recoveries of accounts written off are recorded against bad debt expense in the period the amount is recovered

The Company generally does not require collateral on the accounts, but has the right to terminate the franchise agreement in the event the royalties are unpaid

Changes in the Company's allowance for doubtful accounts were as follows

| | Period from March 30, 2016 through December 31, 2016 | Year Ended March 29, 2016 |
|---|---|---|
| Beginning balance | $ 268 | $ 347 |
| Bad debt expense | 58 | 130 |
| Bad debt write-offs, net of recoveries | (11) | (209) |
| Ending balance | $ 315 | $ 268 |

**General and administrative expenses** The Company incurs both direct and allocated general and administrative expenses Allocated amounts have been incurred by Romacorp and allocated to the Company based on internal methodologies

**Income taxes** The Company's results are included in the consolidated federal income tax return of Roma Restaurant Holdings, Inc The provision for income taxes, reflected in the accompanying statements of income, was calculated on a separate return basis

**Note 2 Summary of Significant Accounting Policies (Continued)**

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences, operating losses and tax credit carryforwards Deferred tax liabilities are recognized for taxable temporary differences Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment

The Company has adopted accounting guidance related to uncertain income tax positions As required by the guidance, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority The Company recognizes the potential accrued interest and penalties related to unrecognized tax benefits within income tax expense All tax positions taken related to the Company, for which the statute of limitations remained open have been reviewed, and management is of the opinion that material positions taken by the Company would more likely than not be sustained by examination Accordingly, the Company has not recorded an income tax liability for uncertain tax positions With few exceptions, the Company is no longer subject to U S federal, state and local, or non-U S income tax examinations by tax authorities for the years prior to 2013

**Advertising costs** Advertising costs are incurred by Romacorp and allocated to the Company based on internal methodologies and are included in general and administrative expenses allocated to the Company

**Use of estimates** The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

**Furniture and equipment** Furniture and equipment are recorded at cost Depreciation and amortization are computed using a straight-line method over the estimated useful lives of the assets of 3-7 years or, for leasehold improvements, the shorter of the useful lives or the minimum lease terms of the leases The costs and related accumulated depreciation and amortization of furniture and equipment sold, retired or disposed of are removed from the accounts and any gains or losses are reflected in the statements of income Expenditures for major acquisitions and improvements are capitalized while expenditures for maintenance and repairs are expensed as incurred

**Intangibles** The fair value of the franchise agreements is being amortized on a straight-line basis over the weighted average useful lives of 12 5 years The cost basis of the franchise agreements is $1,749 Accumulated amortization was $1,570 and $1,489 at December 31, 2016 and March 29, 2016, respectively, and the amortization expense for the period from March 30, 2016 through December 31, 2016 was $81 and for each of the years ended March 29, 2016 and March 31, 2015 was $105 The carrying value of these intangibles at December 31, 2016 and March 29, 2016 was $179 and $260, respectively

**Roma Franchise Corporation**

**Notes to Financial Statements (Dollars in thousands)**

**Note 2 Summary of Significant Accounting Policies (Continued)**

Estimated future amortization at December 31 for each of the years set forth below are as follows

| | | |
|---|---|---|
| 2017 | $ | 105 |
| 2018 | | 74 |
| | $ | 179 |

**Impairment of long-lived assets** Long-lived assets are reviewed for impairment when events and circumstances indicate that the carrying amount of an asset may not be recoverable and are grouped with other assets to the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities Recoverability of assets to be held and used is measured by a comparison of the carrying value of the assets to the estimated undiscounted future cash flows expected to be generated by the assets If the carrying value of the assets exceeds their estimated undiscounted future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the assets exceeds their fair value The Company recorded no impairment for the period from March 30, 2016 through December 31, 2016 and the years ended March 29, 2016 and March 31, 2015

**Recent accounting pronouncements** In October 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-16, *Income Taxes (Topic 740) Intra-Entity Transfers of Assets Other Than Inventory* ASU 2016-16 requires an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs The ASU is effective for the Company on January 1, 2019 Early adoption is permitted The adoption of this guidance is not expected to have a material impact on the financial statements

In November 2015, the FASB issued ASU 2015-17, *Income Taxes (Topic 740) Balance Sheet Classification of Deferred Taxes* This ASU simplifies the presentation of deferred income taxes by eliminating the requirement for entities to separate deferred tax liabilities and assets into current and noncurrent amounts in classified balance sheets Instead, it requires deferred tax assets and liabilities be classified as noncurrent in the balance sheet ASU 2015-17 is effective for financial statements issued for annual periods beginning after December 15, 2017 Early adoption is permitted, and this ASU may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented The Company has not yet selected a transition method and is currently evaluating the impact of the adoption of this standard on its financial statements

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers The updated standard will replace most existing revenue recognition guidance in U S GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018 The Company has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements

Notes to Financial Statements (Dollars in thousands)

## Note 3 Furniture and Equipment

Furniture and equipment consists of the following

| | December 31, 2016 | March 29, 2016 |
|---|---|---|
| Furniture and equipment | $ 4 | $ 246 |
| Less accumulated depreciation | (4) | (192) |
| | $ - | $ 54 |

Depreciation expense was $0, $26 and $32 for the period from March 30, 2016 through December 31, 2016 and the years ended March 29, 2016 and March 31, 2015, respectively On March 30, 2016 the Company transferred net furniture and equipment of $54 to Romacorp and affiliate

## Note 4 Income Taxes

The benefit from income taxes consists of the following

| | Period from March 30, 2016 through December 31, 2016 | Year Ended March 29, 2016 | Year Ended March 31, 2015 |
|---|---|---|---|
| Current | | | |
| Federal | $ - | $ (2) | $ (207) |
| State | - | 2 | 1 |
| Income tax benefit | $ - | $ - | $ (206) |

The differences between the benefit from income taxes and the amount computed by applying the statutory federal income tax rate to loss before income taxes are as follows

| | Period from March 30, 2016 through December 31, 2016 | Year Ended March 29, 2016 | Year Ended March 31, 2015 |
|---|---|---|---|
| Tax computed at statutory rate | $ (267) | $ (148) | $ (260) |
| Permanent items | 30 | 49 | 51 |
| Valuation allowance | 274 | 126 | 17 |
| Other | (37) | (27) | (14) |
| | $ - | $ - | $ (206) |

Roma Franchise Corporation

**Notes to Financial Statements (Dollars in thousands)**

**Note 4 Income Taxes (Continued)**

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for federal and state income tax purposes Significant components of the Company's deferred tax assets and liabilities are as follows

| | December 31, 2016 | March 29, 2016 |
|---|---|---|
| Deferred tax assets | | |
| Accruals | $ - | $ 9 |
| Allowance for doubtful accounts | 124 | 104 |
| Deferred franchise income | 16 | 23 |
| Net operating loss | 430 | 176 |
| | 570 | 312 |
| Valuation allowance | (559) | (285) |
| Total deferred tax assets | 11 | 27 |
| Deferred tax liabilities | | |
| Facilities and equipment | (11) | (12) |
| Other | - | (15) |
| Total deferred tax liabilities | (11) | (27) |
| Net deferred income taxes | $ - | $ - |

**Note 5 Related Party Transactions**

The Company is a wholly owned subsidiary of Romacorp The Company holds the rights to license and sublicense the use of the Tony Roma's concept and trademarks in the United States These rights were obtained in 1994 pursuant to a license agreement with Roma Dining The Company paid license fees of $1,154 to Roma Dining during the period from March 30, 2016 through December 31, 2016 and $1,500 for the years ended March 29, 2016 and March 31, 2015

Romacorp collects revenue and pays expenses on behalf of the Company Such net intercompany cash activity totaled $762, $341 and $383 for the period from March 30, 2016 through December 31, 2016 and the years ended March 29, 2016 and March 31, 2015, respectively These amounts have been recorded by the Company as contributions from parent on the statement of changes in stockholder's equity

In addition to receiving royalties from unrelated franchisees, the Company recorded net royalty income from restaurants operated by Romacorp as related party royalty income in the amounts of $281, $439 and $477, for the period from March 30, 2016 through December 31, 2016 and the years ended March 29, 2016 and March 31, 2015, respectively

The Company allocates certain general and administrative expenses to related parties and is charged certain general and administrative expenses from related parties For the period from March 30, 2016 through December 31, 2016 and the years ended March 29, 2016 and March 31, 2015, the Company allocated to related parties net general and administrative expenses incurred of $1,054, $2,151 and $2,877, respectively

### Note 5 Related Party Transactions (Continued)

Under Romacorp's franchise agreements, domestic franchisees must contribute one half of one percent (0 5%) of revenues to a joint marketing account (JMA) For the period from March 30, 2016 through December 31, 2016 and the years ended March 29, 2016 and March 31, 2015, these contributions totaled to $461, $634 and $729, respectively As stated in the terms of existing franchise agreements, these funds do not constitute assets of the Company, and the Company acts with limited agency in the administration of these funds Accordingly, neither the revenues and expenses nor the assets and liabilities of the advertising cooperative, JMA, are included in the Company's financial statements

### Note 6 Contingencies

During the normal course of business, the Company may become subject to lawsuits and claims with respect to actions arising in the normal course of business Management believes that currently any liability resulting from such lawsuits and claims will not materially affect the results, liquidity, or financial position of the Company

### Note 7 Employee Retirement and Benefit Plans

Romacorp sponsors a defined contribution plan in which all employees of the Company may participate Each participant may contribute a portion of eligible compensation subject to limits established by the Internal Revenue Code During the period from March 30, 2016 through December 31, 2016 and the years ended March 29, 2016 and March 31, 2015, Romacorp did not make any voluntary matching contributions under the plan that were allocated to the Company

### Note 8 Subsequent Events

The Company has evaluated subsequent events through April 20, 2017, the date the financial statements were available to be issued The Company is not aware of any subsequent events that would require recognition or disclosure in the financial statements

# Roma Franchise Corporation

(A Wholly Owned Subsidiary of Romacorp, Inc )

Financial Report
March 29, 2016

Exhibit A

## Contents

**Independent Auditor's Report**

To the Board of Directors
Roma Franchise Corporation

**Report on the Financial Statements**
We have audited the accompanying financial statements of Roma Franchise Corporation which comprise the balance sheets as of March 29, 2016 and March 31, 2015, and the related statements of income, changes in stockholder's equity and cash flows for the years ended March 29, 2016 and March 31, 2015 and the related notes to the financial statements

**Management's Responsibility for the Financial Statements**
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

**Auditor's Responsibility**
Our responsibility is to express an opinion on these financial statements based on our audits We conducted our audits in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements The procedures selected depend on the auditor s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity s internal control Accordingly, we express no such opinion An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

**Opinion**
In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Roma Franchise Corporation as of March 29, 2016 and March 31, 2015 and the results of their operations and their cash flows for the years ended March 29 2016 and March 31, 2015 in accordance with accounting principles generally accepted in the United States of America

**Other Matter**
The financial statements of Roma Franchise Corporation for the year ended April 1 2014 were audited by other auditors whose report, dated June 30 2014, expressed an unmodified opinion on those financial statements

/s/ RSM US LLP

Dallas, Texas
July 14 2016

**Roma Franchise Corporation**
**(A Wholly Owned Subsidiary of Romacorp, Inc )**

**Balance Sheets**
**March 29, 2016 and March 31, 2015**
**(Dollars in Thousands, Except Par Value Amount)**

| | 2016 | 2015 |
|---|---|---|
| **Assets** | | |
| Current assets | | |
| Accounts receivable, net of allowance for doubtful accounts of $268 and $347 in 2016 and 2015, respectively | $ 356 | $ 422 |
| Prepaid expenses | - | 5 |
| **Total current assets** | 356 | 427 |
| Furniture and equipment, net | 54 | 54 |
| Intangible assets, net | 260 | 364 |
| **Total assets** | $ 670 | $ 845 |
| **Liabilities and Stockholder's Equity** | | |
| Liabilities | | |
| Deferred revenue | $ 60 | $ 140 |
| Other accrued expenses | 146 | 147 |
| **Total liabilities** | 206 | 287 |
| Contingencies (Note 6) | | |
| Stockholder's equity | | |
| Common stock, $0 01 par value, 100 shares authorized, 100 shares issued and outstanding | - | - |
| Additional paid-in capital | 4,975 | 4,634 |
| Accumulated deficit | (4,511) | (4,076) |
| **Total stockholder's equity** | 464 | 558 |
| **Total liabilities and stockholder's equity** | $ 670 | $ 845 |

See notes to financial statements

**Roma Franchise Corporation**
**(A Wholly Owned Subsidiary of Romacorp, Inc )**

**Statements of Income**
**Years Ended March 29, 2016, March 31, 2015 and April 1, 2014**
**(Dollars in Thousands)**

| | | **2016** | | 2015 | | 2014 |
|---|---|---|---|---|---|---|
| Revenues | | | | | | |
| Royalty income | **$** | **2,102** | $ | 2,270 | $ | 2,273 |
| Related party royalty income | | **439** | | 477 | | 687 |
| Franchise fee income | | **40** | | 40 | | 60 |
| **Total revenues** | | **2,581** | | 2,787 | | 3,020 |
| Operating expenses | | | | | | |
| Trademark license fees paid to related party | | **1,500** | | 1,500 | | 1,500 |
| General and administrative expenses | | **1,385** | | 1,915 | | 1,960 |
| Depreciation and amortization | | **131** | | 137 | | 140 |
| **Total operating expenses** | | **3,016** | | 3,552 | | 3,600 |
| **Loss before income taxes** | | **(435)** | | (765) | | (580) |
| Income tax benefit | | **-** | | 206 | | 197 |
| **Net loss** | **$** | **(435)** | $ | (559) | $ | (383) |

See notes to financial statements

**Roma Franchise Corporation**
**(A Wholly Owned Subsidiary of Romacorp, Inc )**

**Statements of Changes in Stockholder's Equity**
**Years Ended March 29, 2016, March 31, 2015 and April 1, 2014**
**(Dollars in Thousands)**

| | Common Stock | | Additional Paid-In | Accumulated | |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | Deficit | Total |
| Balance, April 2, 2013 | 100 | $ - | $ 3,753 | $ (3,156) | $ 597 |
| Net loss | - | - | - | (383) | (383) |
| Contributions from parent, net | - | - | 498 | 22 | 520 |
| Balance, April 1, 2014 | 100 | - | 4,251 | (3,517) | 734 |
| Net loss | - | - | - | (559) | (559) |
| Contributions from parent, net | - | - | 383 | - | 383 |
| Balance, March 31, 2015 | 100 | - | 4,634 | (4,076) | 558 |
| Net loss | - | - | - | (435) | (435) |
| Contributions from parent, net | - | - | 341 | - | 341 |
| **Balance, March 29, 2016** | **100** | **$ -** | **$ 4,975** | **$ (4,511)** | **$ 464** |

See notes to financial statements

**Roma Franchise Corporation**
**(A Wholly Owned Subsidiary of Romacorp, Inc )**

**Statements of Cash Flows**
**Years Ended March 29, 2016, March 31, 2015 and April 1, 2014**
**(Dollars in Thousands)**

| | 2016 | 2015 | 2014 |
|---|---|---|---|
| Cash flows from operating activities | | | |
| Net loss | $ (435) | $ (559) | $ (383) |
| Adjustments to reconcile net loss to net cash used in operating activities | | | |
| Depreciation and amortization | 131 | 137 | 136 |
| Bad debt expense | 130 | 136 | 150 |
| Changes in operating assets and liabilities | | | |
| Accounts receivable | (64) | (111) | (267) |
| Prepaid expenses | 5 | - | 4 |
| Other accrued expenses | (1) | (7) | (97) |
| Deferred revenue | (80) | 60 | (40) |
| **Net cash used in operating activities** | (314) | (344) | (497) |
| Cash flows from investing activities | | | |
| Purchase of furniture and equipment | (27) | (39) | (23) |
| **Net cash used in investing activities** | (27) | (39) | (23) |
| Cash flows from financing activities | | | |
| Contributions from parent, net | 341 | 383 | 520 |
| **Net cash provided by financing activities** | 341 | 383 | 520 |
| **Net change in cash** | - | - | - |
| Cash | | | |
| Beginning of year | - | - | - |
| End of year | $ - | $ - | $ - |

See notes to financial statements

**Note 1 Organization, Operations and Basis of Presentation**

Roma Franchise Corporation (the Company) (a Delaware Corporation) is a wholly owned subsidiary of Romacorp, Inc (Romacorp) The Company holds the rights to license and sublicense the use of the Tony Roma's concept and trademarks in the United States and therefore, the Company also holds the rights to offer and sell franchises in the United States These rights were obtained in 1994 pursuant to a license agreement with Roma Dining, LLC (Roma Dining), a Delaware limited liability company that is a wholly owned subsidiary of Romacorp

These financial statements should be read in conjunction with the consolidated financial statements of Romacorp Certain disclosures regarding income taxes, among other items, may provide additional information relevant to the Company

At March 29, 2016 and March 31, 2015, there were 23 and 27 franchised Tony Roma's restaurants, respectively, in 11 states Another subsidiary of Romacorp holds international franchise rights through which another 119 and 116 restaurants operated at March 29, 2016 and March 31, 2015, respectively, in 30 foreign countries The results of the international franchise operations are not included in these financial statements In addition to franchise management functions, the Company also provides marketing, purchasing, training and menu development for the entire Tony Roma's system and allocates a portion of these costs to an affiliated company The Company maintains its corporate office in Orlando, Florida The financial statements include the related party transactions between the Company and Romacorp and its other subsidiaries

**Note 2 Summary of Significant Accounting Policies**

**Fiscal year** The Company operates on a 52- or 53- week fiscal year ending either on the last Tuesday in March or the first Tuesday in April The fiscal years ended March 29, 2016, March 31, 2015, and April 1, 2014 included 52 weeks

**Royalty and franchise fee income** The franchise agreements for Tony Roma's restaurants provide for an initial fee and continuing royalty payments based upon gross sales, in return for operational support, product development, marketing programs and various administrative services Royalty revenue is recognized on the accrual basis Initial franchise fees and fees for granting exclusive development rights to specific geographic areas are deferred until the franchisee's restaurant is opened, the Company has performed substantially all of its obligations related to the new restaurant and cash that has been received is nonrefundable The Company receives royalty income from restaurants operated by Romacorp and franchisees of the Tony Roma's concept operating in the United States Franchisees also participate in national and local marketing programs with all contributions made by franchisees to an affiliate of the Company The activity of these programs is separate and not included in the accompanying financial statements

**Accounts receivable** Receivables represent royalties due from the Company's franchisees and other amounts due related to services provided and fees assessed in accordance with the franchise agreement The Company periodically assesses the collectability of accounts receivable based on delinquency status, franchisee financial condition, historical loss condition and existing economic conditions Franchise receivables are charged to operations after collection efforts are exhausted and the account is deemed uncollectible Subsequent recoveries of accounts written off are recorded against bad debt expense in the period the amount is recovered

The Company generally does not require collateral on the accounts, but has the right to terminate the franchise agreement in the event the royalties are unpaid

**Note 2 Summary of Significant Accounting Policies (Continued)**

Changes in the Company's allowance for doubtful accounts were as follows

| | | 2016 | | 2015 |
|---|---|---|---|---|
| Beginning balance | $ | 347 | $ | 313 |
| Bad debt expense | | 130 | | 136 |
| Bad debt write-offs, net of recoveries | | (209) | | (102) |
| Ending balance | $ | 268 | $ | 347 |

**General and administrative expenses** The Company incurs both direct and allocated general and administrative expenses Allocated amounts have been incurred by Romacorp and allocated to the Company based on internal methodologies

**Income taxes** The Company's results are included in the consolidated federal income tax return of Roma Restaurant Holdings, Inc The provision for income taxes, reflected in the accompanying statements of income, was calculated on a separate return basis

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences, operating losses and tax credit carryforwards Deferred tax liabilities are recognized for taxable temporary differences Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment

The Company has adopted accounting guidance related to uncertain income tax positions As required by the guidance, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority The Company recognizes the potential accrued interest and penalties related to unrecognized tax benefits within income tax expense All tax positions taken related to the Company, for which the statute of limitations remained open have been reviewed, and management is of the opinion that material positions taken by the Company would more likely than not be sustained by examination Accordingly, the Company has not recorded an income tax liability for uncertain tax positions With few exceptions, the Company is no longer subject to U S federal, state and local, or non-U S income tax examinations by tax authorities for the years prior to 2013

**Advertising costs** Advertising costs are incurred by an affiliate company and are included in general and administrative expenses allocated to the Company

**Fair value of financial instruments** The Company's financial instruments include accounts receivable The carrying value of financial instruments approximates fair value at March 29, 2016 and March 31, 2015

**Use of estimates** The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

**Note 2 Summary of Significant Accounting Policies (Continued)**

**Furniture and equipment** Furniture and equipment are recorded at cost Depreciation and amortization are computed using a straight-line method over the estimated useful lives of the assets of 3-7 years or, for leasehold improvements, the shorter of the useful lives or the minimum lease terms of the leases The costs and related accumulated depreciation and amortization of furniture and equipment sold, retired or disposed of are removed from the accounts and any gains or losses are reflected in the statements of income Expenditures for major acquisitions and improvements are capitalized while expenditures for maintenance and repairs are expensed as incurred

**Intangibles** The carrying value of trademarks at March 29, 2016 and March 31, 2015 was $309

The fair value of the franchise agreements is being amortized on a straight-line basis over the weighted average useful lives of 12 5 years No impairment charge was recorded related to these assets during the three years ended March 29, 2016, March 31, 2015, and April 1, 2014 Accumulated amortization was $1,489 and $1,384 at March 29, 2016 and March 31, 2015, respectively, and the amortization expense for the years ended March 29, 2016, March 31, 2015, and April 1, 2014 was $105 The carrying value of these intangibles at March 29, 2016 and March 31, 2015 was $260 and $364, respectively

Estimated future amortization at March 29, 2016 for each of the years set forth below are as follows

| | | |
|---|---|---|
| 2017 | $ | 105 |
| 2018 | | 105 |
| 2019 | | 50 |
| | $ | 260 |

**Impairment of long-lived assets** Long-lived assets are reviewed for impairment when events and circumstances indicate that the carrying amount of an asset may not be recoverable and are grouped with other assets to the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities Recoverability of assets to be held and used is measured by a comparison of the carrying value of the assets to the estimated undiscounted future cash flows expected to be generated by the assets If the carrying value of the assets exceeds their estimated undiscounted future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the assets exceeds their fair value The Company recorded no impairment for the years ended March 29, 2016, March 31, 2015 or April 1, 2014

**Recent accounting pronouncements** In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases* Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available We are currently evaluating the impact of our pending adoption of the new standard on our financial statements

**Note 2 Summary of Significant Accounting Policies (Continued)**

In November 2015, the FASB issued ASU 2015-17, *Income Taxes (Topic 740) Balance Sheet Classification of Deferred Taxes* This ASU simplifies the presentation of deferred income taxes by eliminating the requirement for entities to separate deferred tax liabilities and assets into current and noncurrent amounts in classified balance sheets Instead, it requires deferred tax assets and liabilities be classified as noncurrent in the balance sheet ASU 2015-17 is effective for financial statements issued for annual periods beginning after December 15, 2017 Early adoption is permitted, and this ASU may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented The Company has not yet selected a transition method and is currently evaluating the impact of the adoption of this standard on its financial statements

In August 2014, the FASB issued ASU 2014-15, *Presentation of Financial Statements—Going Concern (Subtopic 205-40) Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern* ASU 2014-15 explicitly requires management to evaluate, at each annual or interim reporting period, whether there are conditions or events that exist which raise substantial doubt about an entity's ability to continue as a going concern and to provide related disclosures ASU 2014-15 is effective for annual periods ending after December 15, 2016, and annual and interim periods thereafter, with early adoption permitted The adoption of ASU 2014-15 is not expected to have a material effect on the Company's financial statements or disclosures

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers The updated standard will replace most existing revenue recognition guidance in U S GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018 The Company has not yet selected a transition method and is currently evaluating the effect that the standard will have on the financial statements

**Note 3 Furniture and Equipment**

Furniture and equipment consists of the following

| | 2016 | 2015 |
|---|---|---|
| Furniture and equipment | $ 246 | $ 220 |
| Less accumulated depreciation | (192) | (166) |
| | $ 54 | $ 54 |

Depreciation expense was $26, $32, and $31 for the years ended March 29, 2016, March 31, 2015 and April 1, 2014, respectively

**Note 4 Income Taxes**

The benefit from income taxes consists of the following

| | 2016 | 2015 | 2014 |
|---|---|---|---|
| Current | | | |
| Federal | $ (2) | $ (207) | $ (197) |
| State | 2 | 1 | - |
| Income tax benefit | $ - | $ (206) | $ (197) |

**Note 4 Income Taxes (Continued)**

The differences between the benefit from income taxes and the amount computed by applying the statutory federal income tax rate to loss before income taxes are as follows

| | 2016 | 2015 | 2014 |
|---|---|---|---|
| Tax computed at statutory rate | $ (148) | $ (260) | $ (197) |
| Permanent items | 49 | 51 | - |
| Valuation allowance | 126 | 17 | - |
| Other | (27) | (14) | - |
| | $ - | $ (206) | $ (197) |

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for federal and state income tax purposes Significant components of the Company's deferred tax assets and liabilities are as follows

| | 2016 | 2015 |
|---|---|---|
| Deferred tax assets | | |
| Accruals | $ 9 | $ 30 |
| Allowance for doubtful accounts | 104 | 135 |
| Deferred franchise income | 23 | 51 |
| Net operating loss | 176 | - |
| | 312 | 216 |
| Valuation allowance | (285) | (159) |
| Total deferred tax assets | 27 | 57 |
| Deferred tax liabilities | | |
| Facilities and equipment | (12) | (12) |
| Other | (15) | (45) |
| Total deferred tax liabilities | (27) | (57) |
| Net deferred income taxes | $ - | $ - |

**Note 5 Related Party Transactions**

The Company is a wholly owned subsidiary of Romacorp The Company holds the rights to license and sublicense the use of the Tony Roma's concept and trademarks in the United States These rights were obtained in 1994 pursuant to a license agreement with Roma Dining The Company paid license fees of $1,500 to Roma Dining during the years ended March 29, 2016, March 31, 2015 and April 1, 2014

Romacorp collects revenue and pays expenses on behalf of the Company Such net intercompany cash activity totaled $341, $383 and $520 for the years ended March 29, 2016, March 31, 2015 and April 1, 2014, respectively These amounts have been recorded by the Company as contributions from parent on the statement of changes in stockholder's equity

In addition to receiving royalties from unrelated franchisees, the Company recorded net royalty income from restaurants operated by Romacorp as related party royalty income in the amounts of $439, $477 and $687, respectively, for the years ended March 29, 2016, March 31, 2015 and April 1, 2014, respectively

## Note 5 Related Party Transactions (Continued)

The Company allocates certain general and administrative expenses to related parties and is charged certain general and administrative expenses from related parties For the years ended March 29, 2016, March 31, 2015 and April 1, 2016, the Company allocated to related parties net general and administrative expenses incurred of $2,151, $2,877 and $2,275, respectively

Under Romacorp's franchise agreements, domestic franchisees must contribute one half of one percent (0 5%) of revenues to a joint marketing account (JMA) For the years ended March 29, 2016, March 31, 2015 and April 1, 2014, these contributions totaled to $634, $729 and $735, respectively As stated in the terms of existing franchise agreements, these funds do not constitute assets of the Company, and the Company acts with limited agency in the administration of these funds Accordingly, neither the revenues and expenses nor the assets and liabilities of the advertising cooperative, JMA, are included in the Company's financial statements

## Note 6 Contingencies

During the normal course of business, the Company may become subject to lawsuits and claims with respect to actions arising in the normal course of business Management believes that currently any liability resulting from such lawsuits and claims will not materially affect the results, liquidity, or financial position of the Company

## Note 7 Employee Retirement and Benefit Plans

Romacorp sponsors a defined contribution plan in which all employees of the Company may participate Each participant may contribute a portion of eligible compensation subject to limits established by the Internal Revenue Code During the years ended March 29, 2016, March 31, 2015 and April 1, 2014, Romacorp did not make any voluntary matching contributions under the plan that were allocated to the Company

## Note 8 Subsequent Events

The Company has evaluated subsequent events through July 14, 2016, the date the financial statements were available to be issued The Company is not aware of any subsequent events that would require recognition or disclosure in the financial statements

# EXHIBIT B

# DEVELOPMENT AGREEMENT

**ROMA FRANCHISE CORPORATION**

**DEVELOPMENT AGREEMENT**

__________, 20__

**ROMA FRANCHISE CORPORATION**

**DEVELOPMENT AGREEMENT**

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**ROMA FRANCHISE CORPORATION**

**DEVELOPMENT AGREEMENT**

This Development Agreement (the "Agreement") is made and entered into this ____ day of ___________, ______ between Roma Franchise Corporation, a Delaware corporation ("Licensor") and ______________ ______________________________ ("Developer")

WITNESSETH

WHEREAS, Licensor, as the result of the expenditure of time, skill, effort and money, has developed and owns the System,

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

WHEREAS, Licensor identifies the System by means of the Marks,

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

WHEREAS, Developer wishes to obtain certain development rights to operate Restaurants under the System in the Territory,

NOW, THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows

## A. DEFINITIONS

In this Agreement, the following terms shall have the meanings ascribed to them below in this Section A

**"Affiliate"** any entity that is, directly or indirectly, controlled by, controlling or under common control with another entity

**"Agreement"** this Development Agreement dated ______________, ____ between Licensor and Developer

**"Alternate Distribution Sites"** any (i) enclosed area of retail sales establishments, (ii) food courts, (iii) permanent, temporary or seasonal food service facility (e g., a kiosk, concession or multi-brand facility, (iv) transportation facilities or the grounds thereof or buildings situated thereon (e g , military, airport, train station, bus terminals, port authorities and resort properties), (v) special use or non-public location (e g., schools, colleges, other institutions, public auditoriums, concert halls, hospitals and other health care facilities, cafeterias, commissaries, (vi) hotels, and sports and entertainment facilities (e g , stadiums, arenas, ballparks, convention centers), and (vii) other mass gathering locations or events designated by Licensor

**"Business Days"** every day excluding Saturday, Sunday and the following national holidays New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day and Christmas Day

**"Confidential Information"** any and all information, trade secrets, knowledge, know-how, techniques and materials which Licensor or its Affiliates provides concerning the location, construction, operation and promotion of a [Tony Roma's/TR Fire Grill] restaurants, including Licensor's proprietary recipes and techniques for preparing menu items, the Standards and all other elements of the System, all information contained in any manual, and all other information that Licensor designates from time to time as "Confidential Information" for purposes of this Agreement

Controlling Interest means possession (through one or more intermediaries) of the power to direct, or cause the direction of, the management or policies of any other entity, whether through the ownership of a voting interest, by contract, or otherwise

**"Copyrighted Works"** all tangible media of expression including, without limitation, the Manual, the content and design of all menus, point of sales materials and other advertising, the design elements of the Marks, and the content and design of Developer's web site(s)

**"Development Fee"** $________________, being one hundred percent (100%) of the Franchise Fee for the first Restaurant and fifty percent (50%) of the aggregate Franchise Fees for the remainder of the Restaurants included in the original Development Schedule

**"Development Period(s)"** each of, and collectively, the designated development periods described in Section III B

**"Development Schedule"** the number of Restaurants which Developer must develop and open, and the schedule pursuant to which such Restaurants must be open and operating as described in Section III B

**"Developer"** ____________________________

**"Extension Fee"** $5,000

**"Franchise Agreement(s)"** the separately executed franchise agreements contemplated under Section III A. of this Agreement

**"Franchise Fee"** [ $40,000 for Tony Roma's/$50,000 for TR Fire Grill] per Restaurant

**"General Manager"** any Person hired in the position of "General Manager" who must meet the Standards and all requirements for such position imposed by Licensor

**"Global Conference"** a meeting or conference which Licensor may arrange and present, not more frequently than on an annual basis, for all franchisees where Licensor may present such information about [Tony Roma's/TR Fire Grill] restaurants as Licensor determines in its sole discretion

**"Global Conference Fee"** a fee as determined by Licensor, in Licensor's sole but reasonable discretion, for any Global Conference The Global Conference Fee may be determined (i) per franchisee, (ii) per attendee, (iii) by the number of [Tony Roma's/TR Fire Grill] restaurants operated, or committed to be developed and operated pursuant to this Agreement, and/or (iv) based upon other factors or criteria as Licensor may determine in its sole but reasonable discretion for any conference

**"Indemnitees"** Licensor, its Affiliates, their respective successors and assigns and each of such entity's respective officers, directors, shareholders, partners, employees, agents, representatives and independent contractors

**"Intellectual Property"** all Marks, Confidential Information, Copyrighted Works, and any patented designs or processes, that Franchisor designates for use in connection with the System

**"Licensor"** Roma Franchise Corporation, a Delaware corporation

**"Losses and Expenses"** shall include, without limitation, all losses, compensatory, exemplary, incidental, consequential or punitive damages, fines, charges, costs, expenses, lost profits, attorneys/legal fees, court costs, settlement amounts, judgments, compensation for damages to Licensor's reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space and costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described

**"Manager"** any Person hired in the position of "Manager" who must meet the Standards and all requirements for such position imposed by Licensor

**"Managing Principal"** the Principal who shall devote substantial full time and best efforts to the supervision and conduct of the business contemplated by this Agreement who must meet the Standards and all requirements for such position imposed by Licensor

**"Manual"** the confidential Licensor Systems manual compilation and such other manuals and written materials that Licensor has developed or from time to time develops for use in connection with the construction, location, establishment, operation and promotion of [Tony Roma's/TR Fire Grill restaurants, and all other written directives issued by Licensor relating to the construction, location, establishment, operation and promotion of a [Tony Roma's/TR Fire Grill] restaurant The manual is in electronic form on the Company intranet

**"Marks"** the trade names, service marks, trademarks, logos, emblems and indicia of origin by which Licensor identifies the System, including, but not limited to, the mark ["Tony Roma's®/TR Fire Grill®"] and such other trade names, service marks, trademarks, logos, emblems and indicia of origin as Licensor may designate for use in connection with the System

**"Multi-Unit Manager"** any Person hired in the position of multi-unit manager as described in this Agreement who must meet the Standards and all requirements for such position imposed by Licensor

**"Offering"** any public or private offering of securities, as that term is defined under applicable law at the time the Offering is made

**"Offering Fee"** thirty-three percent (33%) of the then current Franchise Fee charged by Licensor for [Tony Roma's/ TR Fire Grill] restaurants, but not less than [$13,335 00 for Tony Roma's/$16,500 00 for TR Fire Grill]

**"Opening Team"** one or more individuals, with experience in operating a [Tony Roma's/TR Fire Grill] restaurant, employed by Franchisor, its Affiliate, or one or more franchisees of the [Tony Roma's/TR Fire Grill] franchise system

**"Ownership Interest"** any direct or indirect ownership interest of any type, including without limitation (1) in relation to a corporation, the ownership of stock in the corporation, (2) in relation to a partnership, the ownership of a general or limited partnership interest, (3) in relation to a limited liability company, the ownership of a member interest, or (4) in relation to a trust, the ownership of a beneficial interest in the trust

**"Permanent Disability"** having any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely

**"Person"** an individual (and the heirs, executors, administrators or other legal representatives of an individual), a partnership, a corporation, a limited liability company, a government, or any department or agency thereof, a trust, a joint venture, and any other incorporated or unincorporated association or organization

**"Principals"** means and includes, collectively or individually, Developer's spouse, if Developer is an individual, all officers, directors and holders of a direct or indirect Ownership Interest in Developer and of any entity directly or indirectly controlling Developer

**"Publicly-Held Corporation"** a corporation registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, or a corporation subject to the requirements of Section 15(d) of such Act

**"Restaurants" or "Franchised Business"** the [Tony Roma's/TR Fire Grill] restaurants to be developed by Developer under the System in the Territory pursuant to this Agreement

**"Standards"** the standards, specifications, policies and techniques that Licensor has developed and may change periodically for locating, constructing, establishing, operating, and promoting a [Tony Roma's/TR Fire Grill] restaurant Contained in the Manual or otherwise provided in writing by Licensor or its Affiliates from time to time including, without limitation, required and recommended business practices, proprietary recipes and procedures for preparing menu items, operational procedures and procedures for management and inventory control, mandatory and suggested accounting practices and record keeping procedures, standards and specifications for building design, decor, trade dress, equipment and layout, dress code requirements, and supplier restrictions

**"System"** Licensor's proprietary business system relating to the establishment and operation of full--service [Tony Roma's/TR Fire Grill] restaurants including, without limitation, proprietary recipes and menu items, a distinctive design, decor, color scheme, and furnishings, the Standards, quality and uniformity of products and services offered, training and assistance, and advertising and promotional programs, all of which may be changed, improved and further developed by Licensor from time to time

**"Tax" or "Taxes"** any present or future taxes, levies, imposts, duties or other charges of whatever nature including any withholding, sales or use, value-added, remittance or other tax, duty or other amount that may be imposed upon payments by Developer to Licensor or its Affiliates, together with any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the Franchised Business, the payment of monies, or the exercise of rights granted pursuant to this Agreement, except taxes imposed on or measured by Licensor's net income

**"Term"** the duration of this Agreement, which shall commence on the date of this Agreement and end on the date the final Restaurant is required to be open and operating pursuant to the Development Schedule, unless soon terminated as provided in this Agreement

**"Territory"** ____________________

**"Transfer"** any direct or indirect sale, assignment, transfer, conveyance, gift, pledge, mortgage, encumbrance, or other disposal of, or grant of an interest in (i) Developer's interest, or any Principal's respective interests, in this Agreement, (ii) Developer including any Ownership Interest, or (iii) the assets of Developer (except inventory sold in the ordinary course of the Operation of any Restaurant)

**"Transfer Fee"** $5,000 00

## I GRANT

A. In reliance on the representations and warranties of Developer and its Principals, and subject to the terms and conditions hereof, Licensor hereby grants to Developer the right and obligation, and Developer hereby accepts the right and obligation, to develop the number of Restaurants described in the Development Schedule solely within the Territory Developer may be granted rights to develop additional Restaurants in Licensor's sole discretion Any and all such rights to develop Restaurants are subject to Developer's full compliance with all conditions precedent to the grant of such rights outlined below and shall be exercised according to Section III A

B Developer acknowledges and understands that the rights granted hereunder are for the development of a full-service Restaurant Except as provided in this Agreement, and for so long as no default by Developer of any term or condition of this Agreement or any other agreement among Developer or its and Licensor or its Affiliates has occurred and is continuing, during the Term Licensor will neither establish nor authorize anyone other than Developer to establish, a [Tony Roma's/TR Fire Grill] restaurant in the Territory

C Notwithstanding the above, Developer acknowledges and agrees that Licensor and its Affiliates operate restaurants under the mark [Tony Roma's®/TR Fire Grill®] and under other names and marks, and further agrees and acknowledges that the license granted hereby is only for the operation of full-service [Tony Roma's/TR Fire Grill] restaurants, and therefore, Licensor and its Affiliates may conduct (or authorize a third party to conduct), at any time, the following activities

(1) to advertise and promote the System, and accept and fill orders received from customers in the Territory,

(2) offer and sell collateral and ancillary products and services which may be similar to those offered by the Restaurants under the Marks if offered and sold other than through a full-service [Tony Roma's/TR Fire Grill] restaurant including, without limitation, supermarkets, club stores, convenience stores, mail order or over the internet, such as pre-packaged or prepared food products, t-shirts and [Tony Roma's/TR Fire Grill] memorabilia,

(3) (i) offer and sell such products and services under the Marks in the Territory at, and (ii) operate a full-service [Tony Roma's/TR Fire Grill] restaurants or other similar food service facilities offering the same products and services offered by a full-service [Tony Roma's/TR Fire Grill] restaurant in any, Alternative Distribution Sites,

(4) offer and sell (or may authorize others to offer and sell) products and services under any other names and marks, and

(5) establish and operate a full-service [Tony Roma's/TR Fire Grill] restaurant anywhere outside of the Territory regardless of proximity to the Territory or the Protected Area (as defined in the Franchise Agreement) and regardless of the economic or competitive impact such operation by have on any of the Restaurants

D This Agreement is not a franchise or license agreement and does not grant Developer any right to establish a Restaurant, to sell products or services under the Marks, or any right to use or interest in the Marks or the System

## II <u>FEES</u>

A. Developer shall pay to Licensor the Development Fee upon the execution of this Agreement The Development Fee is considered fully earned, non-refundable and income of Licensor upon payment, in consideration of administrative and other expenses incurred by Licensor in connection with the execution of this Agreement including, among other things, lost or deferred development opportunities in the Territory

B Developer shall pay to Licensor the Franchise Fee upon execution of each Franchise Agreement From the Development Fee, Developer shall receive a credit of one hundred percent (100%) of the Franchise Fee for the first Restaurant and fifty percent (50%) of the Franchise Fee for each additional Restaurant contained in the original Development Schedule

C Developer shall not withhold payments due Licensor on grounds of alleged nonperformance by Licensor hereunder this Agreement

D (1) Any payment required pursuant to this Agreement not actually received by Licensor on or before the date due shall be deemed overdue **TIME BEING OF THE ESSENCE** All monetary obligations of Developer under any provision of this Agreement not paid by the due date shall bear interest from the date due until paid at the lesser of (i) eighteen percent (18%) per annum, or (ii) the highest rate allowed by applicable law The right to recover such interest on overdue amounts shall be in addition to any other remedies Licensor may have

(2) Developer shall make all required payments to Licensor free and clear of, and without deduction for, any Taxes If any Taxes are imposed on Licensor directly or indirectly with respect to any payments to Licensor due under this Agreement, except Taxes based upon Licensor's gross or net income or Taxes which are credited against Licensor's income tax obligations, Developer also must pay to Licensor an amount equal to the Tax.

E All amounts payable by Developer or its Affiliates to Licensor or its Affiliates shall be paid by a Licensor initiated draw, draft, wire or other withdrawal from Developer's designated bank or other account to Licensor's account or such other method as Licensor designates from time to time including, without limitation, Licensor initiated ACH transfer or wire transfer transaction Franchisee will execute and/or deliver such instruments, agreements, instructions, included without limitation a voided check, or other documentation in a form acceptable to Licensor or Licensor's bank that may be required to implement and maintain the payment method designated by Licensor Except in the case of an emergency, Licensor shall notify Developer by email or similar method of each planned withdrawal, including the amount of the withdrawal, not less than that one (1) business day before the withdrawal is initiated by Licensor Developer shall deposit in its designated account sufficient amounts such that such withdrawals can be made by Licensor on such dates Developer shall pay (i) any costs and expenses incurred by Developer and/or any charges or expenses assessed by Developer's banks related to the payment method designated by Licensor and no deduction shall be made from the amounts payable to Licensor with respect to such costs and expenses, and (ii) any costs and expenses incurred by or assessed to Developer or Licensor in connection with any modification of the accounts involved, failure to provide required notices or failure to maintain sufficient account balances

## III <u>SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS, SITE SELECTION</u>

A. Developer shall exercise the development rights granted hereunder only by entering into a separate Franchise Agreement with Licensor for each Restaurant for which a development right is granted Licensor's current form of Franchise Agreement is attached as <u>Attachment A</u>. Each Restaurant shall be established and operated pursuant, in Licensor's sole discretion, to the form of Franchise Agreement attached as <u>Attachment A</u> or the form of Franchise Agreement then being used by Licensor for new operators of [Tony Roma's/TR Fire Grill] restaurants under the System These franchise agreements shall also be included in the term "Franchise Agreement" as used in this Agreement and shall be executed by Developer in accordance with Section IV The then-current form of Franchise Agreement may differ substantially from the form attached

B (1) Subject to the requirements of Section IV, Developer agrees to exercise its development rights according to Section III A. and according to the Development Schedule below, which schedule designates the number of Restaurants in the Territory to be established and in operation by Developer upon the expiration of each Development Period

| Development Period | Expiration Date Of Development Period | Cumulative Total Number Of Restaurants Located In The Territory Which Developer Shall Have Open And In Operation* |
|---|---|---|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |

*includes existing Restaurants, if any, purchased or acquired by Developer from Licensor

If Developer fails to meet its development obligations or fails to comply with the conditions in Section III, Developer shall have no further rights to develop Restaurants hereunder

Developer shall not open or operate more than the cumulative total number of Restaurants Developer is obligated to develop as set forth above in the Development Schedule Any Restaurants developed during a Development Period in excess of the minimum number of Restaurants required to be developed upon expiration of that Development Period, shall be applied to satisfy Developer's development obligation during the next succeeding Development Period, if any

(2) If during the Term, Developer ceases to operate any Restaurant, Developer shall develop a replacement Restaurant in the Territory to fulfill Developer's obligation to have open and in operation the required number of Restaurants upon the expiration of each Development Period The replacement

Restaurant shall be developed within a reasonable time to be agreed upon by the parties, not to exceed one (1) year

(3) (a) Developer shall open each Restaurant developed hereunder and shall commence business in accordance with the Development Schedule described in this Section III (above), unless Developer obtains an extension of the Development Period, at the expiration of which Developer was to have had open and in operation a Restaurant Developer may, subject to Licensor's approval and provided no event of default under this Agreement has occurred and is continuing, obtain from Licensor extensions of such Development Period as may be necessary to complete construction and commence operation of such Restaurant Each extension shall be for an additional thirty (30) day period commencing upon the expiration of the applicable Development Period, including any previous extensions thereof ("Extension Date") No more than two (2) extensions of any Development Period will be permitted If an extension of a Development Period is granted by Licensor, the Projected Opening Date (as defined in the Franchise Agreement) shall be extended to the Extension Date, if necessary No extension of any Development Period shall affect the duration of any other Development Period or any of Developer's other development obligations If an extension is requested in the final Development Period, the term of this Agreement shall be extended to the Extension Date and thereafter Developer shall have no further rights under this Agreement Developer's compliance with Section IV is a condition precedent to receipt of an extension under this Section The provisions of this Section III B (3) do not apply to the development of a replacement Restaurant under Section III B (2)

(b) In order to obtain an extension, Developer shall notify Licensor in writing at least thirty (30) days prior to the expiration of the applicable Development Period for a Restaurant that Developer will be unable to complete construction and commence operation of the Restaurant by the expiration date of the Development Period in which such Restaurant was to have been opened In such notice Developer shall request the Licensor to consider its request for extension and include a description of the reasons for such failure to develop in a timely manner and the expected date of completion of construction and opening, if the extension was to be granted At the same time Developer provides Licensor with such notice, Developer shall pay the Extension Fee to Licensor

(c) Any such extension granted by Licensor shall be the same as, and not cumulative of, any such extension granted by Licensor (as "Franchisor" under Section VI K of any Franchise Agreement) to the extent such extensions apply to the same Restaurant under both agreements, it being expressly understood that only two (2) such extensions are potentially allowed for any Restaurant or for the applicable Development Period

(4) Failure by Developer to adhere to the Development Schedule (including any extensions thereof approved by Licensor in writing) or to any time period for the development of replacement Restaurants as set forth in Section III B (2) shall constitute a material event of default under this Agreement

C Developer accepts all costs, liability, expense and responsibility for locating sites for the Restaurants and for constructing and equipping the Restaurant Licensor shall provide to Developer its site selection guidelines, and such site selection counseling and assistance as it deems advisable, if any Developer shall engage, at its sole cost and expense, the services of Franchisor's designated real estate broker/consultant to assist Franchisee in the identification and acquisition of sites for the Restaurants Developer shall use diligent efforts to locate sites for the Restaurants that comply with the guidelines For each proposed site, Developer shall submit to Licensor in the form specified by Franchisor a description of such site, including such evidence as is necessary to show the site satisfies Licensor's selection guidelines, a letter of intent or other evidence satisfactory to Franchisor that confirms

Developer's favorable prospects for securing the site and such other information and materials as Franchisor may reasonably require

D Licensor shall provide on-site evaluation as it deems reasonable or necessary, on its own initiative or in response to Developer's request Should Licensor, in its sole discretion, provide a site visit, Licensor shall not impose a fee for the first site visit Multiple visits to different sites for a Restaurant to be developed shall be considered multiple site visits for such Restaurant At Developer's request or if deemed necessary by Licensor, Licensor may agree to provide additional site visits Licensor may impose a reasonable fee for such additional visit(s) and, in addition, Developer shall reimburse Licensor, upon demand, the amount of all travel, lodging, dining and other out-of-pocket expenses incurred by Licensor in connection with such visit(s)

E Licensor shall provide a letter of its acceptance, rejection or "no objection" concerning a proposed site, as applicable, within thirty (30) days after receipt of all requested information and materials from Developer If Licensor rejects a proposed site, Developer shall submit a description of a replacement site together with such other information and materials relating to such site(s) as described above Licensor shall have thirty (30) days after receipt of such information and materials relating to each proposed replacement site to notify Developer of its acceptance, rejection or "no objection" concerning, the proposed replacement site Developer acknowledges that Licensor's acceptance of, or "no objection" to, a site or the rendering of assistance in the selection of a site does not constitute a representation, promise or guarantee by Licensor that a Restaurant operated at that site will be profitable, meet any projection of sales or profitability, or otherwise be successful

F If Developer plans to purchase the premises for the Restaurant, Developer shall submit to Licensor the contract of sale and shall furnish to Licensor a copy of the executed contract of sale within ten (10) days after execution thereof

G If Developer plans to occupy the site of any Restaurant under a lease, Developer shall submit to Licensor the form of lease prior to its execution for written approval and shall furnish to Licensor a copy of the executed lease within ten (10) days after execution thereof Developer shall not enter into any lease until Licensor has accepted such lease or waived acceptance To obtain Licensor's acceptance of such lease, Licensor requires an Agreement Regarding the Lease substantially in the form of Attachment B to the Franchise Agreement, or such other forms reasonably satisfactory to Franchisor, signed by Developer (or the Franchisee) and the landlord

H Licensor shall have the right to waive or modify all or any portion of the site review procedure set forth above at any time, and Developer shall comply with such modified site review procedure

I Developer shall be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which otherwise may be necessary for the development and operation of the Restaurants Prior to beginning construction of any Restaurant, Developer shall (i) obtain all permits, licenses and certifications required for the construction or remodeling and operation of such Restaurant including without limitation licenses permitting the on-premise sale of liquor, beer and wine, sign permits and other operating permits, and (ii) deliver to Licensor the certificate of insurance coverage specified in Section XIV of the Franchise Agreement Upon request, Developer shall provide to Licensor complete copies of all such approvals, clearances, permits and certifications

J Developer shall obtain any architectural, engineering and design services necessary for the construction of each Restaurant at its own expense from an architectural design firm, which Licensor reserves the right to review and accept. Developer shall adapt the prototypical architectural and design plans and specifications for construction of each Restaurant and shall submit such adapted plans to Licensor for review. If Licensor determines, in its sole discretion, that any such plans do not satisfy Licensor's architectural or design standards and specifications for a full-service [Tony Roma's/TR Fire Grill] restaurant or are not consistent with the best interests of the System, Licensor may prohibit the implementation of such plans, and in this event will notify Developer of any objection(s) within thirty (30) days of receiving such plans. If Licensor fails to notify Developer of an objection to the plans within this time period, Developer may use such plans. If Licensor objects to any such plans, it shall provide Developer with a reasonably detailed list of changes necessary to make the plans acceptable. Licensor shall, upon a resubmission of the plans with such changes, notify Developer within fifteen (15) days of receiving the resubmitted plans whether the plans are acceptable. The process of review, objection and resubmission shall continue until such plans are accepted by Licensor. If Licensor fails to notify Developer of any objection within such time period, Developer may use the resubmitted plans. Developer acknowledges that acceptance by Licensor of such plans does not constitute a representation, warranty, or guarantee, express or implied, by Licensor that such plans are free of architectural or any design errors and thus, Licensor shall have no liability to Developer or any other party with respect thereto.

K. Developer shall commence and diligently pursue construction or remodeling (as applicable) of each Restaurant. During the time of construction or remodeling, Developer shall provide Licensor with such periodic reports regarding the progress of the construction or remodeling as may be reasonably requested by Licensor. In addition, Licensor shall make such on-site inspections as it may deem reasonably necessary to evaluate such progress. If during such inspections Licensor identifies instances where Developer's construction or remodeling is inconsistent with, or does not meet, Licensor's standards or the plans accepted pursuant to Section VII J., Licensor shall notify Developer in writing of such deficiencies, and Developer shall correct such deficiencies prior to opening. Developer shall reimburse Licensor, upon demand, the amount of all travel, lodging, dining and other out-of-pocket expenses incurred by Licensor in connection with such inspection(s). Developer shall notify Licensor of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date. Within a reasonable time after the date of completion of construction or remodeling, Developer shall, at its option, conduct an inspection of each completed Restaurant. Developer shall reimburse Licensor, upon demand, the amount of all travel, lodging, dining and other out-of-pocket expenses incurred by Licensor in connection with such inspection(s). Developer will not open any Restaurant for business without the written authorization of Licensor, which shall be conditioned upon Developer's strict compliance with this Agreement.

L. Prior to the opening of any Restaurant, Developer shall complete all exterior and interior preparations for each such Restaurant including installation of equipment, fixtures, furnishings and signs, pursuant to the plans and specifications or as required by Licensor and shall not thereafter be altered except as may be permitted by Licensor in writing. In connection with the opening of each Restaurant, Developer shall conduct, at its expense, such promotion and advertising activities as Franchisor may require, and shall comply with all other pre-opening obligations.

M. Developer acknowledges that **TIME IS OF THE ESSENCE** with respect to its obligations set forth in Section III B. through III L., inclusive.

## IV. PREREQUISITES TO OBTAINING FRANCHISE AGREEMENTS

A. For each Restaurant to be developed under this Agreement, and upon Developer's submission of a proposed site for acceptance by Licensor, Licensor shall deliver a Franchise Agreement and related documents to Developer. Within ten (10) days following receipt of such

Franchise Agreement and related documents (including without limitation the Principal's Guaranty from each Principal under each Franchise Agreement), Developer shall execute such Franchise Agreement and related documents (including obtaining the execution of the Franchise Agreement and/or related documents by other appropriate or necessary persons), return such Franchise Agreement and related documents to Licensor for countersignature and pay the Franchise Fee A portion of the Development Fee shall be credited toward the Franchise Fee for each Restaurant in the Development Schedule as follows (i) a credit of one hundred percent (100%) of the Franchise Fee for the first Restaurant under the Development Schedule, and (ii) a credit of fifty percent (50%) of the Franchise Fee for each subsequent Restaurant in the Development Schedule, until the Development Fee is exhausted

B In addition to the terms and conditions contained in of Section III, Developer must meet the "Operational," "Financial," and "Legal" conditions (collectively the "Conditions") before Licensor will execute a Franchise Agreement

1 "Operational" Developer is in compliance with the Development Schedule, this Agreement, with any other agreement between Developer or its Affiliates and Licensor or its Affiliates and Developer has opened each Restaurant as required under the Development Schedule Developer, and any franchisee under any Franchise Agreement opened pursuant to this Agreement, is operating its existing Restaurants, if any, (a) in accordance with the provisions of the respective Franchise Agreements and any amendments thereto, and (b) in accordance with the standards, specifications, and procedures (i) set forth and described in the Manual, and (ii) as evaluated by Licensor, in its sole discretion, in accordance with Licensor's operational performance measurements

2 "Financial" Developer and the Principals, or the franchisee and the principals under the Franchise Agreement, satisfy Licensor's then-current financial criteria for franchisees and principals of [Tony Roma's/TR Fire Grill] restaurants Neither Developer nor any franchisee under the Restaurants opened pursuant to this Agreement, is not in default, and has not been in default during the twelve (12) months, of any monetary obligations owed to Licensor or its Affiliates under this Agreement, any Franchise Agreement or other agreement between Developer or any of its Affiliates and Licensor or any of its Affiliates

3 "Legal" Developer has submitted to Licensor, in a timely manner, all information and documents requested by Licensor in connection with this Agreement and any Franchise Agreement and has taken such additional actions in connection therewith as may be requested by Licensor from time to time

If Licensor determines, in its sole discretion, that Developer and the Principals, or the franchisee and its principals, have met all of the Conditions, then Licensor shall execute the Franchise Agreement and related documents

## V **TERM**

A. Unless sooner terminated as provided herein, the Term will begin on the date of this Agreement and continue until the date that the final Restaurant in the Development Agreement is required to be open and operating.

B Upon the expiration or earlier termination of this Agreement, (i) Developer shall have no further rights with respect to the development of [Tony Roma's/TR Fire Grill] restaurants in the Territory, except pursuant to a fully executed Franchise Agreement, and (ii)_Licensor shall have the right to develop, or authorize any other person or entity to develop, [Tony Roma's/TR Fire Grill] restaurants in the Territory

## VI DEVELOPER'S AGREEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS

Developer makes the following representations, warranties and covenants

A. (1) If Developer is a corporation or other legal entity, Developer is duly organized, validly existing and in good standing under the state law of its formation,

(2) If Developer is a corporation or other legal entity, Developer is duly qualified and is authorized to do business in each jurisdiction in which its business activities or the nature of the properties owned by it require such qualification,

(3) If Developer is a corporation or other legal entity, Developer's charter or other governing documents shall at all times provide that the activities of Developer are confined exclusively to the development and operation of one or more [Tony Roma's/TR Fire Grill] restaurants, unless otherwise consented to by Licensor in writing,

(4) Developer has the authority, permission and capacity to enter into this Agreement and to conduct the business contemplated under this Agreement,

(5) If Developer is a corporation or other legal entity, copies of Developer's articles of incorporation, bylaws, other governing documents, any amendments to the foregoing and resolutions authorizing entry into and performance of this Agreement or other documents requested by Licensor, including documents restricting the Transfer of Ownership Interests as required by this Agreement, have been furnished to Licensor prior to the execution of this Agreement,

(6) The Ownership Interests in Developer are accurately and completely described in Attachment B Developer shall maintain, at all times, a current list of all Persons with an Ownership Interest, including a beneficial interest, in Developer Developer shall immediately notify Licensor of any proposed change in the information contained Attachment B, shall execute any documents deemed necessary by Licensor to amend Attachment B or otherwise reflect such changes and shall deliver to Licensor a list of all Persons with an Ownership Interest in Developer upon request,

(7) If Developer is a corporation or other legal entity, Developer shall maintain stop-transfer instructions against the Transfer on its records of any of Ownership Interest and each certificate representing an Ownership Interest shall have conspicuously endorsed upon it a statement in a form satisfactory to Licensor that it is held subject to, and that further Transfer thereof is subject to, all restrictions imposed upon Transfer by this Agreement, provided, however, that the requirements of this paragraph shall not apply to certificates representing share of a Publicly-Held Corporation, and

(8) Developer and each Principal has provided Licensor with their most recent financial statements At Licensor's request, Developer shall submit, within twenty (20) days, its or any Principal's annual balance sheet and income statement, which may be unaudited unless audited statements are required by Licensor Such financial statements fairly represent the financial position of Developer or such Principal at such dates indicated therein and the results of its operations and its cash flow for the year then ended Developer shall maintain at all times during the Term sufficient working capital to fulfill its obligations under this Agreement Each of the financial statements mentioned above (i) has been or shall be prepared in conformity with generally accepted accounting principles in the United States applicable to the respective periods involved and, except as expressly described in the notes

thereto, applied on a consistent basis, and (ii) shall be certified as true, complete and correct by Developer's chief financial officer, the Principal or such auditor, as required by Licensor Developer has no material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise, which are not reflected as liabilities on the financial statements of Developer

B Neither Developer, Managing Principal nor any other Principal is identified, or shall later be identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U S Treasury Department's Office of Foreign Assets Control (texts available at www treas gov/offiice/enforcement/ofac/) or any successor or similar future lists Neither Developer, Managing Principal nor any other Principal has violated, and will not violate, any law prohibiting corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government, including acts prohibited by the U S Patriot Act (text available at http//www epic org/privacy/terrorism/hr3162 html), or any similar law

C The foregoing representations, warranties and covenant are continuing representations, warranties and covenants, and Developer shall immediately notify Licensor of any occurrence or circumstance that may render any of the foregoing representations, warranties or covenants false or misleading Any failure to comply with such representations, warranties or covenants shall constitute a material event of default under this Agreement

## VII MANAGEMENT, TRAINING AND OPENING TEAM

A. Upon the execution of this Agreement, Developer shall designate and retain an individual to serve as the Managing Principal. The Managing Principal shall, during the entire period he/she serves, meet the following qualifications

(1) The Managing Principal shall be acceptable to Licensor in its sole discretion

(2) The Managing Principal shall maintain a direct Ownership Interest in Developer

(3) The Managing Principal shall attend and complete, to Licensor's satisfaction, Licensor's initial orientation and training program in general techniques in the supervision of the development and operation of [Tony Roma's/TR Fire Grill] restaurants, such training to be completed at least sixty (60) days prior to the opening of first Restaurant

(4) The Managing Principal shall meet Licensor's standards and criteria for such individual (including, but not limited to, educational, financial and operational experience prescribed by Licensor) as determined by Licensor from time to time

(5) If, during the Term, the Managing Principal is not able to continue to serve or no longer qualifies to act as such in accordance with this Section, Developer shall promptly notify Licensor and designate a replacement within thirty (30) days, such replacement being subject to the same qualifications and restrictions listed above Developer shall provide for interim management of the activities contemplated under this Agreement until such replacement is so designated, such interim management to be conducted in accordance with this Agreement

B Should Developer or its Affiliates operate four (4) or more [Tony Roma's/TR Fire Grill] restaurants pursuant to franchises agreements with Licensor or its Affiliates, when the franchise agreement for the fourth such restaurant is executed, Licensor may require that Developer or its Affiliates designate and thereafter retain a Multi-Unit Manager, who shall be solely dedicated to the management and supervision of such restaurants Additional Multi-Unit Managers shall be designated from time to time as reasonably required by Licensor Each Multi-Unit Manager shall be acceptable to Licensor in its sole discretion and meet the Standards applicable to Multi-Unit Managers Prior to assuming his or her duties, each Multi-Unit Manager shall have successfully completed such training as may be required by Licensor from time to time The Managing Principal may also serve as a Multi-Unit Manager if the Managing Principal is not a restaurant manager

C (1) Each Managing Principal, Multi-Unit Manager, General Manager and each Manager shall attend and complete to Licensor's satisfaction, all of Licensor's training in accordance with the System at Developer's cost and expense, including without limitation costs of travel, transportation, lodging, meals and wages Such Training may include Serve Safe or comparable food safety and handling certification Such persons must complete the initial training program within ninety (90) days after beginning their employment at each Restaurant Licensor reserves the right to impose a training fee for such training

(2) Managing Principal, the Multi-Unit Manager(s), the General Manager, the Managers and such other Restaurant personnel as Licensor shall designate shall attend such additional or refresher training programs and seminars as Licensor may offer from time to time For all such programs and seminars, Licensor will provide the instructors and training materials Developer will be solely responsible for supplying or purchasing appropriate training attire, including chef coats, which Licensor may, but is not required to, offer to Developer for sale Licensor reserves the right to impose a reasonable fee for such additional training programs and seminars Developer shall be responsible for any and all expenses incurred by Developer or its Affiliates or their respective personnel in connection with such training including, without limitation, costs of travel, transportation, lodging, meals and wages

(3) The training programs described above shall be conducted at a [Tony Roma's/TR Fire Grill] restaurant operated by Licensor or its Affiliates or other franchisees of Licensor, as designated by Licensor All or part of the initial training may be conducted by Developer subject to Licensor's approval Such training shall be conducted in accordance with the Standards Licensor shall provide instructors and training materials for the initial training programs conducted by Licensor Developer shall be responsible for any and all other expenses incurred by Developer or its Affiliates or their respective personnel in connection therewith including, without limitation, costs of travel, lodging, transportation, meals, and wages

(4) Developer agrees that compliance with Licensor's training, development and operational requirements by all franchisees operating under the System is an essential and material element of the System and that Licensor has expended and will expend substantial time, effort and expense in training management and other personnel for the development and operation of their respective [Tony Roma's/TR Fire Grill] restaurants Developer and its Affiliates shall at all times ensure that their respective personnel are trained in accordance with Licensor's System

D In connection with the opening of each Restaurant, Licensor shall provide Developer (or the franchisee under the respective Franchise Agreement) with an Opening Team to provide on-site pre-opening and opening training and supervision to Developer or such franchisee prior to and after the opening of such Restaurant All Developer or such franchisee Restaurant employees, including the General Manager and other Managers, must have completed training and be on-site not later that six (6) weeks before the scheduled Restaurant opening. The size of the Opening Team and the time period in which such assistance will be provided shall be determined by Licensor Developer shall pay to Licensor all costs and expenses incurred in connection with the provision of the Opening Team including, without limitation, travel, transportation, lodging, meals, wages (including benefits) and a per diem fee

Approximately ninety (90) days before any Restaurant is scheduled to open and upon receipt of Licensor's invoice, Developer shall pay to Licensor a deposit of [Forty Thousand Dollars ($40,000) for Tony Roma's/Fifty Thousand Dollars ($50,000) for TR Fire Grill] against the amount of such expenses Licensor shall provide to Developer a statement of actual Opening Team costs after each Restaurant opens for business Developer shall pay to Licensor any shortfall between such deposit and actual Opening Team costs and expenses within ten (10) days after statement of those expenses has been provided Any excess of such deposit versus the actual Opening Team costs and expenses shall be applied against such franchisee's other monetary obligations to Licensor under such Franchise Agreement Before any travel arrangements are made for the Opening Team and approximately four (4) weeks before the Opening Team is scheduled to arrive at the Restaurant, Licensor will, in its discretion, inspect the Restaurant and the status of construction to confirm that the Restaurant will be suitable, in Licensor's sole discretion, to conduct Opening Team training Licensee will reimburse Licensor for all of Licensor's travel costs related to such inspection including, without limitation, airfare, ground transportation, lodging, meals and other reasonable costs

E Developer, at its expense, shall implement a training program as required by Licensor for all Restaurant employees, and take all other action necessary to insure that each employee is certified as qualified to correctly and adequately perform the job functions required of each such employee position as specified in the Manual

F Developer shall (i) maintain high moral and ethical standards in the performance of its duties and obligations under this Agreement, and (ii) comply with all requirements of federal, state and local laws, rules, regulations, and orders

## VIII CONFIDENTIALITY AND RELATED COVENANTS

A. Neither Developer, the Managing Principal nor any of the Principals shall, during the Term or thereafter, communicate or divulge to, or use for their own benefit or for the benefit of any other Person any Confidential Information Developer may disclose Confidential Information only to such of Developer's employees or agents who must have access to it, on a need-to-know basis, in connection with the development and operation of the Restaurants Neither Developer, the Managing Principal nor any other Principal (nor their respective Affiliates, officers, directors, employees, agents, contractors or representatives) shall at any time, without Licensor's prior written consent, copy, duplicate, record, otherwise reproduce or appropriate any Confidential Information, in whole or in part, for any purpose other than the development and/or operation of the Restaurants, nor otherwise make the same available to any unauthorized person The covenants in this Section shall survive the expiration, termination or Transfer of this Agreement and shall be perpetually binding upon Developer, the Managing Principal and each other Principal.

B Developer, for itself and for each Principal, acknowledges that they will receive valuable training, trade secrets and Confidential Information which is in addition to the present skills and experience of Developer, its officers, directors, shareholders, partners, employees, agents, independent contractors or representatives and each Principal. Developer, for itself and each Principal, acknowledges that such training and Confidential Information provide a competitive advantage and will be valuable to them in the development and operation of the Restaurants, and that gaining access to such training and Confidential Information is, therefore, a primary reason why Developer is entering into this Agreement In consideration for such valuable, specialized training and Confidential Information, Developer, for itself and each Principal, hereby makes the covenants and agreements set forth in this Section VIII

C With respect to Developer during the Term, or with respect to each Principal for so long as such individual or entity satisfies the definition of "Principal" under this Agreement, and in either case for twenty-four (24) months thereafter, neither Developer nor any Principal shall, directly or indirectly, for themselves or through on behalf of or in conjunction with any Person

(1) own, maintain, operate, engage in or have any financial or beneficial interest in (including any interest in any Person), including advise, assist or make loans to, or become a landlord for, or offer any service to or consult with any business which is the same or similar to a [Tony Roma's/TR Fire Grill] restaurant, including but not limited to any food service business which offers [ribs or steaks as a primary menu item/artisanal food and beverages using locally sourced and seasonal produce], which business is located within (i) the United States, its territories or commonwealths, (ii) the Territory, (iii) a ten (10) mile radius of any [Tony Roma's/TR Fire Grill] restaurant, and (iv) at any Restaurant location or within a ten (10) mile radius thereof, or

(2) divert, or attempt to divert, any business or customer of a [Tony Roma's/TR Fire Grill] restaurant 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 Marks, the Confidential Information or the System

D Developer understands and acknowledges that the management employees and training staff of Licensor, its Affiliates and other franchisees of the System are uniquely qualified and trained individuals who have been provided their knowledge of and experience with Licensor methods of operation at the cost of substantial time and expense to their employers Developer further understands and acknowledges that the loss of such employees would result in considerable harm and expense to the [Tony Roma's/TR Fire Grill] restaurant or other employer by which they are employed, due to the time and expense involved in locating, hiring and training new employees, and the loss of the value of the trained employees' experience Developer, therefore, covenants and agrees that, during the Term and for twenty-four (24) months thereafter, neither Developer nor any Principal shall employ, or seek to employ, any managerial employee of Licensor, its Affiliates or any franchisee of Licensor or its Affiliates or otherwise induce such person to leave his or her employment In the event of a breach hereof, any former employer described herein shall be entitled to be compensated for the reasonable costs and expenses, of whatever nature or kind, incurred by such former employer in connection with the training of such employee The parties agree that such expenditures may be uncertain and difficult to ascertain and, therefore, agree that as liquidated damages and not as a penalty, the breaching Person shall pay to the former employer one-half (1/2) of the gross salary and benefits of such employee for the twelve (12) month period immediately prior to the time of termination of the employment of such managerial employee prior to such employee assuming such managerial position In seeking any individual to serve in a managerial position, neither Developer nor any Principal shall discriminate in any manner whatsoever against any individual to whom the provisions of this paragraph apply, on the basis of the compensation required to be paid hereunder in the event such individual is employed The parties hereto expressly acknowledge and agree that no employee of Licensor or its Affiliates is a beneficiary of this Agreement or any provision hereof, excluding only the covenant of Developer and each Principal set forth in the preceding sentence Licensor expressly disclaims any representations and warranties regarding the performance of any employee or former employee of Licensor or any franchisee or developer operating under the System, who is employed by Developer or any Principal in any capacity, and Licensor shall not be liable for any losses, of whatever nature or kind, incurred by Developer, Managing Principal or any Principal in connection therewith

E The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of Licensor The parties agree that each of the above covenants shall be construed as independent of any other covenant or provision of this Agreement If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Licensor is a party, Developer and each Principal shall be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section

F Licensor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth herein, or any portion thereof, without Developer's or any Principal's consent, effective immediately upon written notice to Developer, and Developer, for itself and the Principals, agrees that they shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section XVIA. hereof

G The existence of any claims they may have against Licensor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Licensor of the covenants in this Section VIII

H Developer, for itself and each Principal, acknowledge that any failure to comply with the requirements of this Section VIII shall constitute a material event of default under this Agreement and will cause Licensor irreparable injury for which there is no adequate remedy at law Therefore, Developer, for itself and each Principal, consents to the issuance of an injunction prohibiting any conduct by Developer or any Principal in violation of the terms of this Section Developer, for itself and each Principal, agrees to pay all court costs and reasonable attorneys' fees incurred by Licensor in connection with the enforcement of this Section VIII

I Sections VIII C (1) and (2) shall not apply to ownership of less than a one percent (1%) beneficial interest in the outstanding equity securities of any Publicly-Held Corporation

J If Developer or its Affiliates (or any of their respective Principals, or the respective directors, agents, representatives, employees of any of the foregoing), or Managing Principal, any Multi-Unit Manager, any General Manager, or Manager should develop any new concepts, processes or improvements in the development, operation or promotion of the Restaurants, Developer shall promptly notify Licensor and provide Licensor with all necessary information concerning same, without compensation and shall execute, or cause to be executed, any documentation, including assignments or releases, as appropriate Developer, for itself, the Managing Principal and each Principal, acknowledges that any such concept, process or improvement shall become the property of Licensor, and Licensor may use, license the use of or disclose such information to its developers, franchisees and other parties as it determines to be appropriate Developer hereby assigns, and shall cause the Managing Principal and each Principal to assign, to Licensor all right, title and interest in or to such new concepts, processes or improvements, and agrees to execute, or cause to be executed, such further instruments as Licensor may request Developer shall take such actions and sign such documents, and shall cause the Managing Principal and each Principal to take such actions and sign such documents necessary to give effect to the purpose and intent of this Section Developer, for itself and each Principal, irrevocably appoints Licensor as true and lawful attorney-in-fact for Developer and each Principal, and authorizes Licensor to take such actions and execute, acknowledge and deliver all such documents as may from time to time be necessary to convey to Licensor all rights granted herein

K The covenants and agreements of this Section shall survive the expiration or termination of this Agreement

## IX. TRANSFER OF INTEREST

A. Licensor shall have the right to transfer or assign this Agreement and all or any part of its rights or obligations herein to any person or legal entity without Developer's consent Specifically, and without limitation to the foregoing, Developer expressly agrees that Licensor may sell its assets, the Marks or any or all elements of the System to a third party, may offer its securities publicly or privately, may merge, spin-off, acquire other corporations, or be acquired by another corporation, may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, Developer expressly and specifically waives any claims, demands or damages arising therefrom against Licensor or is Affiliates' Nothing in this Agreement shall require Licensor or its Affiliates to remain in the business of operating or licensing the operation of [Tony Roma's/TR Fire Grill] restaurants, or to offer any services or products, whether or not bearing the Marks, if Licensor exercises its rights hereunder to assign its rights in this Agreement

B Developer, for itself and for each Principal, understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer and that Licensor has granted such rights in reliance on the business skill, financial capacity and personal character of Developer and each Principals Accordingly, neither Developer nor any Principal, nor any subsequent direct or indirect holder of an Ownership Interest or any part of Developer's interest in this Agreement, may effect a Transfer without Licensor's prior written consent, provided, however, that Licensor's prior written consent shall not be required for a transfer of less than a one percent (1%) interest in a Publicly-Held Corporation Any purported Transfer, by operation of law or otherwise, made in violation of this Agreement shall be null and void and shall constitute a material event of default under this Agreement

C Developer shall promptly notify Licensor or any proposed Transfer Licensor shall not unreasonably withhold its consent to a Transfer, however, Licensor may require any or all of the following as conditions to its consent to any such Transfer

(1) All of Developer's and its Affiliate's accrued monetary obligations and all other outstanding obligations to Licensor and its Affiliates arising under this Agreement, any Franchise Agreement or other agreement between Developer and/or its Affiliates and Licensor and/or its Affiliates shall have been fully paid and satisfied,

(2) Developer and its Affiliates are not in default of any provision of this Agreement, any amendment hereof or successor hereto, any Franchise Agreement or other agreement between Developer or its Affiliates and Licensor or its Affiliates,

(3) The transferor shall have executed a general release, in a form satisfactory to Licensor, of any and all claims against Licensor and its Affiliates and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors and employees, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement, any Franchise Agreement and any other agreement between Developer and Licensor or any of their respective Affiliates, and under all applicable laws, rules, regulations and ordinances,

(4) The transferee and other parties required by Licensor shall enter into a written agreement, in a form prescribed by Licensor, assuming full, unconditional, joint and several liability for and agreeing to perform from the date of the Transfer, all obligations, covenants and agreements in this Agreement,

and, if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall guarantee the performance of all such obligations, covenants and agreements,

(5) The transferee shall demonstrate to Licensor's satisfaction that transferee meets the criteria considered by Licensor when reviewing a prospective developer's application for development rights, including without limitation, Licensor's educational, managerial and business standards, transferee's good moral character, business reputation and credit rating, transferee's aptitude and ability to conduct the business contemplated hereunder (as may be evidenced by prior related business experience or otherwise), and transferee's financial resources and capital,

(6) At Licensor's option, Developer or the transferee or other necessary parties as determined by Licensor, shall execute the standard form development agreement then being offered to new System developers or a revised form of this Agreement, as Licensor deems appropriate, and such other ancillary agreements as Licensor may require, which agreements shall supersede this Agreement and its ancillary documents in all respects and the terms of which agreements may differ from the terms of this Agreement,

(7) The transferor shall remain liable for all obligations to Licensor incurred in connection with this Agreement prior to the effective date of the Transfer and shall execute any and all instruments reasonably requested by Licensor to evidence such liability,

(8) At the transferee's expense, the transferee, the transferee's principals, the transferee's management personnel, and other designees appointed by transferee must be approved by Licensor and shall complete any training programs then in effect for System developers upon such terms and conditions as Licensor may reasonably require,

(9) The Transfer Fee shall have been paid to Licensor, and

(10) If transferee is a legal entity, transferee shall make and will be bound by any or all of the representations, warranties and covenants in Section VI If this Agreement and shall provide evidence satisfactory to Licensor that all such representations, warranties and covenants have been satisfied and are true and correct on the date of Transfer

Developer acknowledges and agrees that each condition which must be met by the transferee is reasonable and necessary

D (1) If Developer, any Principal or any party holding an interest in Developer or in this Agreement desires to accept a <u>bona</u> <u>fide</u> offer from a third party to engage in a Transfer, Developer or the proposed transferor shall promptly notify Licensor in writing of each such offer, and shall provide such information and documentation relating to the offer as Licensor may require including, without limitation, a description of the transaction, the names and contact information of the proposed transferee, the time during which the transaction is to be completed and all terms of the proposed Transfer including price or other consideration, method and time of payment, liabilities to be assumed and indemnification rights Licensor shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and receipt of all documentation requested by Licensor, to send written notice to the transferor that Licensor intends to complete the proposed Transfer as transferee on the same terms and conditions offered by the third party If Licensor elects to complete the proposed Transfer as transferee, closing on such transaction must occur within the later of sixty (60) days from the date of notice to the transferor of such election by Licensor, sixty (60) days from the date Licensor receives or obtains all necessary permits and approvals to complete such Transfer, or such other date the parties agree upon in wntmg Any materıal change ın the terms of any offer prıor to closıng shall constıtute a new offer subject to the same rıghts of Lıcensor as ın the case of an ınıtıal offer

(2) If the offer from a thırd party provıdes for payment of consıderatıon other than cash or ınvolves certaın ıntangible benefıts, Lıcensor may elect to purchase the ınterest proposed to be sold for the reasonable equıvalent ın cash If the partıes cannot agree wıthın a reasonable tıme on the reasonable equıvalent ın cash of the non-cash part of the offer, Lıcensor shall desıgnate an ındependent appraıser to determıne such amount, and hıs determınatıon shall be final and bındıng In the event of such appraısal, each party shall bear ıts own legal and other costs and shall share equally the appraıser fee and appraısal costs If Lıcensor exercıses the option/rıght of first refusal described ın thıs Sectıon, ıt shall have the rıght to set off (i) all amounts due from Developer or the transferor for the appraıser's fees and appraısal costs, and (ıı) all amounts due from Developer or the transferor or any of theır respectıve Affılıates, agaınst any payment made therefor If the proposed Transfer ıncludes assets not related to the operatıon of the Restaurant(s), Lıcensor shall have the rıght to exclude such unrelated assets and complete the Transfer wıth only the assets relatıng to the operatıon of the Restaurant(s) and the consıderatıon conveyed to Developer or the transferor shall be adjusted by agreement or appraısal (as aforesaıd)

(3) Lıcensor's faılure to exercıse the optıon afforded by thıs Sectıon IX D shall not constıtute a waıver of any other provısıon of thıs Agreement, ıncludıng all of the requırements of thıs Sectıon IX relatıng to a proposed Transfer

E (1) Upon the death of any person wıth an ınterest ın thıs Agreement, Developer's assets, or an Ownershıp Interest ın Developer (the "Deceased"), the executor, admınıstrator or other personal representatıve of the Deceased shall transfer such ınterest to a thırd party ın accordance wıth the condıtıons descrıbed ın thıs Sectıon IX E wıthın twelve (12) months after the death If no personal representatıve ıs desıgnated or appoınted or no probate proceedıngs are ınstıtuted wıth respect to the estate of the Deceased, then the dıstrıbutee of such ınterest must be approved by Lıcensor If the dıstrıbutee ıs not approved by Lıcensor, then the dıstrıbutee shall transfer such ınterest to a thırd party approved by Lıcensor wıthın twelve (12) months after the death of the Deceased

(2) Upon the Permanent Dısabılıty of any person who has an ınterest ın thıs Agreement, Developer's assets, or an Ownershıp Interest ın Developer, Lıcensor may requıre such ınterest to be transferred to a thırd party approved by Lıcensor wıthın sıx (6) months after notıce to Developer Permanent Dısabılıty shall be determıned upon examınatıon of the person by a franchısed practıcıng physıcıan selected by Lıcensor If the person refuses to submıt to such an examınatıon, then such person shall be automatıcally deemed Permanently Dısabled as of the date of such refusal for the purpose of thıs Sectıon IX E Lıcensor shall pay the costs of any examınatıon requıred by thıs Sectıon IX E

(3) Upon any such death or claım of Permanent Dısabılıty, Developer or a representatıve of Developer, must promptly notıfy Lıcensor of such death or claım of Permanent Dısabılıty Any Transfer upon death or Permanent Dısabılıty shall be subject to the same terms and condıtıons as descrıbed ın thıs Sectıon IX for any <u>ınter vıvos</u> transfer

F Lıcensor's consent to a Transfer shall not constıtute a waıver of any claıms ıt may have agaınst the transferrıng party, nor shall ıt be deemed a waıver of Lıcensor's rıght to demand exact complıance wıth any of the terms of thıs Agreement by the transferee

G Securıtıes of, or partnershıp ınterests ın, Developer may be offered to the publıc by prıvate offerıng or otherwıse only wıth the prıor wrıtten consent of Lıcensor, whıch consent shall not be unreasonably withheld All materials required for such offering by federal or state law shall be submitted to Licensor 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 Licensor for such review prior to their use No offering shall imply (by use of the Marks or otherwise) that Licensor or any Affiliate is participating in an underwriting, issuance or offering of Developer's or its Affiliate's or Licensor's or its Affiliate's securities, and Licensor's review of any offering materials shall be limited solely to the relationship between Developer and Licensor and its Affiliates Licensor may, at its option, require Developer's offering materials to contain a written statement prescribed by Licensor concerning the limitations described in the preceding sentence Developer and the other participants in the offering shall fully indemnify, defend and hold harmless Licensor, and its Affiliates and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors and employees in connection with the offering. For each proposed offering, Developer shall pay to Licensor the nonrefundable Offering Fee Developer shall additionally notify Licensor in writing (i) at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Section, and (ii) of the filing of the proposed offering with any state or federal agency, whichever first occurs

H Developer and each Principals, as applicable, may Transfer their respective Ownership Interests by and amongst themselves with Licensor's prior written consent, provided, however, such Transfer shall not result in a change in the Controlling Interest in Developer Licensor's consent shall not be unreasonably withheld, but may be conditioned on compliance with Sections IX B & C, except that such Transfer shall not be subject to Sections IX C (4), (5), (6), (8), (9) and (10)

## X. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. The parties acknowledge and agree that this Agreement does not create a fiduciary relationship between Licensor and Developer, that Developer is an independent contractor and that nothing in this Agreement is intended to constitute either party as the agent, legal representative, subsidiary, joint venture, partner, employee, joint employer or servant of the other for any purpose Neither Developer nor any Principal shall take any actions, omit to take any action, make any representation, or otherwise do or fail to do anything that would create, at law or otherwise, any of such relationships Developer shall be exclusively responsible for the control of the Restaurants and all activities conducted therein and therefrom

B During the Term, Developer shall hold itself out to the public as an independent contractor conducting its development operations pursuant to development rights granted by Licensor Developer shall take such action as shall be necessary to that end, including, without limitation, exhibiting a notice of that fact in a conspicuous place in any Restaurant established under any Franchise Agreement and in all public records, contracts and other documents evidencing a legal obligation of Developer, in a manner conspicuous to the public, a legend in a form approved by Licensor stating that Developer is the owner of the business and that the Restaurants are operated under a franchise granted by Licensor

C Developer understands and agrees that nothing in this Agreement authorizes Developer or any of the Principals to make any contract, agreement, warranty or representation on Licensor's behalf, or to incur any debt or other obligation in Licensor's or its Affiliate's name, and that in no event shall Licensor or its Affiliates assume liability for, or be deemed liable hereunder as a result of any such action or by reason of any act or omission of Developer or any Principal or any claim or judgment arising therefrom

D (1) Developer shall indemnify, defend and hold harmless the Indemnitees from all Losses and Expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon this Agreement or the development or operation of the Restaurants, including any Losses and Expenses arising as a result of any Indemnitee's negligence Specifically, but not exclusively and without limiting the foregoing, Developer shall indemnify, defend and hold harmless the Indemnitees from any Losses and Expenses arising from, as a result of or in connection with the following

(a) The infringement, alleged infringement, or any other violation or alleged violation by Developer, its Affiliates, any Principal, or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives, of any patent, mark, service mark, copyright or other proprietary right owned or controlled by third parties (except as such may occur with respect to any rights to use the Marks,, any copyrights or other Intellectual Property granted to Developer under a Franchise Agreement),

(b) The violation, breach, or asserted violation or breach, by Developer, its Affiliates, any Principal, or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives, of any federal, state or local law, regulation, ruling, standard or directive, or any industry standard,

(c) Libel, slander or any other form of defamation of any Indemnitee or the System by Developer, its Affiliates, any Principal, or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives,

(d) The violation or breach by Developer, its Affiliates, any Principal or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives of any warranty, representation, agreement or obligation in this Agreement or in any Franchise Agreement or other agreement between Developer or its Affiliates and Licensor or its Affiliates, and

(e) Acts, errors or omissions of Developer, its Affiliates, any Principal or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives in connection with the performance or nonperformance of Developer's obligations under this Agreement or any Franchise Agreement

(2) Developer shall give Licensor prompt notice of any such action, suit, proceeding, claim, demand, inquiry or investigation At the expense and risk of Developer, Licensor may elect to control (but under no circumstance is obligated to undertake) the defense and/or settlement of any such action suit, proceeding, claim, demand, inquiry or investigation Such an undertaking by Licensor shall in no manner or form diminish the obligation of Developer to indemnify, defend and hold harmless the Indemnitees

(3) In order to protect persons or property, or its reputation or goodwill, or the reputation or goodwill of others, Licensor may, at any time and without notice, as it, in its judgment deems appropriate, consent or agree to settlements or take such other remedial or corrective action as it deems expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in Licensor's sole judgment, there are reasonable grounds to believe that

(a) Any of the acts or circumstances enumerated in Section X D (1)(a) above has occurred, or

(b) Any act, error or omission as described in Section X D (1)(b-e, inclusive) may result directly or indirectly in damage, injury or harm to any person or any property

(4) All Losses and Expenses shall be chargeable to and paid by Developer pursuant to its obligations of indemnity under this Section, regardless of any action, activity or defense undertaken by Licensor or the subsequent success or failure of such action, activity or defense

(5) The Indemnitees do not assume any liability whatsoever for acts, errors or omissions of those with whom Developer, any of its Principals or its Affiliates or any of their respective officers, directors, shareholders, partners, agents, representatives, independent contractors and employees may contract, regardless of the purpose Developer shall indemnify, defend and hold harmless the Indemnitees for all Losses and Expenses which may arise out of any acts, errors or omissions of Developer, its Affiliates, any Principal, and their respective officers, directors, shareholders, partners, employees, agents, representatives and independent contractors, without limitation and without regard to the cause or causes thereof or the negligence (whether such negligence be sole, joint or concurrent or active or passive) or strict liability of any Indemnitee

(6) Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses to maintain a claim against Franchisee Developer agrees that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable from Developer by the Indemnitees

E Licensor shall have the right, independently, to take any action to protect and defend itself against any threatened action subject to indemnification hereunder Developer agrees that its obligations under Section X D shall remain in effect from the date of this Agreement and survive the expiration or termination of this Agreement

## XI APPROVALS

A. Except as otherwise provided herein, when this Agreement requires the prior consent, acceptance or approval of Licensor, Developer shall make a timely written request to Licensor and such consent, acceptance or approval shall be obtained in writing.

B Licensor makes no warranties or guarantees upon which Developer may rely and assumes no liability or obligation to Developer or any third party by providing any waiver, consent, acceptance, approval or suggestion to Developer in connection with this Agreement, the Restaurants or the Licensed Business, or by reason of any neglect, delay or denial of any request therefor

## XII NON-WAIVER AND REMEDIES

A. Licensor's delay, waiver or failure to exercise any right, option or remedy provided to it under this Agreement, or to insist upon strict compliance by Developer with the terms of this Agreement, shall not constitute a waiver by Licensor to enforce any such right, option or remedy with respect to any of the terms or conditions of this Agreement or with respect to a subsequent breach or default, nor a waiver by Licensor of its right at any time thereafter to require exact and strict compliance with the terms or conditions of this Agreement Acceptance by Licensor of any payment due to it hereunder subsequent to the time at which such payment is due shall not be deemed to be a waiver by Licensor of any preceding breach by Developer of any terms or conditions of this Agreement

B No right and remedy conferred upon or reserved to Licensor or Developer by this Agreement is intended to be, nor shall be deemed to be exclusive of any other right or remedy herein or available at law or in equity, but each shall be cumulative (and not alternative) of any other right or remedy Nothing herein contained shall bar or restrict Licensor's right to obtain injunctive relief against threatened conduct that may or will cause loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions, provided, however, that Licensor shall not be required to post a bond of any kind

C If either party hereto shall be delayed or prevented from performance of any act required hereunder (excluding, however, the payment of any monetary obligations and any interest on overdue amounts which otherwise would be due and payable hereunder) by reason of any strike, walkout, fire, flood, act of God, failure of power, terrorist acts or government action, riot, insurrection, war, coup or other reason of the same or similar nature, which is not the fault of the party delayed , then performance of such work or acts (excluding the payment of monetary obligations and interest) shall be excused for the period of the delay, provided, however, should any performance or act required hereunder by Developer, including any performance or act related to the Managing Principal or any other Principal, be delayed for at least one hundred twenty (120) days, Licensor may, at its option, terminate this Agreement immediately upon notice to Developer

## XIII DEFAULT AND TERMINATION

A Developer shall be deemed to be in default under this Agreement and all rights granted herein shall automatically terminate without notice to Developer, if

(1) Developer becomes insolvent or makes a general assignment for the benefit of creditors or files a voluntary petition under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state or admits in writing its inability to pay its debts when due,

(2) Developer is adjudicated bankrupt or insolvent in proceedings filed against Developer under any section or chapter of federal bankruptcy law or any similar law or statute of the United States or any state,

(3) a bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by Developer, or if a receiver or other custodian (permanent or temporary) of Developer's assets or property, or any part thereof, is appointed by any court of competent jurisdiction,

(4) proceedings for a composition with creditors under any state or federal law are instituted by or against Developer,

(5) a final judgment against Developer remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed),

(6) Developer is dissolved,

(7) execution is levied against Developer's business or property,

(8) suit to foreclose any lien or mortgage against the premises or equipment of any business operated hereunder or under any Franchise Agreement is instituted and not dismissed within thirty (30) days, or

(9) the real or personal property of any business operated hereunder or under any Franchise Agreement shall be sold after levy by any sheriff, marshal, constable or other government official

B Developer shall be deemed to be in default and Licensor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Developer any opportunity to cure the default except as provided below or unless otherwise as provided by law, effective immediately upon written notice to Developer, upon the occurrence of any of the following events of default

(1) If Developer fails to comply with the Development Schedule (or any extension, if any, thereof approved by Licensor in writing), or if Developer fails to develop a replacement Restaurant within any time period agreed upon by the parties pursuant to this Agreement,

(2) If Developer fails to execute each Franchise Agreement in accordance with this Agreement,

(3) If Developer or any Principal is convicted of, or shall have entered a plea of <u>nolo contendere</u> to, a felony, a crime involving moral turpitude or any other crime or offense that Licensor believes is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated herewith or Licensor's interest therein,

(4) If a threat or danger to public health or safety results from the construction, maintenance or operation of any Restaurant developed under this Agreement,

(5) If Developer breaches any of its representations and warranties, or fails to perform any of its covenants, in this Agreement,

(6) If Developer or any Principal Transfers or attempts to Transfer any rights or obligations under this Agreement, an interest in Developer, or the assets of Developer, without first obtaining Licensor's written consent or without offering Licensor a right of first refusal with respect to such Transfer pursuant to Section IX of this Agreement,

(8) If Developer or any Principals fails to comply with the covenants in Section VIII A (1) hereof,

(9) If an approved Transfer upon death or Permanent Disability is not effected within the time period and in the manner prescribed by Section IX E ,

(10) If Developer misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated therewith or with the System or Licensor's rights therein and does not cure such default within twenty-four (24) hours following notice from Licensor,

(11) If Developer or any of its Affiliates fails, refuses or neglects promptly to pay any monetary obligation owing to Licensor or its Affiliates when due under this Agreement, any Franchise Agreement or any other agreement between Licensor or its Affiliates and Developer or its Affiliates and does not cure such default within five (5) days following notice from Licensor,

(12) If Developer or any of its Affiliates fails or refuses to comply with any terms and conditions of any sublease, or related agreement, between Licensor or its Affiliates and Developer or its Affiliates, and does not cure such default within any notice and cure period provided for in such sublease or related agreement following notice from Licensor of such default (unless no cure period is specified in the sublease or other agreement, in which case the notice and cure period in Section XIII C shall apply), and

(13) If Developer has, on three (3) occasions, committed a material event of default under this Agreement, whether or not cured, after notice by Licensor

C Except as provided above in Section XIII , if Developer or its Affiliates fails to comply with any other term or condition imposed by this Agreement, or any other agreement between Developer or its Affiliates and Licensor or its Affiliates, or if any franchisee fails to comply with any term or condition imposed by any Franchise Agreement, Licensor may upon notice to Developer terminate this Agreement after Licensor has given written notice to Developer stating the nature of such default and providing Developer at least thirty (30) days to cure such defaults(s), provided, however, that Developer may avoid termination by immediately initiating the cure of such default(s) and curing it to Licensor's satisfaction within the thirty (30) day period and by promptly providing proof thereof to Licensor If any such default is not cured within the specified time, or such longer period as applicable law may require this Agreement may be terminated by Licensor upon notice to Developer

D Upon default by Developer under Section III B , Licensor has the option, in its sole discretion, in addition to exercising its option to terminate this Agreement, to do any one or more of the following

(1) Terminate or modify any territorial rights or protection granted to Developer in Section I ,

(2) Reduce the area of such territorial rights or protection, or

(3) Reduce the number of Restaurants which Developer may establish within the Territory,

(4) Pursue any other remedy Licensor may have at law or in equity

E (1) Upon the termination or expiration of this Agreement, all rights granted hereunder to Developer shall terminate and Developer shall have no right to establish or operate any Restaurant for which a Franchise Agreement has not been executed by Licensor and delivered to Developer at the time of termination or expiration

(2) If Licensor elects to terminate the territorial rights or protection granted to Developer, modify such territorial rights or protection or reduce the area of territorial rights or protection as provided in Section XIII D above, Developer shall continue to develop Restaurants in accordance with the Development Schedule to the extent that the number of Restaurants Developer is required to develop is reduced and/or the area in which such Restaurants are required to be developed is reduced by Licensor pursuant to Section XIII D

(3) If Licensor exercises any of its rights in Section XIII D , or if this Agreement otherwise expires or terminates, Licensor shall be entitled to establish, and to license others to establish, Restaurants in the Territory or in the portion thereof no longer part of the Territory or pursuant to any

other modification of Developer's territorial rights, except as may be otherwise provided under any Franchise Agreement which is then in effect between Licensor and Developer or its Affiliates

F Licensor's exercise of any of its options under Section XIII D shall not constitute a waiver by Licensor to exercise its option to terminate this Agreement at any time with respect to a subsequent event of default of a similar or different nature

G No default under this Agreement shall constitute a default under any Franchise Agreement, unless the default is also a default under the terms of such Franchise Agreement

H Upon default of Developer and the early termination of this Agreement, Licensor shall have the right to purchase the assets of all of the Restaurants opened pursuant to Franchise Agreements executed under the terms of this Agreement The terms and conditions of the purchase transaction, including but not limited to, the purchase price for the assets of such Restaurants, shall be determined in accordance with the provisions contained in the applicable Franchise Agreement permitting Licensor to purchase, at its option, such assets upon termination or expiration of the Franchise Agreement

I Developer shall promptly pay all sums owing to Licensor or its Affiliates, including but not limited to all costs and expenses in enforcing this Agreement In the event of termination for any default of Developer, such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by Licensor or its Affiliates as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Licensor against any and all of the personal property, furnishings, equipment, signs, fixtures and inventory owned by Developer

J Developer shall pay to Licensor all damages, costs and expenses incurred by Licensor or its Affiliates subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement

K Developer shall comply with all of its covenants or agreements which, pursuant to the terms of this Agreement or the nature of the covenant or agreement, survive the expiration or termination of this Agreement, including without limitation the restrictions on confidential information contained in Section VIII B and the covenants against competition contained in Section VIII C

L No right or remedy herein conferred upon or reserved to Licensor is exclusive of any other right or remedy provided or permitted by law or in equity

**XIV CHOICE OF LAW, FORUM SELECTION, WAIVERS**

A. THIS AGREEMENT SHALL BE INTERPRETED AND CONSTRUED UNDER THE LAWS OF THE STATE OF FLORIDA (EXCEPT FOR FLORIDA CHOICE OF LAW RULES)

B THE PARTIES AGREE THAT ANY ACTION BROUGHT BY EITHER PARTY AGAINST THE OTHER IN ANY COURT, WHETHER FEDERAL OR STATE, SHALL BE BROUGHT WITHIN THE STATE OF FLORIDA IN THE JUDICIAL DISTRICT IN WHICH LICENSOR HAS ITS OFFICES, PROVIDED, HOWEVER, THAT WITH RESPECT TO ANY ACTION WHICH INCLUDES INJUNCTIVE RELIEF OR SEEKS POSSESSION OR DISPOSITION OF, OR OTHER RELIEF RELATING TO, REAL PROPERTY, LICENSOR MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE WHICH HAS JURISDICTION THE PARTIES HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION

C DEVELOPER HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT THIS WAIVER WILL APPLY TO ANY MATTER BETWEEN OR AMONG DEVELOPER, MANAGING PRINCIPAL OR THE PRINCIPALS AND LICENSOR OR ITS AFFILIATES WHICH ARISES OUT OF OR IN ANY WAY IS RELATED TO THIS AGREEMENT, ANY PARTY'S OR GUARANTOR'S PERFORMANCE UNDER THIS AGREEMENT, AND/OR THE OFFER OR SALE OF DEVELOPMENT RIGHTS REPRESENTED BY THIS AGREEMENT

D THE PARTIES TO THIS AGREEMENT WAIVE, EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, ANY RIGHT OR CLAIM OF ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES AGAINST THE OTHER PARTY AND THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, PARTNERS, AGENTS, REPRESENTATIVES, INDEPENDENT CONTRACTORS, SERVANTS AND EMPLOYEES, IN THEIR CORPORATE AND INDIVIDUAL CAPACITIES, ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT, OR OTHERWISE), PROVIDED, THAT THIS WAIVER WILL NOT PRECLUDE LICENSOR FROM ASSERTING A CLAIM, OR RECOVERING, FOR LOST FUTURE PROFITS IF THIS AGREEMENT IS TERMINATED BEFORE EXPIRATION OF THE TERM AS A RESULT OF DEVELOPER'S BREACH EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, LICENSOR AND ITS AFFILIATES AND DEVELOPER AND ITS AFFILIATES, AND THE PRINCIPALS SHALL BE LIMITED TO THE RECOVERY OF THEIR DIRECT OR GENERAL DAMAGES IN ANY ACTION FOR DAMAGES IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES WILL CONTINUE IN FULL FORCE AND EFFECT

E DEVELOPER, FOR ITSELF AND THE PRINCIPALS, AND LICENSOR ACKNOWLEDGE THAT EACH PARTY'S AGREEMENT REGARDING APPLICABLE STATE LAW AND FORUM SET FORTH ABOVE PROVIDES EACH OF THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND ANY DISPUTE ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT EACH FURTHER ACKNOWLEDGES THE RECEIPT AND SUFFICIENCY OF MUTUAL CONSIDERATION FOR SUCH BENEFIT, AND THAT THEIR AGREEMENT REGARDING APPLICABLE STATE LAW AND CHOICE OF FORUM HAVE BEEN NEGOTIATED IN GOOD FAITH AND ARE PART OF THE BENEFIT OF THE BARGAIN REFLECTED BY THIS AGREEMENT

F THE EXECUTION OF THIS AGREEMENT AND ACCEPTANCE OF THE TERMS BY THE PARTIES OCCURRED AT LICENSOR'S PRINCIPAL PLACE OF BUSINESS IN FLORIDA, AND FURTHER ACKNOWLEDGE THAT THE PERFORMANCE OF CERTAIN OBLIGATIONS OF DEVELOPER ARISING UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THE PAYMENT OF MONIES DUE HEREUNDER, SHALL OCCUR WHERE LICENSOR'S PRINCIPAL PLACE OF BUSINESS IS LOCATED IN FLORIDA

G NO FORM OF PROCEEDING PERMITTED HEREBY WILL BE MAINTAINED BY ANY PARTY TO ENFORCE ANY LIABILITY OR OBLIGATION OF THE OTHER PARTY, WHETHER ARISING FROM THIS AGREEMENT OR OTHERWISE, UNLESS BROUGHT BEFORE THE EXPIRATION OF THE LATER OF (i) ONE (1) YEAR AFTER THE DATE OF DISCOVERY OF THE FACTS RESULTING IN SUCH LIABILITY OR OBLIGATION, OR (ii) TWO (2) YEARS

AFTER THE DATE OF THE FIRST ACT OR OMISSION GIVING RISE TO THE ALLEGED LIABILITY OR OBLIGATION, EXCEPT THAT WHERE STATE OR FEDERAL LAW MANDATE OR MAKE POSSIBLE BY NOTICE OR OTHERWISE A SHORTER PERIOD, SUCH SHORTER PERIOD SHALL APPLY

H Any obligation of Developer or any Principal that contemplates performance of such obligation after termination or expiration of this Agreement or any Transfer shall be deemed to survive such termination, expiration or Transfer

I **DEVELOPER, FOR ITSELF AND FOR THE PRINCIPALS, ACKNOWLEDGES THAT VARIOUS PROVISIONS OF THIS AGREEMENT SPECIFY CERTAIN MATTERS THAT ARE WITHIN THE DISCRETION OR JUDGMENT OF LICENSOR OR ARE OTHERWISE TO BE DETERMINED UNILATERALLY BY LICENSOR IF THE EXERCISE OF LICENSOR'S DISCRETION OR JUDGMENT AS TO ANY SUCH MATTER IS SUBSEQUENTLY CHALLENGED, THE PARTIES TO THIS AGREEMENT EXPRESSLY DIRECT THE TRIER OF FACT THAT LICENSOR'S RELIANCE ON A BUSINESS REASON IN THE EXERCISE OF ITS DISCRETION OR JUDGMENT IS TO BE VIEWED AS A REASONABLE AND PROPER EXERCISE OF SUCH DISCRETION OR JUDGMENT, WITHOUT REGARD TO WHETHER OTHER REASONS FOR ITS DECISION MAY EXIST AND WITHOUT REGARD TO WHETHER THE TRIER OF FACT WOULD INDEPENDENTLY ACCORD THE SAME WEIGHT TO THE BUSINESS REASON**

## XV <u>NOTICES</u>

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by expedited delivery service or certified or registered mail, return receipt requested, first-class postage prepaid, or sent by prepaid facsimile (provided that the sender confirms the facsimile by sending an original confirmation copy by certified or registered mail or expedited delivery service within three (3) Business Days after transmission) 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 Licensor | Roma Franchise Corporation<br>11315 Corporate Blvd , Suite 100<br>Orlando, Florida 32817<br>Attention Chief Executive Officer<br>Facsimile 321-281-9340 |
| Notices to Developer and the Principals | ____________________<br>____________________<br>____________________<br>Attention _______________<br>Facsimile _______________ |

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of facsimile upon transmission (provided confirmation is sent as described above) or, in the case of expedited delivery service or registered or certified mail, three (3) Business Days after the date and time of mailing

## XVI ENTIRE AGREEMENT, MISCELLANEOUS

A. This Agreement, the documents referred to herein and the Attachments hereto, constitute the entire agreement between Licensor and Developer concerning the development of the Restaurants This Agreement does not cover any other relationships which may exist between the parties Except as my be described in Licensor's Franchise Disclosure Document to which reference is made in Section XVIII B below, there are no oral representations, stipulations, warranties or understandings with respect to the subject matter of this Agreement that are not fully set forth herein, and all prior or contemporaneous promises, representations, agreements and understandings in connection with the development rights to the Restaurants are expressly merged herein, provided that nothing in this Agreement, the Attachments or any related agreement is intended to disclaim Licensor's representations contained in the franchise disclosure document provided to Developer in connection with this Agreement Except for those permitted to be made unilaterally by Licensor hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing

B Licensor and Developer agree, and Developer agrees for each Principal, that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable, and the other of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable Licensor and Developer agree, and Developer agrees for each Principal, that they and their counsel have reviewed this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any attachments or amendments hereto If any court shall determine that any provision of this Agreement is not enforceable as written, Licensor and Developer agree, and Developer agrees for each Principal, that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought The provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in the Agreement and partially valid or enforceable provisions shall be enforced to the extent they are valid and enforceable Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable and this Agreement shall be interpreted and enforced as if all invalid or unenforceable provisions were not contained in this Agreement, any partially valid or partially enforceable provisions shall be enforced to the extent valid or enforceable

C Licensor may modify the System unilaterally under any conditions and to any extent which Licensor, in the exercise of its sole discretion, deems necessary

D This Agreement shall not become effective until signed by an authorized officer of Licensor
All references to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable

E The use herein of any personal pronouns shall include the masculine, feminine and neuter pronouns

## XVII GENERAL

A. Franchisor and Franchisee agree, and Franchisee agrees for each Principal, that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable, and the other of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable Franchisor and Franchisee agree, and Franchisee agrees for each Principal, that they and their counsel have reviewed this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any attachments or amendments hereto If any court shall determine that any provision of this Agreement is not enforceable as written, Franchisor and Franchisee agree, and Franchisee agrees for each Principal, that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought The provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in the Agreement and partially valid or enforceable provisions shall be enforced to the extent they are valid and enforceable Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable and this Agreement shall be interpreted and enforced as if all invalid or unenforceable provisions were not contained in this Agreement, any partially valid or partially enforceable provisions shall be enforced to the extent valid or enforceable

B Franchisor may modify the Manual and/or the System unilaterally under any conditions and to any extent which Franchisor deems necessary in its sole discretion

C This Agreement shall not become effective and binding until executed by an authorized officer of Franchisor Franchisee's occupancy of the Restaurant prior to such execution hereof by Franchisor shall not be construed as a waiver by Franchisor of this requirement

D The use herein of any personal pronouns shall include the masculine, feminine and neuter pronouns

E Licensor delay, waiver or failure to exercise any right, option or remedy provided to it under this Agreement, or to insist upon strict compliance by Developer with the terms of this Agreement, shall not constitute a waiver by Licensor to enforce any such right, option or remedy with respect to any of the terms or conditions of this Agreement or with respect to a subsequent breach or default, nor a waiver by Licensor of its right at any time thereafter to require exact and strict compliance with the terms of this Agreement Acceptance by Licensor of any payment due to it hereunder subsequent to the time as which such payment is due shall not be deemed a waiver of any preceding breach by Developer of any terms or conditions of this Agreement

F Licensor shall be entitled to recover from Developer Licensor's reasonable attorneys' fees and all court costs in any litigation between Licensor and Developer arising out of any dispute concerning the terms and provisions of this Agreement

G Except as expressly provided in this Agreement, nothing in this Agreement is intended, nor shall be deemed, to confer upon any Person other than Developer and Licensor any rights or remedies under or as a result of this Agreement

H All captions in this Agreement are intended solely for the convenience of the parties and shall not affect the meaning or construction of any provision of this Agreement

I Except as otherwise provided herein, when this Agreement requires the prior consent, acceptance or approval of Licensor, Developer shall make a timely written request to Licensor and such consent, acceptance or approval shall be obtained in writing

J Developer acknowledges that Licensor is entering into this Agreement in reliance upon and in consideration of the business skill, financial capacity, personal character, the personal qualifications of each Principal Therefore, and as a condition precedent to the effectiveness of this Agreement, each Principal shall to execute and deliver to Licensor a Guaranty of Payment and Performance in substantially the form attached hereto as Attachment C at the same time this Agreement is executed by Developer

K Licensor may, but is not required to, arrange and present, not more frequently than on an annual basis, a Global Conference Each Global Conference may be presented at such locations as Licensor determines in Licensor's sole discretion and shall be for such a period of time Licensor determines in its sole discretion Licensor has the right, in its sole discretion, to (i) make attendance by Developer representatives (as Licensor reasonably determines) at any Global Conference mandatory, and/or (ii) charge a Global Conference Fee for any Global Conference The Global Conference Fee may be determined (i) per franchisee, (ii) per attendee, (iii) by the number of Restaurants operated, or committed to be developed and operated pursuant to this Agreement, and/or (iv) based upon other factors or criteria as Licensor may determine in its sole but reasonable discretion for any Global Conference Licensor may require that certain persons attend any Global Conference including, without limitation, representatives of Developer ownership, directors of operations, multi-unit managers, general managers, kitchen managers and/or executive chefs Developer shall pay the Global Conference Fee to Licensor within twenty (20) days following the date Licensor notifies Developer that the Global Conference Fee is being assessed, whether or not each franchise group is required to attend, or attends, such conference, and/or Licensor may apply JMA Fees (defined in the Franchise Agreement) to pay for up to all of the costs and expenses Licensor or its affiliate incurs in arranging for and putting on such any Global Conference Developer must pay all of its or its representatives costs and expenses incurred to attend any Global Conference including, without limitation, travel, lodging, meals and incidental expenses

## XVIII ACKNOWLEDGMENTS

A Developer acknowledges that it has conducted an independent investigation of the business venture contemplated by this Agreement and recognizes that the success of such business venture involves substantial business risks and that its success will largely depend upon the ability of Developer, Managing Principal and each Principal Licensor expressly disclaims making of, and Developer acknowledges that it has not received or relied on, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement

Initials_____/_____

B Developer acknowledges that it received a complete copy of this Agreement and all related Attachments and agreements relating thereto at least seven (7) calendar days prior to the date on which this Agreement was executed Developer further acknowledges that it has received Licensor's Franchise Disclosure Document required by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising" at least fourteen (14) calendar days prior to the date on which this Agreement was executed

Initials_____/_____

C Developer acknowledges that it has read and understands this Agreement and the Attachments and agreements relating thereto, and that Licensor has accorded it ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement

Initials_________/______

D Developer understands that Licensor has previously granted development rights pursuant to development agreements, the terms and conditions of which vary from the terms and conditions of this Agreement Further, Developer acknowledges that in the future Licensor may offer existing developers the opportunity to enter into a development agreement similar to this Agreement for their existing restaurants, however, such agreement would be modified to take into consideration such existing restaurant operations

Initials_________/______

E As between Licensor and its Affiliates and Developer and its Affiliates, any and all "goodwill" created by operation of the franchised business shall inure to the benefit of Licensor and its Affiliates, and neither Developer nor its Affiliates shall, at any time, be entitled to compensation for any such "goodwill" from Licensor or its Affiliates

Initials_________/______

F Licensor and Developer agree that neither Managing Principal nor any Principal is a party to this Agreement, any language in this Agreement to the contrary notwithstanding

This Agreement may be (i) executed in multiple counterparts and each copy so executed shall be deemed an original, (ii) executed by either party using electronic signatures, and (iii) delivered by electronic delivery (for example, an attachment to electronic mail), and in such circumstances this Agreement, so executed and delivered, shall be deemed an original Agreement and fully binding on the parties

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

LICENSOR

ROMA FRANCHISE CORPORATION
a Delaware corporation

ATTEST

By ______________________________

______________________ Name ______________________________

Witness ________________ Title ______________________________

DEVELOPER

______________________________

By ______________________________

______________________ Name ______________________________

Witness Title ______________________________

**ATTACHMENT A**

**ROMA FRANCHISE CORPORATION**

**FRANCHISE AGREEMENT**

(See Exhibit C of Disclosure Document)

## ATTACHMENT B

## STATEMENT OF OWNERSHIP INTERESTS AND DEVELOPER'S PRINCIPALS

The following is a list of stockholders, partners or other investors in Developer, including all investors who own or hold a direct or indirect interest in Developer, and a description of the nature of their interest If any of the following stockholders, partners or other investors is an entity other than a natural person, the names of all Persons holding an Ownership Interest in such entity, and a description of the nature of their interest, shall appear directly below the name of the stockholder, partner or other investor

| <u>Name</u> | <u>Percentage of Ownership/Nature of Interest</u> |
| --- | --- |

**ATTACHMENT C**

**GUARANTY OF PAYMENT AND PERFORMANCE**

("Guaranty")

As an inducement to Roma Franchise Corporation ("Franchisor") to execute that certain Development Agreement, including the Attachments thereto (the "Development Agreement"), dated the date hereof between Licensor and Developer, and with the understanding that Licensor would not enter into the Development Agreement in the absence of the execution and delivery to Licensor of this Guaranty, the undersigned Principals represent, warrant, covenant, agree and acknowledge to Licensor as follows

1 Capitalized terms used in this Guaranty and not defined herein shall have the meanings attributed to such terms in the Development Agreement

2 Each Principal acknowledges that Licensor is entering into the Development Agreement in reliance upon and in consideration of the business skill, financial capacity, personal character, the personal qualifications of each Principal

3 Principals, personally, unconditionally, irrevocably, jointly and severally (i) represents and warrants that each is a "Principal" as defined in the Development Agreement, (ii) confirms and true and correct each of the representations and warranties and/or acknowledgements of Developer in the Development Agreement, and (iii) shall take all such steps as are necessary or appropriate to cause Developer to fully comply with its obligations under or pursuant to the Development Agreement in a timely manner

4 Each Principal, personally, unconditionally and irrevocably, makes each of the covenants, agreements and/or acknowledgements of Developer described in the Development Agreement including without limitation those contained in Sections VI A.(8), VI B, VI C, VIII, IX, X A-C (inclusive), XIII And XIV of the Development Agreement, each and all of which is incorporated herein by reference as if fully set forth herein and each of which each Principal agrees is applicable to, and binds, each Principal personally

5 Each Principal, personally, unconditionally, irrevocably, jointly and severally guarantees to Licensor and its Affiliates, and their respective successors and assigns, that all of Developer's obligations under the Development Agreement, including without limitation all monetary obligations (including indemnity and guarantee obligations) of Developer, will be fully and timely paid and performed For purposes of this Guaranty, the monetary obligations of Developer under the Development Agreement includes, without limitation, Developer's obligations to defend indemnify and hold harmless Licensor and/or its Affiliates as described in the Development Agreement Upon any default by Developer under the Development Agreement, or notice from Licensor of a default by Developer under the Development Agreement, each Principal, jointly and severally, will immediately make each payment and perform each obligation required of Developer under the Development Agreement

6 Without affecting the obligations of the Principals under this Guaranty, Licensor may, without notice to any Principal, renew, extend, modify, amend or release any indebtedness or obligation of Developer under or related to the Development Agreement, or settle, adjust or compromise any claims against Developer No amendment, modification or waiver of any provision of this Guaranty shall be of any effect unless in writing and signed by each Principal and Franchisor

7 Each Principal waives all demands and notices of every kind with respect to the enforcement of this Guaranty and the Development Agreement including, without limitation, notice of

presentment, the amendment or modification of this Guaranty or the Development Agreement, the demand for payment or performance by Developer, any default by Developer or any Principal and any release of any Principal or other security for the Development Agreement or the obligations of Developer

8 Licensor may pursue its rights against any one or all of the Principals without first exhausting its remedies against Developer and without joining any other Principal Without notice to any Principal, Licensor may modify, amend or release any indebtedness or obligation of any Principal under this Guaranty, or settle, adjust or compromise any claim against any Principal, without affecting the obligations of the remaining Principals under this Guaranty

9 Licensor's delay, waiver or failure to exercise any right, option or remedy provided to it under the Development Agreement or this Guaranty, or to insist upon strict compliance by (i) any Principal with the terms of this Guaranty, or (ii) Developer with the terms of the Development Agreement, shall not constitute a waiver by Licensor to enforce any such right, option or remedy with respect to any of the terms or conditions of this Guaranty or the Development Agreement, or with respect to a subsequent breach or default, or a waiver by Licensor of its right at any time thereafter to require exact and strict compliance with the terms of this Guaranty or the Development Agreement Licensor's acceptance of any payment due to it under this Guaranty or the Development Agreement subsequent to the time as which such payment is due shall not be deemed a waiver of any preceding breach by any Principal of any terms or conditions of this Guaranty or by Developer of any terms or conditions of the Development Agreement

10 No right or remedy conferred upon or reserved to Licensor by this Guaranty or the Development Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy or available at law or in equity, but each shall be cumulative (and not alternative) of every other right or remedy Nothing herein contained shall bar or restrict Licensor's right to obtain injunctive relief against threatened conduct that may or will cause loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions, provided, however, that Licensor shall not be required to post a bond of any kind

11 Licensor shall be entitled to recover from each Principal, jointly and severally, Licensor's reasonable attorneys' fees and all court costs in any litigation between Licensor and any Principal arising out of any dispute concerning the terms and provisions of this Guaranty

12 Each Principal agrees that, if any provisions of the Development Agreement or this Guaranty may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable, and the other of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable Each Principal acknowledges that he/she/it and their respective counsel have reviewed the Development Agreement and this Guaranty and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Development Agreement or this Guaranty or any attachments or amendments hereto If any court shall determine that any provision of the Development Agreement or this Guaranty is not enforceable as written, each Principal agrees that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought The provisions of this Guaranty are severable and this Guaranty shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in this Guaranty and partially valid or enforceable provisions shall be enforced to the extent they are valid and enforceable Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Guaranty shall be considered severable and this Guaranty shall be interpreted and enforced as if all invalid or unenforceable provisions were not

contained in this Guaranty, any partially valid or partially enforceable provisions shall be enforced to the extent valid or enforceable

13 Each Principal acknowledges that he/she/it has conducted an independent investigation of the business venture contemplated by the Development Agreement and recognizes that the success of such business venture involves substantial business risks and that its success will largely depend upon the ability of Franchisee, Managing Principal and each Principal. Licensor expressly disclaims the making of, and each Principal acknowledges that it has not received or relied on, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Development Agreement

Initials________/_____

14 Each Principal acknowledges that he/she/it received a complete copy of the Development Agreement and all Attachments and agreements relating thereto at least seven (7) calendar days prior to the date on which the Development Agreement was executed Each Principal further acknowledges that he/she/it has received Licensor's Franchise Disclosure Document required by applicable state law or by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising" at least fourteen (14) calendar days prior to the date on which the Development Agreement was executed

Initials________/_____

15 Each Principal acknowledges that he/she/it has read and understands the Development Agreement and the Attachments and agreements relating thereto, and this Guaranty and the agreements relating thereto, and that Licensor has accorded he/she/it ample time and opportunity to consult with advisors of his/her/its own choosing about the potential benefits and risks of entering into this Guaranty

Initials________/_____

16 Each Principal understands that Licensor has previously granted development rights pursuant to agreements, the terms and conditions of which vary from the terms and conditions of the Development Agreement Further, each Principal acknowledges that in the future Licensor may offer existing developers the opportunity to enter into a development agreement similar to the Development Agreement, however, such development agreement would be modified to take into consideration such existing restaurant operations

Initials________/_____

17 As between Licensor and its Affiliates, Franchisee and its Affiliates, and each Principal and its Affiliates (if any), any and all "goodwill" created by operation of the business described in the Development Agreement shall inure to the benefit of Licensor and its Affiliates, and neither Developer nor its Affiliates, nor any Principal nor its Affiliates shall, at any time, be entitled to compensation for any such "goodwill" from Licensor or its Affiliates

Initials________/_____

This Guaranty may be (i) executed in multiple counterparts and each copy so executed shall be deemed an original, (ii) executed by any party using electronic signatures, and (iii) delivered to Licensor by electronic delivery (for example, an attachment to electronic mail), and in such circumstances this Guaranty, so executed and delivered, shall be deemed an original Guaranty and fully binding.

IN WITNESS WHEREOF, each Principal has signed this Guaranty this _____ day of ___________, 20___

PRINCIPALS

| | |
|---|---|
| Name ____________________ | Name ____________________ |
| Address ____________________ | Address ____________________ |
| ____________________ | ____________________ |

**ATTACHMENT D**
**STATE SPECIFIC AMENDMENTS**

**ROMA FRANCHISE CORPORATION**
**CALIFORNIA AMENDMENT TO DEVELOPMENT AGREEMENT**

For purposes of complying with the requirements of California law, including the California Franchise Investment Law, CAL CORP CODE Section 31000 *et seq* ("CFIL"), and the California Franchise Relations Act, CAL BUS & PROF CODE Section 20000 *et seq* (the "CRA"), Roma Franchise Corporation ("Roma") and ________________ ("Developer"), hereby amend the Development Agreement between them dated ________________ (the "Agreement") as follows

1 Sections 20000 through 20043 of the CRA provide rights to you concerning nonrenewal and termination of the Agreement The Federal Bankruptcy Code also provides rights to You concerning termination of the Agreement upon certain bankruptcy-related events To the extent the Agreement contains a provision that is inconsistent with these laws, these laws will control

2 The Agreement requires you to execute a general release of claims upon transfer of the Agreement California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order is void Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516) Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 2000 through 20043)

3 If the Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable

4 If the Agreement contains a covenant not to compete which extends beyond the expiration or termination of the Agreement, the covenant may be unenforceable under California law

5 If the Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California, the requirement may unenforceable under California law

6 If the Agreement requires that it be governed by a state's law other than the State of California, such requirement may be unenforceable

7 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of California law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

8 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

9 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**DEVELOPER**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**ROMA FRANCHISE CORPORATION**
**ILLINOIS AMENDMENT TO DEVELOPMENT AGREEMENT**

For purposes of complying with the requirements of Illinois law, including the Illinois Franchise Disclosure Act of 1987, Ill Rev Stat ch 815 para 705/1 – 705/44 (1994) (the "Illinois Franchise Act"), Roma Franchise Corporation ("Roma") and ________________ ("Developer"), hereby amend the Development Agreement between them dated ________________ (the "Agreement") as follows

1 Section 705/19 and 705/20 of the Illinois Franchise Act provide rights to franchisees concerning nonrenewal and termination of a franchise If the Agreement contains a provision that is inconsistent with the Illinois Franchise Act, the Illinois Franchise Act will control.

2 Section 41 of the Illinois Franchise Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void " To the extent that any provision in the Agreement is inconsistent with Illinois law, Illinois law will control.

3 Any provision that designates jurisdiction or venue or requires Developer to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the state of Illinois

4 To the extent that Section XXI of the Agreement (pertaining to choice of law) conflicts with Illinois law, Illinois law will control

5 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Illinois law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

6 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel. Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**DEVELOPER**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**ROMA FRANCHISE CORPORATION**
**MARYLAND AMENDMENT TO DEVELOPMENT AGREEMENT**

For purposes of complying with the requirements of Maryland law, including the Maryland Franchise Registration and Disclosure Law, MD BUS REG CODE ANN § 14-201 et seq (2015 Repl Vol) (the "Maryland Franchise Law"), Roma Franchise Corporation ("Roma") and ________________ ("Developer"), hereby amend the Development Agreement between them dated ________________ (the "Agreement") as follows

1 All representations requiring a prospective franchisee to assent to any release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

2 The Agreement is amended to reflect that

(a) Any general release required as part of the Agreement or as a condition of the sale renewal, or assignment/transfer of the franchise shall not apply to any liability under the Maryland Franchise Law

(b) Notwithstanding any other provision contained in the Agreement, any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise

(c) Any provision in the Agreement which requires litigation to be conducted in a forum other than the State of Maryland will not limit any rights you may have under the Maryland Franchise Law to bring suit in the State of Maryland

3 If the Agreement provides for renewal, any general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

4 Section II of the Agreement is supplemented and amended as follows

Receipt of the Development Fee and other initial payments will be deferred until the first Restaurant is open for business Such fees will accrue during the deferral period and all accrued fees will be payable immediately upon the opening of said restaurant

5 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Maryland law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

6 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ________________, 20___

**ROMA FRANCHISE CORPORATION**

By ______________________________

Name ____________________________

Title ____________________________

______________________________

Witness

**DEVELOPER**

By ______________________________

Name ____________________________

Title ____________________________

______________________________

Witness

**ROMA FRANCHISE CORPORATION**
**MINNESOTA AMENDMENT TO DEVELOPMENT AGREEMENT**

For purposes of complying with the requirements of Minnesota law, including the Minnesota Franchise Act, Minn Stat Section 80 01 *et seq* and the rules and regulations promulgated thereunder, Roma Franchise Corporation ("Roma") and _________________ ("Developer"), hereby amend the Development Agreement between them dated _________________ (the "Agreement") as follows

1 The Minnesota Department of Commerce requires that Roma indemnify you against liability to third parties for infringement resulting from your use of the trademarks licensed under the Agreement Section III of the Franchise Agreement (defined in the Agreement) describes the circumstances under which Roma will indemnify you against third party liability for trademark infringement Requirements imposed under the Minnesota Franchises Act will supersede inconsistent provisions contained in Section III of the Franchise Agreement

2 Sec 80C 14, Subd 4 of the Minnesota Franchises Act requires, except in certain specified instances, that Roma give you written notice of its intention not to renew the franchise 180 days before the franchise expires, and to give you sufficient opportunity to operate the franchise in order to enable you to recover the fair market value of the franchise as a going concern Requirements imposed under the Minnesota Franchise Act will supersede inconsistent provisions contained in the Agreement

3 Sec 80C 14, Subd 3 of the Minnesota Franchises Act requires, except in certain specified instances, that Roma give you ninety (90) notice of termination (with sixty (60) days to cure) Requirements imposed under the Minnesota Franchises Act will supersede inconsistent provisions contained in the Agreement

4 Any release of claims or acknowledgment of fact contained in the Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Minnesota Franchises Act or a rule or order promulgated thereunder shall be void with respect to claims arising under the Minnesota Franchises Act

5 Sec 80C 17, Subd 5 of the Minnesota Franchises Act provides that no action may be commenced thereunder more than three (3) years after the cause of action accrues To the extent that Section XIV conflicts with this law, the law will control.

6 Secs 80C 21 of the Minnesota Franchises Act and Minn Rule 2860 4400J prohibit Roma from requiring litigation to be conducted outside Minnesota Nothing in the Agreement will, or is intended to, abrogate or reduce any of your rights as provided for in the Minnesota Franchises Act or your rights to any procedure forum or remedies provided for by the laws of the Minnesota

7 Section VIII C of the Agreement (pertaining to liquidated damages) is hereby deleted, provided, that such deletion shall not excuse you from liability for actual or other damages and the formula for assessing liquidated damages shall be admissible in any litigation or proceeding as evidence of actual damages

8 Section XVI (pertaining to waiver of rights to a jury trial) is hereby deleted

9 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Minnesota law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

10 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

11 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________
Witness

By ______________________________
Name ____________________________
Title _____________________________

**DEVELOPER**

______________________________
Witness

By ______________________________
Name ____________________________
Title _____________________________

**ROMA FRANCHISE CORPORATION**
**NEW YORK AMENDMENT TO DEVELOPMENT AGREEMENT**

For purposes of complymg with the requirements of New York Law, mcludmg the New York General Busmess Law, Article 33, §§ 680 – 695 (1989) (the "New York Law"), Roma Franchise Corporation ("Roma") and ________________ ("Developer"), hereby amend the Development Agreement between them dated ________________ (the "Agreement") as follows

1 To the extent that the Agreement requires you to sign a release or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the New York Law or a rule or order promulgated thereunder, such release or acknowledgment of fact shall be void with respect to claims arising under the New York It is the intent of this provision that non-waiver provisions of the Sections 687 4 and 687 5 of the New York Law be satisfied

2 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of New York Law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

3 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

4 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ____________, 20___

**ROMA FRANCHISE CORPORATION**

________________________
Witness

By ________________________
Name ________________________
Title ________________________

**DEVELOPER**

________________________
Witness

By ________________________
Name ________________________
Title ________________________

**ROMA FRANCHISE CORPORATION**
**NORTH DAKOTA AMENDMENT TO DEVELOPMENT AGREEMENT**

For purposes of complying with the requirements of the North Dakota Franchise Investment Law, North Dakota Century Code Annotated Chapter 51-19, §§ 51-09-01 through 51-19-17 (1993) (the "NDFIL"), Roma Franchise Corporation ("Roma") and ________________ ("Developer"), hereby amend the Development Agreement between them dated ________________ (the "Agreement") as follows

1 Covenants not to compete are enforceable only under certain conditions under North Dakota law If the Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable

2 If the Agreement requires litigation, arbitration or mediation to be conducted in a jurisdiction other than North Dakota, the requirement is void Any litigation, arbitration or mediation under the Agreement shall be conducted in North Dakota or a mutually agreed upon location

3 If the Agreement requires that the Agreement be governed by a state law other than North Dakota, the requirement may be unenforceable in North Dakota

4 If the Agreement requires payment of a termination penalty or liquidation penalty, the requirement is void

5 If the Agreement requires you to consent to a waiver of exemplary and/or punitive damages, the requirement is void

6 If the Agreement requires you to consent to a waiver of trial by jury, the requirement is void

7 If the Agreement requires that you consent to a limitations of claims, the requirement is void and the statute of limitations under North Dakota law will apply

8 If the Agreement requires that you consent to payment of all costs and expenses incurred in the enforcement of the Agreement, the requirement is void The prevailing party in any such action is entitled to recover all costs and expenses, including attorneys' fees

9 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of North Dakota law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

10 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

11 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel. Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

_________________________________
Witness

By ________________________________
Name ______________________________
Title ______________________________

**DEVELOPER.**

_________________________________
Witness

By ________________________________
Name ______________________________
Title ______________________________

**ROMA FRANCHISE CORPORATION**
**RHODE ISLAND AMENDMENT TO DEVELPMENT AGREEMENT**

For purposes of complying with the requirements of the Rhode Island Franchise Investment Act, R I Gen Law ch 395 §§ 19-28,1-1 – 19 28 1-34 (the "RIFIA"), Roma Franchise Corporation ("Roma") and ________________ ("Developer"), hereby amend the Developer Agreement between them dated ________________ (the "Agreement") as follows

1 Section 19-28 1-14 of the Rhode Island Franchise Investment Act (the "RIFIA") provides that any provision in a development agreement restricting jurisdiction or venue to a forum outside of Rhode Island or requiring the application of the laws of another state is void with respect to claims otherwise enforceable under the RIFIA. Section XIV of the Agreement pertaining to forum selection and choice of law are hereby amended to the extent necessary to comply with this law

2 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Rhode Island law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

3 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

4 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel. Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**DEVELOPER**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**ROMA FRANCHISE CORPORATION**
**SOUTH DAKOTA AMENDMENT TO DEVELPMENT AGREEMENT**

Roma Franchise Corporation ("Roma") and ________________ ("Developer"), hereby amend the Developer Agreement between them dated ________________ (the "Agreement") as follows

1 The South Dakota Division of Securities has required that certain provisions contained in franchise documents be amended to be consistent with South Dakota law To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended

a The Agreement is revised to state that the South Dakota Division of Securities requires Roma to defer payment of the initial development fee and other initial payments owed by Developer to Roma until Roma completes its pre-opening obligations to Developer and Developer opens its first Restaurant under the Agreement and respective Franchise Agreement

2 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ____________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________ By ______________________________
Witness Name ______________________________
Title ______________________________

**DEVELOPER**

______________________________ By ______________________________
Witness Name ______________________________
Title ______________________________

## WASHINGTON AMENDMENT TO DEVELOPMENT AGREEMENT

For purposes of complying with the requirements of Washington law, including the Washington Franchise Investment Protection Act, WA Rev Code §§ 19 100 010 – 19 100 940 (1991) (the "WFIPA"), Roma Franchise Corporation ("Roma") and ________________ ("Developer"), hereby amend the Development Agreement between them dated ________________ (the "Agreement") as follows

1 The state of Washington has a statute, RCW 19 100 180 which may supersede the franchise agreement in your relationship with Roma including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the franchise agreement in your relationship with Roma including the areas of termination and renewal of your franchise

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

3 In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW (the "WFIPA") shall prevail.

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

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

6 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Washington law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

7 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

8 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel. Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**DEVELOPER:**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

# EXHIBIT C

# FRANCHISE AGREEMENT

**ROMA FRANCHISE CORPORATION**
**FRANCHISE AGREEMENT**

Exhibit C

**FRANCHISE AGREEMENT**

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# FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is made and entered into this ____ day of _________, 20__ by and between Roma Franchise Corporation, a Delaware corporation ("Franchisor"), and ____________________________, a ____________________________ ("Franchisee")

WITNESSETH

WHEREAS, Franchisor, as the result of the expenditure of time, skill, effort and money, has developed and owns the System,

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

WHEREAS, Franchisor identifies the System by means of the Marks,

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

WHEREAS, Franchisor and Franchisee have entered into the Development Agreement and, pursuant thereto, Franchisor desires to grant, and Franchisee, desires to accept a franchise for a [Tony Roma's/TR Fire Grill] restaurant under the System in the Territory as hereinafter set forth,
NOW, THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows

## I DEFINITIONS

In this Agreement, capitalized terms shall have the following meanings

**"Accounting Month"** means the monthly periods established by Franchisor from time to time related to the payment of certain fees or other amounts pursuant to this Agreement As of the date of this Agreement, an Accounting Month is a calendar month

**"Affiliate"** means any entity that is, directly or indirectly, controlled by, controlling or under common control with another entity

**"Agreement"** means this Franchise Agreement

**"Alternate Distribution Sites"** means any (i) enclosed area of retail sales establishments, (ii) food courts, (iii) permanent, temporary or seasonal food service facility (e g , a kiosk, concession or multi-brand facility, (iv) transportation facilities or the grounds thereof or buildings situated thereon (e g., military, airport, train station, bus terminals, port authorities and resort properties), (v) special use or non-public location (e g , schools, colleges, other institutions, public auditoriums, concert halls, hospitals and other health care facilities, cafeterias, commissaries, (vi) hotels, and sports and entertainment facilities (e g , stadiums, arenas, ballparks, convention centers), and (vii) other mass gathering locations or events designated by Licensor

"**Business Days**" means every day excluding Saturday, Sunday and the following national holidays New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, and Christmas Day

**"Commencement Date"** means the first to occur of (i) the date the Restaurant opens for business to the public in accordance with the terms hereof, or (ii) _________________[insert date from Development Schedule (as defined in the Development Agreement)]

"**Confidential Information"** means all information, trade secrets, knowledge, know how techniques and materials which Franchisor or its Affiliates provides concerning the location, construction, operation and promotion of [Tony Roma's/TR Fire Grill] restaurants, including Franchisor's proprietary recipes and techniques for preparing menu items, the Standards and all other elements of the System, all information contained in the Manual, and all other information that Franchisor designates as "Confidential Information" for purposes of this Agreement

"**Controlling Interest"** means possession (through one or more intermediaries) of the power to direct, or cause the direction of, the management or policies of any other entity, whether through the ownership of a voting interest, by contract, or otherwise

"**Cooperative**" means a group of [Tony Roma's/TR Fire Grill] restaurants formed to facilitate media and advertising placement in a particular geographic area

"**Copyrighted Works**" means all tangible media of expression including, without limitation, the Manual, the content and design of all menus, point of sales materials and other advertising, the design elements of the Marks, and the content and design of Franchisor's web site(s)

**"Development Agreement"** means that certain Development Agreement dated _____________ between Franchisor and Developer

**"Development Fee"** means $________________, being one hundred percent (100%) of the Franchise Fee for the first Restaurant (as defined in the Development Agreement) and fifty percent (50%) of the aggregate Franchise Fees for the remainder of the Restaurants included in the original Development Schedule (as defined in the Development Agreement)

"**Developer**" means _________________

"**Early Termination Fee**" means the greater of (i) an amount equal to all Royalty Fees and JMA Fees which Franchisee is or was obligated to pay to Franchisor during or with respect to the thirty-six (36) month period immediately prior to the date Franchisee gives notice of the termination of this Agreement as described in Section IV C hereof, or (ii) $400,000

**"Extension Fee"** means $5,000

**"Franchise Fee"** means [$40,000 for Tony Roma's/$50,000 for TR Fire Grill]

"**Fund**" means a fund established by or at the direction of Franchisor and expended for the purposes authorized by Section VI B of this Agreement

"**General Manager**" means any Person hired in the position of "General Manager" who must meet the Standards and all requirements for such position imposed by Franchisor

**"Gift Card Program"** means the Franchisor Gift Card Program or any successor cash card or comparable program whereby persons purchase and are issued electronic or other cash cards, but not credit cards, for use by Restaurant customers as gift cards or otherwise for the purchase of goods and services at the Restaurant

**"Global Conference"** a meeting or conference which Franchisor may arrange and present, not more frequently than on an annual basis, for all franchisees where Franchisor may present such information about [Tony Roma's/TR Fire Grill] restaurants as Franchisor determines in its sole discretion

**"Global Conference Fee"** a fee as determined by Franchisor, in Franchisor's sole but reasonable discretion, for any Global Conference The Global Conference Fee may be determined (i) per franchisee, (ii) per attendee, (iii) by the number of [Tony Roma's/TR Fire Grill] restaurants operated, or committed to be developed and operated pursuant to the Development Agreement, and/or (iv) based upon other factors or criteria as Franchisor may determine in its sole but reasonable discretion for any conference

**"Gross Sales"** means the total selling price of all services and products and all income of every other kind and nature related to the Restaurant (including, without limitation, catering, delivery and any other sales provided from or related to the Restaurant), whether for cash or credit and regardless of collection in the case of credit Gross Sales shall not include

(1) sales, value added, excise or similar taxes or duties collected directly from customers by Franchisee, provided that such taxes are actually transmitted to the appropriate taxing authority,

(2) tips, gratuities or service charges paid directly by Restaurant customers to employees of Franchisee or paid to Franchisee and promptly paid to employees by Franchisee in lieu of direct tips, gratuities or service charges,

(3) the exchange of merchandise among Franchisee's restaurants where such exchanges are made solely for the convenient operation of the Franchisee's business and not for the purpose of depriving Franchisor of the benefits of any sales which would otherwise be made at, in or from Franchisee's [Tony Roma's/TR Fire Grill] restaurants, and

(4) refunds of merchandise sales and the value of complimentary or employee meals, the aggregate amount of which shall not exceed two percent (2%) of Gross Sales in the same period

**"Indemnitees"** means Franchisor, its Affiliates, their respective successors and assigns, and each of such entities respective officers, directors, shareholders, partners, employees, agents, representatives and independent contractors

"**Intellectual Property**" means all Marks, Confidential Information, Copyrighted Works, and any patented designs or processes, that Franchisor designates for use in connection with the System

**"Intranet"** means the Internet based communication program developed for use by Franchisor and Franchisee

"**JMA**" or "**Joint Marketing Account**" means a fund established by or at the direction of Franchisor and expended for the purposes authorized by Section VI A of this Agreement

"**JMA Fee**" means up to two and one-half percent (2 5%) of the Gross Sales of the Restaurant, as established by Franchisor from time to time

"**Local Marketing**" means advertising and marketing programs that conform to the Standards conducted in the Restaurant's trading area to promote and attract customers to the Restaurant

"**Local Marketing Expenditure**" means the amount Franchisee must spend on Local Marketing as set forth in this Agreement, which shall not be less than two percent (2%) of Gross Sales

"**Location**" means the physical location of the Restaurant, the address of which shall be identified in the Summary Pages

"**Losses and Expenses**" shall include, without limitation, all losses, compensatory, exemplary, incidental, consequential or punitive damages, fines, charges, costs, expenses, lost profits, attorneys/legal' fees, court costs, settlement amounts, judgments, compensation for damages to Franchisor's reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices, and other such amounts incurred in connection with the matters described

"**Manager**" means any Person hired in the position of "Manager" who must meet the Standards and all requirements for such position imposed by Franchisor

"**Managing Principal**" means the Principal who shall devote substantial full time and best efforts to the supervision and conduct of the business contemplated by this Agreement who must meet the Standards and all requirements for such position imposed by Franchisor

"**Manual**" means the confidential Franchisor Systems manual compilation and such other manuals and written materials that Franchisor has developed or from time to time develops for use in connection with the construction, location, establishment, operation and promotion of [Tony Roma's/TR Fire Grill restaurants, and all other written directives issued by Franchisor relating to the construction, location, establishment, operation and promotion of a [Tony Roma's/TR Fire Grill] restaurant The manual is in electronic form on the Company intranet

"**Marks**" means certain trade names, service marks, trademarks, logos, emblems and indicia of origin including, but not limited to, the marks ["Tony Roma's®"/'TR Fire Grill®"] and such other trade names, service marks, trademarks, logos, emblems and indicia of origin as Franchisor may designate for use in connection with the System

**"Multi-Unit Manager"** means any Person hired in the position of multi-unit manager as described in this Agreement who must meet the Standards and all requirements for such position imposed by Franchisor

"**Offering**" means any public or private offering of securities, as that term is defined under applicable federal law at the time the Offering is made

"**Offering Fee**" means thirty-three percent (33%) of the then current franchise fee charged by Franchisor for [Tony Roma's/TR Fire Grill] restaurants, but not less than [$13,335 00 for Tony Roma's/$16,500 for TR Fire Grill]

"**Opening Date**" means the date the Restaurant opens for business to the public as provided herein and shall be set forth in <u>Attachment A</u>

"**Opening Team**" means one or more individuals, with experience in operating a [Tony Roma's/TR Fire Grill] restaurant, employed by Franchisor, its Affiliate, or one or more franchisees of the [Tony Roma's/TR Fire Grill] franchise system

"**Ownership Interest**" means any direct or indirect ownership interest of any type, including without limitation (1) in relation to a corporation, the ownership of stock in the corporation, (2) in relation to a partnership, the ownership of a general or limited partnership interest, (3) in relation to a limited liability company, the ownership of a membership interest, or (4) in relation to a trust, the ownership of a beneficial interest in the trust

"**Permanently Disabled**" means having any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely

"**Person**" means an individual (and the heirs, executors, administrators or other legal representatives of an individual), a partnership, a corporation, a limited liability company, a government, or any department or agency thereof a trust, a joint venture, and any other incorporated or unincorporated association or organization

"**Principal**" means and includes, collectively or individually, Franchisee's spouse, if Franchisee is an individual, all officers, directors and holders of a direct or indirect Ownership Interest in Franchisee or in any entity directly or indirectly controlling Franchisee If Developer is not also the Franchisee, Developer shall be a Principal under this Agreement

"**Proprietary Items**" means proprietary products prepared according to Franchisor proprietary recipes or using Franchisor proprietary preparation techniques

"**Protected Area**" means a three (3) mile radius extending from the center of the Location

"**Publicly Held Corporation**" means a corporation registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, or a corporation subject to the requirements of Section 15(d) of such Act

"**Renewal Fee**" means twenty-five percent (25%) of the then current franchise fee charged by Franchisor or its Affiliates for [Tony Roma's/TR Fire Grill] restaurants, but not less than [$10,000 for Tony Roma's/$12,500 for TR Fire Grill]

"**Reserved Area**" means any enclosed area of retail sales establishments, food courts, transportation facilities (e g , airports, train stations, bus terminals, port authorities), hospitals and other health care facilities, cafeterias, commissaries, schools, hotels and sports and entertainment facilities (e g., stadiums, arenas ballparks, convention centers), and other mass gathering locations or events designated by Franchisor

"**Restaurant or Licensed Business**" means the [Tony Roma's/TR Fire Grill] restaurant that Franchisee will operate pursuant to this Agreement

"**Royalty Fee**" means four percent (4%) of the Gross Sales of the Restaurant

"**Special Advertising Assessment**" means the special advertising assessment set forth in Section 6 D hereof

"**Standards**" means the standards, specifications, policies and techniques that Franchisor has developed and may change periodically for locating, establishing, managing, operating, advertising and promoting a [Tony Roma's/TR Fire Grill] restaurant contained in the Manual or otherwise provided in writing by Franchisor or its Affiliates from time to time They include, among other things, required and recommended business practices, proprietary recipes and procedures for preparing menu items, operational procedures and procedures for management and inventory control, mandatory and suggested accounting practices and recordkeeping procedures, standards and specifications for building design, decor, trade dress, equipment and layout, dress code requirements, and supplier restrictions

"**System**" means Franchisor proprietary business system relating to the establishment and operation of full service[Tony Roma's/TR Fire Grill] restaurants including, without limitation, proprietary recipes and menu items, a distinctive design, decor, color scheme, and furnishings, the Standards, quality and uniformity of products and services offered, training and assistance, and advertising and promotional programs, all of which may be changed, improved and further developed by Franchisor from time to time

"**Tax or Taxes**" means any present or future taxes, levies, imposts, duties or other charges of whatever nature including any withholding, sales or use, value-added, remittance or other tax, duty or other amount that may be imposed upon payments that Franchisee makes to Franchisor or its Affiliates, together with any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the Licensed Business, the payment of monies, or the exercise of rights granted pursuant to this Agreement, except taxes imposed on or measured by Franchisor's net income

"**Term**" means the duration of this Agreement, which shall commence on the date of this Agreement and end on the twentieth ($20^{th}$) anniversary of the Commencement Date, unless sooner terminated as provided in this Agreement, plus any properly exercised extension of this Agreement as described in Section IV

"**Transfer**" means any direct or indirect sale, assignment, transfer, conveyance, gift, pledge, mortgage, encumbrance or other disposal of, or grant of an interest in (i) Franchisee's interest, or any Principal's respective interests, in this Agreement, or (b) Franchisee including any Ownership Interest in Franchisee, (c) the assets of Franchisee (except inventory sold in the ordinary course of the operation of the Restaurant)

"**Transfer Fee**" means thirty-three percent (33%) of the then current franchise fee charged by Franchisor or its Affiliates for [Tony Roma's/TR Fire Grill] restaurants, but not less than [$13,335 00 for Tony Roma's/$16,500 00 for TR Fire Grill]

## II GRANT

A. In reliance on the representations and warranties of Franchisee and its Principals, and subject to the terms, conditions and limitations hereof, Franchisor hereby grants to Franchisee the right and license, and Franchisee accepts the right and obligation, to operate a [Tony Roma's/TR Fire Grill] restaurant under the Marks and the System at the Location. Franchisee shall not relocate the site of the Restaurant without Franchisor prior written approval.

B. For so long as no default by Franchisee of any term or condition of this Agreement has occurred and is continuing, during the Term Franchisor will neither establish nor authorize anyone other than Franchisee to establish a [Tony Roma's/TR Fire Grill] restaurant within the Protected Area during the Term.

C. Except as provided in this Agreement, and subject to Franchisee's full compliance with this Agreement, any other agreement among Franchisee and any its Affiliates and Franchisor or any of its Affiliates, neither Franchisor or any Affiliate shall establish or authorize any other person or entity, other than Franchisee, to establish a full-service Restaurant in the Protected Area during the Term of this Agreement. Notwithstanding the above, Franchisee acknowledges and agrees that Franchisor and its Affiliates operate restaurants under the mark [Tony Roma's®/TR Fire Grill®] and under other names and marks, and further agrees and acknowledges that the license granted hereby is only for the operation of a full-service [Tony Roma's/TR Fire Grill] restaurant, and therefore, Franchisor and its Affiliates may conduct (or authorize a third party to conduct), at any time, the following activities:

(1) to advertise and promote the System, and accept and fill orders received from customers in the Protected Area,

(2) offer and sell collateral and ancillary products and services which may be similar to those offered by the Restaurant under the Marks if offered and sold other than through a full-service [Tony Roma's/TR Fire Grill] restaurant including, without limitation, supermarkets, club stores, convenience stores, mail order or over the internet, such as pre-packaged or prepared food products, t-shirts and [Tony Roma's/TR Fire Grill] memorabilia,

(3) offer and sell such products and services under the Marks in the Protected Area at, and operate a full-service [Tony Roma's/TR Fire Grill] restaurant or other similar food service facilities offering the same products and services offered by a full-service [Tony Roma's/TR Fire Grill] restaurant, in any Alternative Distribution Sites,

(4) offer and sell (or may authorize others to offer and sell) products and services under any other names and marks, and

(5) establish and operate a full-service [Tony Roma's/TR Fire Grill] restaurant anywhere outside of the Protected Area regardless of proximity to the Protected Area and regardless of the economic or competitive impact such operation by have on the Restaurant.

D. This Agreement does not grant Franchisee the right to establish a [Tony Roma's/TR Fire Grill] restaurant or to sell products or services under the Marks or any element of the System at any place other than at the Location.

## III THE MARKS

A. Franchisor grants to Franchisee the right to use the Intellectual Property during the Term in accordance with the System and the Standards

B Franchisee, for itself and for each Principal expressly acknowledge and agree that

1 Franchisee shall use only the Marks designated by Franchisor and shall use them only in the manner authorized and permitted by Franchisor Franchisee shall use the Marks only for the operation of the Restaurant and only at the Location or in advertising related to the Restaurant and only during the Term Franchisee shall have no right to use the Marks in any manner that has not been expressly authorized by Franchisor in writing (including any use or registration of, or association with, any of the Marks as part of any website, URL, domain name, or other listing or use on the Internet) Any unauthorized use of the Marks shall constitute an infringement of Franchisor rights and a material event of default under this Agreement

2 Franchisor or its Affiliate is the owner of all right, title and interest in and to the Intellectual Property and to all goodwill associated with and symbolized by the Marks Franchisor and its Affiliate has the right, standing and capacity to enforce all provisions of this Agreement related to the Intellectual Property Neither Franchisee, Managing Principal nor any Franchisee's Principal shall directly or indirectly contest the validity of Franchisor's or its Affiliate's ownership of any of the Intellectual Property

3 The Marks identify Franchisor and/or its Affiliates as the source of origin of goods and services provided under the Marks Unless otherwise authorized or required by Franchisor, Franchisee shall operate and advertise the Restaurant only under the Marks without prefix or suffix.

4 Nothing in this Agreement gives Franchisee or its Affiliates any right, title or ownership in or to any of the Intellectual Property or any of Franchisor's or its Affiliate's service marks, trademarks, trade dress, logos, copyrights or proprietary materials and related goodwill, except the right to use the Intellectual Property in accordance with the terms and conditions of this Agreement Neither Franchisee nor any Principal shall take any action with would, directly or indirectly, prejudice or interfere with the validity of, or contest, Franchisor's or its Affiliate's interests or rights with respect to any of the Intellectual Property Franchisee shall provide, and shall cause its Principals to provide, all assignments, affidavits, documents, information and assistance which Franchisor or its Affiliate requests to fully vest in Franchisor or its Affiliate all such right, title and interest in and to the Intellectual Property, including all such items necessary to register, maintain and enforce such rights

5 Any and all goodwill arising from Franchisee's use of the any of the Intellectual Property, including without limitation the Marks or the System, shall inure solely and exclusively to Franchisor's or its Affiliate's benefit, and upon the expiration, termination or Transfer of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with the Restaurant or with Franchisee's use of the System, the Marks or any other Intellectual Property

6 Franchisee's license to use the Intellectual Property granted hereunder is nonexclusive, Franchisor and its Affiliates retain all rights in and to the Intellectual Property including, without limitation, (a) to grant other licenses for use of the Intellectual Property, in addition to those licenses already granted to existing franchisees, (b) to develop and establish other systems using the Intellectual Property, the Marks or other names or marks, and to grant licenses or franchises thereto without providing any rights therein to Franchisee, and (c) to develop and distribute at wholesale, retail or otherwise (except as expressly limited by this Agreement), products and services identified by the Marks or other trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols,

designs and other identifying characteristics as may be developed or used from time to time by Franchisor or its Affiliates

7 Franchisee shall not use the Marks, or any part thereof, in its corporate name During the Term, Franchisee shall identify itself as the owner of the Restaurant and a franchisee of Franchisor (a) in conjunction with any use of the Marks including, but not limited to, uses on correspondence, the Internet, social media and other electronic media, invoices, order forms, receipts and contracts, and (b) in a notice of such content and form and at such conspicuous locations on the Restaurant premises or any Restaurant delivery vehicle as Franchisor may designate in writing Franchisee shall comply with Franchisor's requirements and all requirements imposed by the jurisdiction in which the Restaurant is operated concerning fictitious name registration and usage

8 Franchisee shall not register the Marks, or any part thereof, as part of any Internet domain name or URL, and may neither display nor use any of the Marks or other Intellectual Property in connection with, or associate the System with (through a link or otherwise), any web site advertising, address, or listing on the World Wide Web or any other portion of the Internet without Franchisor's prior express written consent

9 Franchisee shall not use the Marks, or any part thereof, to incur any obligation or indebtedness on behalf of Franchisor or its Affiliates

10 Franchisee, for itself and its Principals acknowledges that any unauthorized use of any of the Intellectual Property will constitute infringement of Franchisor's or its Affiliate's rights therein, which will entitle Franchisor or its Affiliate to obtain an injunction in any court of competent jurisdiction, under applicable equity rules, to restrain such infringement

11 Franchisee shall immediately notify Franchisor of any apparent infringement or challenge to Franchisee's use of any of the Intellectual Property or any claim by any Person of any right in or to any of the Intellectual Property Franchisor shall have complete discretion to take such action as it deems appropriate in connection with the foregoing, and the right to exclusively control any litigation or administrative proceeding involving any claim of infringement, challenge or other claim relating to any of the Intellectual Property Franchisee shall execute, and shall cause each of its Principals to execute, any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of Franchisor, be necessary or advisable, in the opinion of Franchisor, to protect or maintain Franchisor's or its Affiliate's interest in any such litigation or proceeding or in the Intellectual Property If Franchisee, Managing Principal or any Franchisee's Principal is named as a party in any action for infringement as a result of Franchisee's use of any of the Intellectual Property in full compliance with this Agreement and the Standards, Franchisor shall indemnify Franchisee for its reasonable attorneys' fees and costs related to defense of the action, and the amount of any judgment or settlement resulting from such litigation

12 Franchisee shall cease use of the Intellectual Property, including the Marks, upon the expiration or termination of this Agreement and shall immediately take appropriate action to remove the Marks from the Restaurant premises and cancel any advertising or publication containing any of the Marks, including any yellow pages listings and any site on the Internet

C Franchisor retains the right to designate new, modified or replacement Marks, and may require Franchisee to use such new, modified or replacement Marks in addition to or instead of any of the Marks then designated for use in connection with the Restaurant or the System if any of the Marks no longer can be used, or if Franchisor determines, in its sole discretion, that change or substitution of different proprietary marks will benefit the System In such event, Franchisee shall use only the new, modified or replacement Marks as specified by Franchisor Franchisee shall pay its own expenses associated with implementing any required changes including, without limitation, the cost of new signage, menus, advertising, packaging and point of sale materials

D Franchisee, for itself and for each Principal, hereby assigns to Franchisor all tangible media of expression derived from any of the Copyrighted Works, and shall execute, or cause to be executed, such further assignments as Franchisor may request Franchisee, Managing Principal and each Franchisee's Principal shall take all actions and sign all documents necessary to give effect to the purpose and intent of this paragraph Franchisee, for itself and each Principal, irrevocably appoints Franchisor as its true and lawful attorney-in-fact and authorizes Franchisor to take such actions and to execute, acknowledge and deliver all such documents as may from time to time be necessary in Franchisor's sole discretion to accomplish the purposes and intent of this subsection

## IV TERM AND RENEWAL

A. Unless sooner terminated as provided herein, the Term will begin on the date of this Agreement continue until the twentieth (20$^{th}$) anniversary of the Commencement Date

B Franchisee may, subject to the conditions below which must be satisfied prior to the beginning of the renewal period, extend the Term for one (1) successive ten (10) year renewal period

1 Franchisee shall give Franchisor written notice of Franchisee's election to renew not less than twelve (12) months nor more than eighteen (18) months prior to the end of the initial twenty (20) year period of the Term,

2 Franchisee shall not be in default of any term or condition of this Agreement, any other agreement between Franchisor or any of its Affiliates and Franchisee or any of its Affiliates, and Franchisee shall have substantially and timely complied with the terms of all such agreements throughout the Term,

3 Franchisee shall repair, replace or otherwise modernize, at Franchisee's cost and expense, equipment (including point of sale equipment or computer hardware or software systems), signs, interior and exterior decor items, fixtures, furnishings, delivery vehicles, if applicable, supplies and other products and materials required for the operation of the Restaurant as Franchisor may require and shall obtain, at Franchisee's cost and expense, any new or additional equipment, fixtures, supplies and other products and materials which may be required by Franchisor for Franchisee to offer and sell new menu items from the Restaurant or to provide the Restaurant's services by alternative means, to reflect the then-current Standards and image of the System as contained in the Manuals or otherwise provided in writing by Franchisors,

4 Franchisee shall have throughout the Term satisfied all monetary obligations owed by Franchisee or its Affiliates to Franchisor or its Affiliates and shall have substantially and timely satisfied all other obligations owed under this Agreement and all other agreements between Franchisee and Franchisor and/or their respective Affiliates,

5 Franchisee shall have provided satisfactory evidence that Franchisee has the right to remain in possession of the Restaurant premises for the extension of the Term,

6 Franchisee shall execute and deliver to Franchisor, at Franchisor's option, Franchisor's then-current form of franchise agreement, which agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement, including, without

limitation, a higher percentage royalty, JMA Fee, Local Marketing Expenditure and/or advertising contribution or expenditure requirement, provided, however, that no additional Franchise Fee shall be required,

7 Franchisee shall have paid to Franchisor the Renewal Fee,

8 Franchisee and each Principal shall have executed a general release, in a form prescribed by Franchisor, of any and all claims of whatever nature or kind, against Franchisor and its Affiliates, and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement and under any federal, state and local laws, rules, orders and ordinances,

9 Franchisee shall have undertaken and completed to Franchisor's satisfaction such remedial actions and/or curative measures required by Franchisor to correct deficiencies in Franchisee's sales, marketing and operational procedures,

10 Franchisee shall be in compliance with Franchisor's then-current qualification and training requirements, and

11 Such renewal is consistent with Franchisor's then-current business and marketing strategies

C As of and following the third ($3^{rd}$) anniversary of the Commencement Date, if no breach or default by Franchisee under or in connection with this Agreement has occurred and is continuing, and if no event or condition has occurred which, with the giving of notice or lapse of time, or both, would constitute a breach or default by Franchisee under or in connection with this Agreement has occurred and is continuing, Franchisee may upon not less than 365 days notice to Franchisor terminate this Agreement, provided, that simultaneously with the giving of such notice Franchisee pays to Franchisor, in good funds, the Early Termination Fee During such notice period, Franchisee shall continue to operate the Restaurant pursuant to the terms and conditions of this Agreement, including without limitation the payment of Royalty Fees and JMA Fees

## V FRANCHISE FEE AND ROYALTY FEES

A. Franchisee shall pay to Franchisor the Franchise Fee on execution of this Agreement Franchisee shall receive a credit from the Development Fee equal to one hundred percent (100%) of the Franchise Fee if the Restaurant is the first restaurant developed pursuant to the Development Agreement or fifty percent (50%) of the Franchise Fee if the Restaurant is the second or later restaurant development pursuant to the Development Agreement, until after deduction of such credits the Development Fee is zero The Initial Franchise Fee is considered fully earned and nonrefundable upon payment

B (1) Franchisee shall pay the Royalty Fee to Franchisor (i) by electronic transfer of funds or other electronic method as described in Section V E below required by Franchisor from time to time, and (ii) on or before the fifteenth ($15^{th}$) day of each Accounting Month with respect to Gross Sales in the prior Accounting Month, **TIME BEING OF THE ESSENCE** Franchisee shall not withhold payments due Franchisor on grounds of alleged nonperformance by Franchisor of obligations under this Agreement

(2) On or before the fifth ($5^{th}$) day of each Accounting Month, Franchisee shall deliver to Franchisor a report itemizing the Gross Sales for the prior Accounting Month and any other reports required hereunder (as required by Franchisor) Such reports shall be provided by electronic data communication, facsimile transmission or, if not available, by telephone, or such other method Franchisor may reasonably direct

(3) Withdrawals for the payment of the Royalty Fee and the JMA Fee shall be made by Franchisor on the $15^{th}$ day of each Accounting Month, or the closest prior day if the such day is not a Business Day, in the amount of the Royalty Fee and JMA Fee due based on Gross Sales for the preceding Accounting Month, as evidenced by the monthly report described in Section V B (2) above If such monthly report has not been received, the amount withdrawn by Franchisor for such Royalty Fee and JMA Fee shall be based, in Franchisor's sole discretion, on (a) information regarding Gross Sales for the preceding month obtained by Franchisor from Franchisee's point of sale system, (b) the most recent monthly report provided to Franchisor by Franchisee, or (c) Franchisor's estimate of Gross Sales in such Accounting Month At such time as such monthly report for the subject month is subsequently received, the appropriate amount of the Royalty Fee and the JMA Fee shall be reconciled against Franchisor's withdrawals and Franchisor shall, as appropriate (i) withdraw additional funds representing the amount of any shortfall from Franchisee's designated bank account, or (ii) credit the excess amount to the payment of Franchisee's future Royalty Fee or JMA Fee obligations For any other monetary obligation not paid when due, Franchisor shall have the right to withdraw such amounts on the date such obligation is due hereunder

C Any payment required pursuant to this Agreement not actually received by Franchisor on or before the due date shall be deemed overdue **TIME BEING OF THE ESSENCE** All monetary obligations of Franchisee under any provision of this Agreement not paid by the due date shall bear interest from the date due until paid at the lesser of (i) eighteen percent (18%) per annum, or (ii) the highest rate allowed by applicable law The right to recover such interest on overdue amounts shall be in addition to any other remedies Franchisor may have

D Franchisee shall make all required payments to Franchisor free and clear of, and without deduction for, any Taxes If any Taxes are imposed on Franchisor directly or indirectly, with respect to any payments to Franchisor due under this Agreement, except Taxes based upon Franchisor's gross or net income or Taxes which are credited against Franchisor's income tax obligations, Franchisee also must pay to Franchisor an amount equal to the Tax.

E All amounts payable by Franchisee or its Affiliates to Franchisor or its Affiliates shall be paid by a franchisor initiated draw, draft, wire or other withdrawal from Franchisee's designated bank or other account to Franchisor's account or such other method as Franchisor designates from time to time including, without limitation, Franchisor initiated ACH transfer or wire transfer transaction Franchisee will execute and/or deliver such instruments, agreements, instructions, included without limitation a voided check, or other documentation in a form acceptable to Franchisor or Franchisor's bank that may be required to implement and maintain the payment method designated by Franchisor implement Except in the case of an emergency, Franchisor shall notify Franchisee by email or similar method of each planned withdrawal, including the amount of the withdrawal, not less than that one (1) business day before the withdrawal is initiated by Franchisor Franchisee shall deposit in its designated account sufficient amounts such that such withdrawals can be made by Franchisor on such dates Franchisee shall pay (i) any costs and expenses incurred by Franchisee and/or any charges or expenses assessed by Franchisee's banks related to the payment method designated by Franchisor and no deduction shall be made from the amounts payable to Franchisor with respect to such costs and expenses, and (ii) any costs and expenses incurred by or assessed to Franchisor in connection with any modification of the accounts involved, failure to provide required notices or failure to maintain sufficient account balances

## VI ADVERTISING

A. Franchisee shall pay to the JMA the JMA Fee at the same time and in the same manner are is required for payment of the Royalty Fee, **TIME BEING OF THE ESSENCE** Such payments are nonrefundable The JMA Fee will be used for the benefit of the System for local, national and international marketing, sales promotion and public relations efforts, including funding of creative production, marketing research expenditures, new product and/or services development and programs, advertising development, the testing of marketing, advertising and promotional concepts and/or all other costs of making available direct marketing support (but excluding media) to franchisees (including Franchisor's cost to arrange or put on any conferences for franchisees, including the Global Conference) Franchisor or JMA has the right to apply a portion of the JMA Fee, as reasonably determined by Franchisor or JMA, collected from Franchisee and other franchisees to offset the costs associated with Franchisor advertising, marketing and promotional efforts, including without limitation the wages, salaries, benefit costs, travel and other fees and expenses of Franchisor's and JMA's and their respective Affiliates' employees and Franchisor's or JMA's vendors incurred in connection with such advertising, marketing and promotional efforts All such expenditures shall be at the discretion of the JMA. Upon request, Franchisor will provide Franchisee with annual reports setting forth, in reasonable detail, of all JMA expenditures Franchisee acknowledges and agrees that neither Franchisor, JMA nor their respective Affiliates or the respective officers, directors, shareholders, partners, members, agents, representatives, employees or independent contractors has any fiduciary duty to Franchisee or its Affiliates, or their respective Principals or to any other Person with respect to its administration of, or any other activities related to, the JMA

B Franchisor or its Affiliates shall have the right to create a Fund for the purpose of advertising the System on a regional and/or national basis If a Fund is established, Franchisor shall provide written notice to Franchisee and Franchisee shall make monthly contributions to the Fund in the manner set forth in Section VI A above in an amount not to exceed five percent (5%) of monthly Gross Sales The Fund shall be maintained and administered by Franchisor or its designee as follows

1 Franchisor or its designee shall direct all marketing and advertising programs and shall have the right to approve or disapprove the creative concepts, materials and media used in such programs and the placement and allocation thereof Franchisee agrees and acknowledges that the Fund is intended to maximize general public recognition and acceptance of the Marks In administering the Fund, Franchisor and its designees undertake no obligation to make expenditures for Franchisee which is equivalent or proportionate to Franchisee's contribution or to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising or marketing.

2 Franchisee agrees that the Fund may be used to satisfy any and all costs of maintaining, administering, directing, and preparing advertising (including, without limitation, the cost of preparing and conducting television, radio, internet, social media, magazine and newspaper advertising campaigns, direct mail and outdoor billboard advertising, public relations activities, employing advertising agencies to assist therein, providing other advertising materials to [Tony Roma's/TR Fire Grill] restaurants, and the wages, salaries, benefit costs, travel and other fees and expenses of Franchisor's and its designee's employees and Franchisor's or its designee's vendors incurred in connection with the such advertising) All Fund Contributions shall be maintained in a separate account. Franchisee acknowledges and agrees that neither the Fund nor its earnings (if any) shall otherwise inure to the benefit of Franchisor, its designee or their respective Affiliates Franchisee acknowledges and agrees that neither Franchisor, its designee nor their respective Affiliates or the respective officers, directors, shareholders, partners, members, agents, representatives, employees or independent contractors has any fiduciary duty to

Franchisee or its Affiliates, or their respective Principals or to any other Person with respect to its administration of, or any other activities related to, the Fund

3 A statement of the operations of the Fund shall be prepared annually by Franchisor and shall be made available to Franchisee upon request

4 Franchisor has the right to terminate the Fund at any time and for any (or no) reason The Fund shall not be terminated, however, until all monies in the Fund have been expended for advertising, marketing and/or promotional purposes or returned to contributing franchised [Tony Roma's/TR Fire Grill] restaurants, without interest, on the basis of each franchisee's respective contributions

C Franchisor shall have the right to designate any geographic area in which two (2) or more [Tony Roma's/TR Fire Grill] restaurants are located as a region for purposes of establishing a Cooperative A Cooperative may be composed of two (2) or more [Tony Roma's/TR Fire Grill] restaurants (which may be operated by Franchisor, an Affiliate, Franchisee or another franchisee of Franchisor or its Affiliates) Each Cooperative shall be organized and governed in a form and manner, and shall commence operation on a date, determined by Franchisor in writing Each Cooperative shall be organized for the exclusive purposes of administering advertising programs and developing, subject to Franchisor approval pursuant to Section VI F , promotional materials for use by the members in Local Marketing Franchisor shall have the right to collect contributions on behalf of the Cooperative, provided that the Cooperative will be operated solely as a conduit for the collection and expenditure of the Cooperative fees for the purposes outlined above If, at the time this Agreement is executed, a Cooperative has been established for the geographic area in which the Restaurant is located, Franchisee shall become a member upon such execution If a Cooperative is established at any time during the Term for the geographic area in which the Restaurant is located, Franchisee shall become a member of the Cooperative as of the date on which the Cooperative commences operation In either case, Franchisee shall participate as follows

1 Franchisee shall contribute to the Cooperative such amounts as are required by Franchisor, provided, however, Franchisee will not be required to contribute more than four percent (4%) of Franchisee's Gross Sales during each month to the Cooperative, and any such amounts contributed may be applied by Franchisee toward satisfaction of its Local Marketing Expenditure requirement set forth in Section VI E hereof,

2 Franchisee shall submit to the Cooperative and to Franchisor such statements and reports as Franchisor or the Cooperative may require All contributions to the Cooperative are to be maintained and administered in accordance with procedures adopted by the Cooperative and approved by Franchisor, and

3 No advertising or promotion plans or materials may be used by the Cooperative or furnished to its members without Franchisor's prior approval All such plans and materials shall be submitted to Franchisor in accordance with the procedure set forth in Section VI F

D With the concurrence of franchisees operating seventy-five percent (75%) of the franchised [Tony Roma's/TR Fire Grill] restaurants in the United States, Franchisor may institute a special assessment, not to exceed one percent (1%) of monthly Gross Sales, to cover extraordinary marketing expenditures Such special assessment shall be in addition to other funds and provisions herein

E Franchisee shall develop, at its sole cost and expense, advertising and promotional programs designed to promote and enhance the value of the Restaurant, and to that end will expend, during the Term, at least the Local Marketing Expenditure, measured over rolling three (3) month periods, on Local Marketing for the benefit of the Restaurant Such marketing expenditures shall be made each month on the Gross Sales for the preceding month Franchisee shall comply with all laws and regulations pertaining to advertising. Franchisee shall provide such documentation (e g. receipts), on a quarterly basis, within ten (10) days following Franchisor' request, to evidence that the required expenditures by Franchisee have been made All advertising and promotional programs developed by Franchisee shall be subject to approval of Franchisor pursuant to Section VI F below

F All advertising and promotion by Franchisee in any medium shall be conducted in a dignified manner and shall conform to the Standards Franchisee shall obtain Franchisor's prior approval of all advertising and promotional plans, materials and media that Franchisee desires to use and that have not been prepared or previously approved by Franchisor within the prior twelve (12) months Franchisor shall approve or disapprove such plans and materials within fourteen (14) days from the date of receipt thereof by Franchisor In the absence of express approval, any plans shall be deemed disapproved Franchisee shall use no plans or materials until they have been approved by Franchisor and shall promptly discontinue use of any advertising or promotional plans or materials upon notice from Franchisor

## VII SERVICES OF ROMA, SITE SELECTION, PLANS & CONSTRUCTION

A. Franchisor shall advise and consult with Franchisee periodically in connection with the operation of the Restaurant and, upon Franchisee's request, at other reasonable times Franchisor will provide to Franchisee the following

1 Such assistance regarding site selection and evaluation as described in Sections VII B and VII C as Franchisor may deem advisable

2 On loan, a set of prototypical architectural and design plans and specifications for a [Tony Roma's/TR Fire Grill] restaurant, the receipt of which is acknowledged by Franchisee

3 On loan, the electronic version of the Manual and such other written materials as Franchisor shall develop from time to time for use in the Licensed Business

4 Visits to the Restaurant and evaluations of the products sold and services rendered therein from time to time as determined by Franchisor, as described in this Agreement

5 Certain merchandising, marketing and advertising research data developed by Franchisor or its Affiliates from time to time for use by Franchisee in marketing and conducting local advertising for the Restaurant

6 Advice and written materials (which may be in electronic media or format) concerning techniques of managing and operating the Restaurant from time to time developed by Franchisor, including new developments and improvements in restaurant equipment, food preparation, food products, packaging and restaurant management

7 From time to time at Franchisor's discretion, Franchisor may, but is not required to, make available for resale to Franchisee's customers, certain merchandise identifying the System, such as

T-shirts, sweatshirts and caps, and pre-packaged food products m sufficient amounts to meet customer demand at a reasonable cost Similarly, Franchisor may, but is not required to, make available from time to time certam restaurant equipment and decor items at a reasonable cost

8 A list of designated or approved suppliers from time to time as Franchisor deems appropriate

9 An initial trammg program for Franchisee's Managing Principal, Multi-Unit Manager, General Manager and other Restaurant personnel and other trammg programs m accordance with the provisions of Section IX C

10 On-site pre-openmg and post-openmg assistance at the Restaurant m accordance with the provisions of Sections VII C&J and XI D

B Franchisee accepts all costs, liability, expense and responsibility for identifying the Location for the Restaurant and for constructmg and equippmg the Restaurant at such Location Franchisee acknowledges receipt of Franchisor's site selection guidelmes Franchisor shall provide such site selection counselmg and assistance as it deems advisable, if any Franchisee has engaged, at its sole cost and expense, the services of Franchisor's designated real estate broker/consultant to assist Franchisee m the identification and acquisition of the Location For each proposed site for the Location, Franchisee shall submit to Franchisor, m the form specified by Franchisor, a description of such site, mcludmg such evidence as is necessary to show the site satisfies Franchisor's selection guidelmes, a letter of mtent or other evidence satisfactory to Franchisor that confirms Franchisee's favorable prospects for securmg the site and such other information and materials as Franchisor may reasonably require

C Franchisor shall provide on-site evaluation as it deems reasonable or necessary, on its own mitiative or m response to Franchisee's request Should Franchisor, m its sole discretion, provide a site visit, Franchisor shall not impose a fee for the first site visit Multiple visits to different proposed sites for the Restaurant shall be considered multiple site visits for the Restaurant A Franchisee's request or if deemed necessary by Franchisor, Franchisor may agree to provide additional site visits Franchisor may impose a reasonable fee for such additional visit(s) and, m addition, Franchisee shall reimburse Franchisor, upon demand, the amount of all travel, lodging, dining and other out-of-pocket expenses mcurred by Franchisor m connection with such visit(s)

D Franchisor shall provide a letter of its acceptance, rejection or "no objection" concerning a proposed site, as applicable, within thirty (30) days after receipt of all requested information and materials from Franchisee If Franchisor rejects a proposed site, Franchisee shall submit a description of a replacement site together with such other information and materials relatmg to such site(s) as described above Franchisor shall have thirty (30) days after receipt of such information and materials relating to each proposed replacement site to notify Franchisee of its acceptance, rejection or "no objection" concerning the proposed replacement site After a location for the Restaurant is accepted or not objected to by Franchisor, the location shall be described m <u>Attachment A</u> and shall be the Location Franchisee acknowledges that Franchisor's acceptance of, or "no objection" to, a site or the rendering of assistance m the selection of a site does not constitute a representation, promise or guarantee by Franchisor that a Restaurant operated at that site will be profitable, meet any projection of sales or profitability, or otherwise be successful

E If Franchisee plans to purchase the premises for the Restaurant, Franchisee shall at Franchisor's request submit to Franchisor the contract of sale and shall furnish to Franchisor a copy of the executed contract of sale within ten (10) days after execution thereof

F If Franchisee plans to occupy the Location under a lease, Franchisee shall submit to Franchisor the form of lease prior to its execution and shall furnish to Franchisor a copy of the executed lease within ten (10) days after execution thereof Franchisee shall not enter into any lease until Franchisor has accepted such lease or waived acceptance To obtain Franchisor's acceptance of such lease, Franchisor requires an agreement regarding the lease, which shall include a collateral assignment of the lease to Franchisor, substantially in form of <u>Attachment B</u> to this Agreement, or such other forms reasonably satisfactory to Franchisor, signed by Franchisee and its landlord

G Franchisor shall have the right to waive or modify all or any portion of the site review procedure set forth above at any time, and Franchisee shall comply with such modified site review procedure

H Franchisee shall be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which otherwise may be necessary for the development and operation of the Restaurant Prior to beginning construction of the Restaurant, Franchisee shall (i) obtain all permits, licenses and certifications required for the construction or remodeling and operation of the Restaurant including without limitation licenses permitting the on-premise sale of liquor, beer and wine, sign permits and other operating permits, and (ii) deliver to Franchisor the certificate of insurance coverage specified in Section XIV Upon request, Franchisee shall provide to Franchisor complete copies of all such approvals, clearances, permits and certifications

I Franchisee shall obtain any architectural, engineering and design services necessary for the construction of the Restaurant at its own expense from an architectural design firm, which Franchisor reserves the right to review and accept Franchisee shall adapt the prototypical architectural and design plans and specifications for construction of the Restaurant, receipt of which is acknowledged by Franchisee, and shall submit such adapted plans to Franchisor for review If Franchisor determines, in its sole discretion, that any such plans do not satisfy Franchisor's architectural or design standards and specifications for a full-service [Tony Roma's/TR Fire Grill] restaurant or are not consistent with the best interests of the System, Franchisor may prohibit the implementation of such plans, and in this event will notify Franchisee of any objection(s) within thirty (30) days of receiving such plans If Franchisor fails to notify Franchisee of an objection to the plans within this time period, Franchisee may use such plans If Franchisor objects to any such plans, it shall provide Franchisee with a reasonably detailed list of changes necessary to make the plans acceptable Franchisor shall, upon a resubmission of the plans with such changes, notify Franchisee within fifteen (15) days of receiving the resubmitted plans whether the plans are acceptable The process of review, objection and resubmission shall continue until such plans are accepted by Franchisor If Franchisor fails to notify Franchisee of any objection within such time period, Franchisee may use the resubmitted plans Franchisee acknowledges that acceptance by Franchisor of such plans does not constitute a representation, warranty, or guarantee, express or implied, by Franchisor that such plans are free of architectural or any design errors and thus, Franchisor shall have no liability to Franchisee or any other party with respect thereto

J Franchisee shall commence and diligently pursue construction or remodeling (as applicable) of the Restaurant During the time of construction or remodeling, Franchisee shall provide Franchisor with such periodic reports regarding the progress of the construction or remodeling as may be reasonably requested by Franchisor In addition, Franchisor shall make such on-site inspections as it may deem reasonably necessary to evaluate such progress If during such inspections Franchisor identifies instances where Franchisee's construction or remodeling is inconsistent with, or does not meet, Franchisor's standards or the plans accepted pursuant to Section VII I, Franchisor shall notify Franchisee in writing of such deficiencies, and Franchisee shall correct such deficiencies prior to opening Franchisee shall reimburse Franchisor, upon demand, the amount of all travel, lodging, dining and other out-of-pocket expenses incurred by Franchisor in connection with such inspection(s) Franchisee shall notify Franchisor of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date Within a reasonable time after the date of completion of construction or remodeling, Franchisor shall, at its option, conduct an inspection of the completed Restaurant Franchisee shall reimburse Franchisor, upon demand, the amount of all travel, lodging, dining and other out-of-pocket expenses incurred by Franchisor in connection with such inspection(s) Franchisee will not open the Restaurant for business without the written authorization of Franchisor, which shall be conditioned upon Franchisee's strict compliance with this Agreement

K (1) Subject to the last sentence of Section VII J above, Franchisee shall open the Restaurant and commence business on or before the expiration of the relevant Development Period (as defined in the Development Agreement) which is _______________ ("Projected Opening Date") unless Franchisee obtains an extension of the Projected Opening Date Franchisee may, subject to Franchisor's approval and provided no event of default under this Agreement has occurred and is continuing, obtain from Franchisor extensions of such Projected Opening Date as may be necessary to complete construction and commence operation of the Restaurant Each extension shall be for an additional thirty (30) day period commencing on the Projected Opening Date, including any previous extensions thereof ("Extension Date") No more than two (2) extensions of the Projected Opening Date will be permitted If an extension of the Projected Opening Date is granted by Franchisor, the Projected Opening Date shall be extended to the Extension Date In order to obtain an extension, Franchisee shall notify Franchisor in writing at least thirty (30) days prior to the Projected Opening Date for a Restaurant that Developer will be unable to complete construction and commence operation of the Restaurant by the Projected Opening Date In such notice Franchisee shall request the Franchisor to consider its request for extension and include a description of the reasons for such failure to develop in a timely manner and the expected date of completion of construction and opening, if the extension was to be granted At the same time Franchisee provides Franchisor with such notice, Franchisee shall pay the Extension Fee to Franchisor

(2) Any such extension granted by Franchisor shall be the same as, and not cumulative of, any such extension granted by Franchisor (as "Licensor" under Section III B (3) of the Development Agreement) to the extent such extensions apply to the same Restaurant under both agreements, it being expressly understood that only two (2) such extensions are potentially allowed for the Restaurant
Prior to opening, Franchisee shall complete all exterior and interior preparations for the Restaurant, including installation of equipment, fixtures, furnishings and signs, pursuant to the plans and specifications or as required by Franchisor and shall not thereafter be altered except as may be permitted by Franchisor in writing In connection with the opening of the Restaurant, Franchisee shall conduct, at its expense, such promotion and advertising activities as Franchisor may require, and shall comply with all other pre-opening obligations

L Franchisee acknowledges that **TIME IS OF THE ESSENCE** with respect to its obligations set forth in Section VII B through VII K, inclusive

## VIII FRANCHISEE'S AGREEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS

Franchisee makes the following representations, warranties and covenants

A. 1 If Franchisee is a corporation or other legal entity, Franchisee is duly organized, validly existing and in good standing under the state law of its formation,

2 If Franchisee is a corporation or other legal entity, Franchisee is duly qualified and is authorized to do business in each jurisdiction in which its business activities or the nature of the properties owned by it require such qualification,

3 If Franchisee is a corporation or other legal entity, Franchisee's charter or other governing documents shall at all times provide that the activities of Franchisee are confined exclusively to the development and operation of one or more [Tony Roma's/TR Fire Grill] restaurants unless otherwise consented to by Franchisor in writing,

4 Franchisee has the authority, permission and capacity to enter into this Agreement and to conduct the business contemplated under this Agreement,

5 If Franchisee is a corporation or other legal entity, copies of Franchisee's articles of incorporation, bylaws, other governing documents, any amendments to the foregoing and resolutions authorizing entry into and performance of this Agreement or other documents requested by Franchisor, including documents restricting Transfer of Ownership Interests as required by this Agreement, have been furnished to Franchisor prior to the execution of this Agreement,

6 The Ownership Interests in Franchisee are accurately and completely described in Attachment C hereto Franchisee shall maintain, at all times, a current list of all Persons with an Ownership Interest, including a beneficial interest, in Franchisee Franchisee shall immediately notify Franchisor of any proposed change in the information contained in Attachment C, shall execute any documents deemed necessary by Franchisor to amend Attachment C or otherwise to reflect such changes, and shall deliver to Franchisor a list of all Persons with an Ownership Interest in Franchisee upon request,

7 If Franchisee is a corporation or other legal entity, Franchisee shall maintain stop-transfer instructions against the Transfer on its records of any Ownership Interest and each certificate representing an Ownership Interest shall have conspicuously endorsed upon it a statement in a form satisfactory to Franchisor that it is held subject to, and that the further Transfer thereof is subject to, all restrictions imposed upon Transfers by this Agreement, provided, however, that the requirements of this paragraph shall not apply to certificates representing shares of equity securities of a Publicly-Held Corporation,

8 Franchisee and each Principal has provided Franchisor with their most recent financial statements At Franchisor's request, Franchisee shall provide within twenty (20) days its or any Principals annual balance sheet and income statement (which may be unaudited unless audited statements are required by Franchisor) Such financial statements present fairly, or shall present fairly, and represent the financial position of Franchisee or such Principal at such dates indicated therein and the results of its operations and its cash flows for the years then ended Franchisee shall maintain at all times during the Term sufficient working capital to fulfill its obligations under this Agreement and the Development Agreement Each of the financial statements mentioned above(i) has been or shall be prepared in conformity with generally accepted accounting principles in the United States applicable to the respective periods involved and, except as expressly described in the notes thereto, applied on a consistent basis, and (ii) shall be certified as true, complete and correct by Franchisee's chief financial officer, the Principal or such auditor, as required by Franchisor Franchisee has no material liabilities, adverse claims, commitments or obligations of any nature as of the date of this Agreement, whether

accrued, unliquidated, absolute, contingent or otherwise, which are not reflected as liabilities on the financial statements of Franchisee

B Neither Franchisee, Managing Principal or any other Principal is identified, or shall later be identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U S Treasury Department's Office of Foreign Assets Control (texts available at www treas gov/offiice/enforcement/ofac/) or any successor or similar future lists Neither Franchisee, the Managing Principal or any other Principal has violated, and will not violate, any law prohibiting corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government, including acts prohibited by the U S Patriot Act (text available at www epic org/privacy/terrorism/hr3162 html) or any similar law

C The foregoing representations, warranties and covenants constitute continuing representations, warranties and covenants, and Franchisee shall immediately notify Franchisor of any occurrence or circumstance that may render any of the foregoing representations, warranties or covenants false or misleading Any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Agreement

## IX. MANUAL

Franchisor shall provide the Manual for so long as this Agreement shall remain in effect The Manual, and all revisions and updates to the Manual, may be provided in hard copy or electronic format, including delivery via the Internet, private intranet, Franchisor web site or other method Franchisee shall conduct its business in accordance with the Manual and the Standards The Manual is provided to Franchisee "on loan" shall at all times remain the sole property of Franchisor All copies of the Manual shall at all times be kept by Franchisee in a secure place and shall be returned to Franchisor, or if stored in electronic form by Franchisee permanently deleted, immediately upon request or upon termination, expiration or Transfer of this Agreement Franchisor may from time to time revise the contents of the Manual. Franchisee expressly agrees to comply with each new or changed Standard Franchisee shall at all times ensure that any hard copy of the Manual is kept current and up to date In the event of any dispute as to the contents of the Manual, the terms of the electronic copy of the Manual maintained by Franchisor shall control. Electronic access to the Manual shall be restricted in accordance with the confidentiality requirements as set out in Section X below

## X. CONFIDENTIAL INFORMATION AND RELATED COVENANTS

A. Neither Franchisee, the Managing Principal nor any other Principal shall, during the Term or thereafter, communicate or divulge to, or use for their own benefit or for the benefit of any other Person any Confidential Information Franchisee may disclose Confidential Information only to such of Franchisee's employees or agents who must have access to it, on a need-to-know basis, in connection with the development and to operation of the Restaurant Neither Franchisee, the Managing Principal nor any other Principal (nor of their respective Affiliates, officers, directors, employees, agents, contractors or representatives) shall, at any time, without Franchisor's prior written consent, copy, duplicate, record, otherwise reproduce or appropriate any Confidential Information, in whole or in part, for any purpose other than the development and/or operation of the Restaurants, nor otherwise make the same available to any unauthorized person The covenants in this Section shall survive the expiration, termination or Transfer of this Agreement and shall be perpetually binding upon Franchisee, Managing Principal and each other Principal

B If Franchisee or its Affiliates (or any of their respective Principals, or the respective directors, agents, representatives, employees of any of the foregoing), or Managing Principal, any Multi-Unit Manager, any General Manager, or Manager should develop any new concepts, processes or improvements in the development, operation or promotion of the Restaurant, Franchisee shall promptly notify Franchisor and provide Franchisor with all necessary information concerning same, without compensation and shall execute, or cause to be executed, any documentation, including assignments or releases, as appropriate Franchisee, for itself, the Managing Principal and each Principal, acknowledges that any such concept, process or improvement shall become the property of Franchisor, and Franchisor may use, license the use of or disclose such information to its developers, franchisees and other parties as it determines to be appropriate Franchisee hereby assigns, and shall cause the Managing Principal and each Principal to assign, to Franchisor all right, title and interest in or to such new concepts, processes or improvements, and agrees to execute, or cause to be executed, such further instruments as Franchisor may request Franchisee shall take such actions and sign such documents, and shall cause the Managing Principal and each Principal to take such actions and sign such documents necessary to give effect to the purpose and intent of this Section Franchisee, for itself and each Principal, irrevocably appoints Franchisor as true and lawful attorney-in-fact for Franchisee and each Principal, and authorizes Franchisor to take such actions and execute, acknowledge and deliver all such documents as may from time to time be necessary to convey to Franchisor all rights granted herein

C Franchisee acknowledges that any failure to comply with the requirements set forth in this Section X shall constitute a material event of default by Franchisee under this Agreement which will cause Franchisor irreparable harm Franchisee shall pay all court costs and reasonable attorneys' fees incurred by Franchisor in connection with the enforcement of this Section X

## XI MANAGEMENT, TRAINING AND OPENING TEAM

A. Franchisee shall designate and retain, at all times, a General Manager, at least three (3) additional Managers, and such additional Managers as are reasonably required by Franchisor from time to time The General Manager shall be responsible for the daily operation of the Restaurant according to the Manual, the Standards and the System The General Manager and each Manager shall, during the entire period each serves as General Manager or Manager, meet the following qualifications

1 The General Manager and each Manager shall satisfy Franchisor's training requirements and educational or business experience criteria,

2 The General Manager shall devote full time and best efforts solely to the supervision, management and operation of the Restaurant,

3 The General Manager shall be an individual acceptable to Franchisor, and

4 If, during the Term, the General Manager or any other Manager is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section, Franchisee shall promptly notify Franchisor and designate a replacement within thirty (30) days after such person ceases to serve, such replacement being subject to the same qualifications listed above Franchisee shall provide for interim management of the Restaurant until such replacement is so designated, such interim management to be conducted in accordance with the terms of this Agreement Any failure to comply with the requirements of this Section shall be deemed a material event of default under this Agreement

B Should Franchisee or its Affiliates operate four (4) or more [Tony Roma's/TR Fire Grill] restaurants pursuant to franchises agreements with Franchisor or its Affiliates, when the franchise agreement for the fourth such restaurant is executed, Franchisor may require that Franchisee or its Affiliates designate and thereafter retain a Multi-Unit Manager, who shall be solely dedicated to the management and supervision of such restaurants Additional Multi-Unit Managers shall be designated from time to time as reasonably required by Franchisor Each Multi-Unit Manager shall be acceptable to Franchisor in its sole discretion and meet the Standards applicable to Multi-Unit Managers Prior to assuming his or her duties, each Multi-Unit Manager shall have successfully completed such training as may be required by Franchisor from time to time The Managing Principal may also serve as a Multi-Unit Manager if the Managing Principal is not a restaurant manager

C (1) Each Managing Principal, Multi-Unit Manager, General Manager and each Manager shall attend and complete to Franchisor's satisfaction, all of Franchisor's training in accordance with the System at Franchisee's cost and expense, including without limitation costs of travel, transportation, lodging, meals and wages Such Training may include Serve Safe or comparable food safety and handling certification Such persons must complete the initial training program within ninety (90) days after beginning their employment at the Restaurant Franchisor reserves the right to impose a training fee for such training.

(2) Managing Principal, the Multi-Unit Manager(s), the General Manager, the Managers and such other Restaurant personnel as Franchisor shall designate shall attend such additional or refresher training programs and seminars as Franchisor may offer from time to time For all such programs and seminars, Franchisor will provide the instructors and training materials Franchisee will be solely responsible for supplying or purchasing appropriate training attire, including chef coats, which Franchisor may, but is not required to, offer to Franchisee for sale Franchisor reserves the right to impose a reasonable fee for such additional training programs and seminars Franchisee shall be responsible for any and all expenses incurred by Franchisee or its personnel in connection with such training including, without limitation, costs of travel, transportation, lodging, meals and wages

(3) The training programs described above shall be conducted at a [Tony Roma's/TR Fire Grill] restaurants operated by Franchisor or its Affiliates or other franchisees of Franchisor, as designated by Franchisor All or part of the initial training may be conducted by Franchisee subject to Franchisor's approval. Such training shall be conducted in accordance with the Standards Franchisor shall provide instructors and training materials for the initial training programs conducted by Franchisor Franchisee shall be responsible for any and all other expenses incurred by Franchisee or Franchisee's personnel in connection therewith including, without limitation, costs of travel, lodging, transportation, meals, and wages

(4) Franchisee agrees that compliance with Franchisor's training, development and operational requirements by all franchisees operating under the System is an essential and material element of the System and that Franchisor has expended and will expend substantial time, effort and expense in training management and other personnel for the development and operation of their respective [Tony Roma's/TR Fire Grill] restaurants Franchisee shall at all times ensure that Franchisee's personnel are trained in accordance with Franchisor's System

D In connection with the opening of the Restaurant, Franchisor shall provide Franchisee with an Opening Team to provide on-site pre-opening and opening training and supervision to Franchisee prior to and after the opening of the Restaurant All Franchisee Restaurant employees, including the General Manager and other Managers, must have completed training and be on-site not later than six (6) weeks before the scheduled Restaurant opening. The size of the Opening Team and the time period in which such assistance will be provided shall be determined by Franchisor Franchisee shall pay to Franchisor all costs and expenses incurred in connection with the provision of the Opening Team including, without limitation, travel, transportation, lodging, meals, wages (including benefits) and a per diem fee Approximately ninety (90) days before the Restaurant is scheduled to open and upon receipt of Franchisor's invoice, Franchisee shall pay to Franchisor a deposit of [Forty Thousand Dollars ($40,000)[for Tony Roma's]/Fifty Thousand Dollars ($50,000)[for TR Fire Grill] against the amount of such expenses Franchisor shall provide to Franchisee a statement of actual Opening Team costs after the Restaurant opens for business Franchisee shall pay to Franchisor any shortfall between such deposit and actual Opening Team costs and expenses within ten (10) days after statement of those expenses has been provided Any excess of such deposit versus the actual Opening Team costs and expenses shall be applied against Franchisee's other monetary obligations to Franchisor under this Agreement Before any travel arrangements are made for the Opening Team and approximately four (4) weeks before the Opening Team is scheduled to arrive at the Restaurant, Franchisor will, in its discretion, inspect the Restaurant and the status of construction to confirm that the Restaurant will be suitable, in Franchisor's sole discretion, to conduct Opening Team training. Franchisee will reimburse Franchisor for all of Franchisor's travel costs related to such inspection including, without limitation, airfare, ground transportation, lodging, meals and other reasonable costs

E Franchisee, at its expense, shall implement a training program as required by Franchisor for all Restaurant employees, and take all other action necessary to insure that each employee is certified as qualified to correctly and adequately perform the job functions required of each such employee position as specified in the Manual.

F Upon the execution of this Agreement, Franchisee shall designate and retain an individual to serve as the Managing Principal. The Managing Principal shall, during the entire period he/she serves, meet the following qualifications

(1) The Managing Principal shall be acceptable to Franchisor in its sole discretion

(2) The Managing Principal shall maintain a direct Ownership Interest in Franchisee

(3) The Managing Principal shall attend and complete, to Franchisor's satisfaction, Franchisor's initial orientation and training program in general techniques in the supervision of the development and operation of [Tony Roma's/TR Fire Grill] restaurants, such training to be completed at least sixty (60) days prior to the opening of the Restaurant

(4) The Managing Principal shall meet Franchisor's standards and criteria for such individual (including, but not limited to, educational, financial and operational experience prescribed by Franchisor) as determined by Franchisor from time to time

(5) If, during the Term, the Managing Principal is not able to continue to serve or no longer qualifies to act as such in accordance with this Section, Franchisee shall promptly notify Franchisor and designate a replacement within thirty (30) days, such replacement being subject to the same qualifications and restrictions listed above Franchisee shall provide for interim management of the activities contemplated under this Agreement until such replacement is so designated, such interim management to be conducted in accordance with this Agreement

## XII RECORDS, REPORTS AND AUDITS

A. Franchisee shall maintain during the Term, and shall preserve for at least five (5) years from the dates of their preparation, full, complete and accurate books, records and accounts including but not limited to electronic sales and transaction records, sales slips, credit card sales and transmission records, employee meal records, coupons, purchase orders, purchase invoices, payroll records, check stubs, bank statements, deposit slips, sales tax records and returns, cash receipts and disbursements, journals, ledgers and back-up or archived records of all electronic/computer systems, in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Manual or otherwise in writing Franchisee shall provide copies of any such documents within ten (10) days following Franchisor's request

B During the Term, Franchisee shall, at its expense, complete and submit to Franchisor on a continuing periodic basis as established by Franchisor from time to time each of the following reports at the time set forth below and in the form prescribed by Franchisor

1 The statement of Gross Sales described in Section V B (2), with Royalty Fee and JMA Fee computation, setting forth the Restaurant's Gross Sales for the preceding Accounting Month executed by Franchisee or an authorized representative and delivered to Franchisor on the 5$^{th}$ day of each Accounting Month with respect to Gross Sales for the preceding Accounting Month,

2 A Local Marketing Expenditure report, within ten (10) days of Franchisor's request, consisting of invoices or other documents which accurately reflect Franchisee's Local Marketing Expenditures for the period(s) described in Franchisor's request ,

3 Such other forms, reports, graphs, information, and data as Franchisor may reasonably request, in the form and at the times specified by Franchisor,

4 If requested by Franchisor, verbal reports by telephone, on a weekly basis, which convey the prior week's guest counts and Gross Sales for food, beverages and/or other miscellaneous sales, and

5 Audited annual financial statements, including profit and loss statement, income statement, and balance sheet, of Franchisee prepared by an independent certified public accountant within sixty (60) days after the end of each calendar year If requested by Franchisor, monthly and/or quarterly profit and loss statements for the Restaurant, which may be unaudited, within (i) ten (10) days after the end of each month, and (ii) thirty (30) after the end of each quarter, certified by Franchisee's chief financial officer as true, complete and correct All financial statements shall be prepared in accordance with generally accepted accounting principles in the United States, and shall have been reviewed by an independent certified public accountant

C Franchisor or its designees shall have the right at all reasonable times to review, audit, examine, and copy any and all books and records of Franchisee Franchisee shall make such books and records available immediately upon request If any inspection reveals that Franchisee has understated Gross Sales in any report or statement, then Franchisee shall immediately pay Franchisor the additional amount of fee(s) owing because of the understatement of Gross Sales, together with interest as provided in this Agreement If an inspection reveals that Gross Sales have been understated in any report or statement by two percent (2%) or more, Franchisee shall additionally pay and reimburse Franchisor for all costs and expenses connected with the inspection, including, without limitation, travel, lodging and wage expenses and reasonable accounting and legal fees The foregoing remedies shall be in addition to any other remedies Franchisor may have in law or in equity If any inspection reveals that Franchisee has overstated Gross Sales and that Franchisee has therefore made an overpayment of any fees, the amount of the overpayment, without interest, shall be credited toward Franchisee's future fees or payment of future invoices If Franchisee is at any time required to furnish any lender, lessor, government agency or other person audited financial statements with respect to the Licensed Business, Franchisee shall concurrently furnish Franchisor a copy of such audited financial statements

D Franchisee understands and agrees that the receipt or acceptance by Franchisor of any of the statements furnished or Royalty Fee or JMA Fee paid to Franchisor shall not preclude Franchisor from questioning the correctness thereof at any time and, in the event that any inconsistencies or mistakes are discovered in such statements or payments, they shall immediately be rectified by the Franchisee and the appropriate payment shall be made by the Franchisee

E Franchisee hereby authorizes (and agrees to execute any other documents deemed necessary to effect such authorization) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other persons or entities with which Franchisee does business to disclose to Franchisor any requested financial information in their possession relating to Franchisee, the Restaurant or the Licensed Business Franchisee authorizes Franchisor to disclose data from such records or reports, if Franchisor determines, in its sole discretion, that such disclosure is necessary or advisable, which disclosure may include disclosure to prospective or existing franchisees or other third parties

F Franchisee hereby appoints Franchisor its true and lawful attorney-in-fact with full power and authority, for the sole purpose of obtaining any and all returns and reports filed by Franchisee with any state and/or federal taxing authority This power of attorney shall survive the expiration or termination of this Agreement Franchisee shall execute such additional documents as Franchisor shall require in connection with such appointment

G In addition to the information, books, records and reports Franchisee must provide with respect to the Restaurant, the Licensed Business and Franchisee described above, Franchisee shall cause each Principal to provide to Franchisor his/ he/its unaudited annual financial statements within sixty (60) days after the end of each calendar year Such financial statements shall be prepared in a manner consistent with those prepared by or for Franchisee

## XIII COMPLIANCE WITH THE SYSTEM, RESTAURANT OPERATIONS

A. Franchisee understands the importance of maintaining uniformity among all [Tony Roma's/TR Fire Grill] restaurants Franchisee shall comply with the System, as the System may be changed by Franchisor from time to time, including, without limitation, the following

1 In connection with the opening of the Restaurant, Franchisee shall conduct, at Franchisee's expense, such promotional and advertising activities as Franchisor may require

2 Franchisee shall purchase and install (i) such point-of-sale computer systems, including hardware and related software, and (ii) such additional hardware or software, and follow such procedures, as Franchisor may require from time to time, including such hardware and software which is technologically compatible with our requirements Without limitation, Franchisee shall purchase and install a software system that must be installed on Franchisee's computer system(s) which will allow Franchisor to electronically access and download, in real time and in the manner required by Franchisor, Franchisee's sales and related data/information, whether from Franchisee's point-of-sale computer system or elsewhere, such that Franchisor is able to view and download all such information related to,

without limitation, Franchisee's sales, food and beverage costs, labor costs, labor hours and similar information, Franchisor shall provide Franchisee, from time to time with a list of designated suppliers of such hardware and software

3 Franchisee shall purchase and install, at Franchisee's expense, all fixtures, furnishings, equipment, decor and signs as Franchisor may reasonably direct from time to time, and shall refrain from installing or permitting to be installed on or about the Restaurant premises, without Franchisor's prior written consent, any fixtures, furnishings, equipment, decor, signs, games, vending machines or other items not previously approved as meeting the Standards

4 Franchisee shall sell or offer for sale only such menu items, products and services as have been expressly approved for sale in writing by Franchisor, shall sell or offer for sale all menu items, products and services specified by Franchisor, shall refrain from any deviation from the Standards without Franchisor's prior express written consent, and shall discontinue selling and offering for sale any menu items, products or services which Franchisor may, in its discretion, disapprove in writing at any time With respect to the offer and sale of all menu items, products and services, Franchisee shall have sole discretion as to the prices to be charged to customers Franchisor may add, eliminate or modify approved menu items, products or services at any time in its sole discretion

5 Franchisee shall permit Franchisor's designee at any reasonable time to remove samples of food or nonfood items from Franchisee's inventory or from the Restaurant, without payment therefor, in amounts reasonably necessary for testing by Franchisor or an independent laboratory to determine whether such samples meet Franchisor's then-current standards and specifications In addition to any other remedies it may have under this Agreement, Franchisor may require Franchisee to bear the cost of such testing if the supplier of the item has not previously been approved by Franchisor or if the sample fails to conform with the Standards

6 Franchisee shall sell or offer for sale products and services only at the Restaurant premises and refrain from off-premises sales unless expressly authorized by Franchisor in writing

7 Unless otherwise approved by Franchisor in writing and to the extent permitted by applicable law, Franchisee shall keep the Restaurant open and in normal operation seven (7) days per week at least eleven (11) hours per day beginning no later than 12 00 p m

8 Franchisee shall employ a sufficient number of trained personnel to operate the Restaurant at its optimum capacity and efficiency Franchisee will cause such employees, or others working at the Restaurant, to (i) wear apparel of such color, design and other specifications as Franchisor may designate, (ii) maintain a neat and clean appearance, (iii) render competent and courteous service to guests, and (iv) preserve good guest relations Franchisee shall be solely responsible for (a) hiring, supervising and directing all of its employees, (b) setting all terms and conditions of employment for Franchisee's employees, (c) paying all salaries and wages to its employees, and withholding and paying to the taxing authorities all payroll and other taxes determined by wages or salaries of its employees, and (d) complying with all laws, rules and regulations applicable to employment The Manual may encompass some of Franchisor's human resource and employment policies and procedures Franchisee is not required to adopt such policies or procedures and Franchisee shall consult with such legal or other advisors of its choosing to develop and implement its own human relations and employment policies and procedures Franchisor shall have no control over the terms and conditions of employment of Franchisee's employees

9 Franchisee shall fully participate in the Gift Card Program, or any successor program, in accordance with the terms and conditions set out in the agreements regulating the Gift Card Program, or successor program, as in effect from time to time Franchisee acknowledges that the obligations under the Gift Card Program are obligations of the Franchisee and enforceable by Franchisor for the benefit of card holders

B Franchisee shall meet and maintain the highest health, sanitation and safety standards and ratings applicable to the physical condition of the Restaurant premises and operation of the Restaurant Franchisee shall furnish to Franchisor, within five (5) days after receipt thereof, a copy of any inspection report, warning, citation, certificate, and any other documentation, of whatever nature or kind, issued by any federal, state, local or other administrative agency, instrumentality or other organization with respect to the health and safety conditions of the Restaurant Franchisee shall immediately make such additions, alterations, repairs, maintenance or replacements (including, without limitation, such refurbishing, periodic repainting or replacement of obsolete signs, furnishings, equipment and decor) at Franchisee's expense as may be required or appropriate to maintain or achieve such highest standards or ratings or as required by Franchisor

C Franchisee shall purchase, and maintain a sufficient supply of, all food items, ingredients, supplies, materials and other products used or offered for sale at the Restaurant solely from suppliers (including manufacturers, distributors and other sources) that demonstrate the ability to meet Franchisor's then-current Standards for such items, who possess adequate quality controls and capacity to supply Franchisee's needs promptly and reliably and whom have been designated or approved by Franchisor To the extent that Franchisor has identified approved or designated suppliers for any product or service, you may purchase the product or service only from the approved or designated supplier(s) Franchisee acknowledges that Franchisor or its Affiliates may negotiate purchase and/or distribution arrangements with suppliers and/or distributors and that Franchisee may participate, or that Franchisee may require that Franchisee participate, in such purchasing and distribution arrangements by entering into an agreement with Franchisor or its Affiliate in the form of Attachment D to this Agreement If Franchisee is not required to so participate at the time this Agreement is executed, Franchisor will provide Franchisee with not less than sixty (60) days notice that Franchisee must participate in such purchasing and distribution arrangements, including the execution and delivery of the agreement in the form of Attachment D to this Agreement Franchisee agrees that Franchisor or its Affiliates shall have the right to retain discounts, rebates or similar amounts based upon Franchisee's purchases from suppliers or distributors with whom Franchisor or its Affiliates have negotiated purchase arrangements to offset the costs associated with Franchisor's or its Affiliates purchasing and/or distribution efforts, including without limitation the wages, salaries, benefit costs, travel and other fees and expenses of Franchisor's or its Affiliate's employees and vendors which are incurred in connection with the negotiation, implementation and operation of such purchasing and distribution arrangements After such costs are fully recovered, Franchisor or its Affiliate will distribute such discounts, rebates and/or similar amounts to all participating franchisees in a reasonable manner determined by Franchisor or its Affiliates If Franchisee desires to purchase any products from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval Franchisee shall not purchase from any supplier until and unless such supplier has been approved in writing by Franchisor Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered, either to Franchisor or to an independent laboratory designated by Franchisor for testing A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by Franchisee or the supplier Franchisor reserves the right, at its option, to inspect from time to time the facilities and products of any supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's then-current criteria Nothing in the foregoing shall be construed to require Franchisor to approve any particular supplier

D Franchisee shall participate in such food and service quality measurement or guest satisfaction programs as Franchisor may from time to time require for the System The cost of such participation shall be paid by Franchisee Franchisor retains the right to from time to time select alternative customer satisfaction programs, which may become mandatory for use in the System

E Franchisee acknowledges and agrees that Franchisor may develop for use in the System certain Proprietary Items, which Franchisee acknowledges constitute Franchisor or its Affiliate trade secrets and Confidential Information Because of the importance of quality and uniformity of production and the significance of the Proprietary Items in the System, it is to the mutual benefit of the parties that Franchisor closely control the production and distribution of such Proprietary Items Accordingly, and notwithstanding Section XIII C above, Franchisee shall use and make available for sale to guests such Proprietary Items as required by Franchisor, and shall purchase only from Franchisor or from a source designated by Franchisor all of Franchisee's requirements for preparing and serving the Proprietary Items

F Franchisee shall require all advertising and promotional materials, signs, decorations, paper goods (including disposable food containers, napkins, menus and all forms and stationery used in the Restaurant) and other items which may be designated by Franchisor to be of such quality and to bear the Marks in the form, color, location and manner prescribed by Franchisor

G Upon Franchisor's request, Franchisee shall make all improvements and alterations to modernize the Restaurant, including without limitation new or upgraded equipment (new point-of-sale or similar equipment, signs, interior or exterior decor, fixtures, furnishings) that Franchisor may determine to be necessary for the Restaurant to conform with the System image as it may be prescribed by Franchisor at that time Franchisee shall undertake and complete such improvements and alterations within times specified by Franchisor, at Franchisee's expense Franchisee acknowledges that Franchisor has the right to make changes in the System image as it deems appropriate

H Franchisee shall play such recorded or programmed music as Franchisor may from time to time require and shall obtain such copyright or other licenses as may be necessary in connection therewith

I Franchisee shall pay when due all trade debt, trade accounts, fees and taxes (including sales, use, rental, excise, real property and income) imposed on Franchisee or the Licensed Business

J Franchisee shall (i) maintain high moral and ethical standards in the performance of its duties and obligations under this Agreement, (ii) obtain and thereafter maintain all permits, licenses and certifications required for the operation of the Restaurant pursuant to the System, including without limitation licenses permitting the on-premise sale of liquor, beer and wine, sign permits and other operating permits, and (iii) comply with all requirements of federal, state and local laws, rules, regulations, and orders Franchisee shall do no act, or commit any omission, which may result in the revocation of any such permit or license, and shall promptly provide Franchisor with a copy of any notice of proposed governmental action which could result in the suspension or loss of any such permit or license

K Franchisor may, but is not required to, arrange and present, not more frequently than on an annual basis, a Global Conference Each Global Conference may be presented at such locations as Franchisor determines in Franchisor's sole discretion and shall be for such a period of time Franchisor determines in its sole discretion Franchisor has the right, in its sole discretion, to (i) make attendance by Franchisee representatives (as Franchisor reasonably determines) at any Global Conference mandatory, and/or (ii) charge a Global Conference Fee for any Global Conference The Global Conference Fee may be determined (i) per franchisee, (ii) per attendee, (iii) by the number of [Tony Roma's/TR Fire Grill] restaurants operated, or committed to be developed and operated pursuant to the Development Agreement, and/or (iv) based upon other factors or criteria as Franchisor may determine in its sole but reasonable discretion for any Global Conference Franchisor may require that certain persons attend any Global Conference including, without limitation, representatives of Franchisee ownership, directors of operations, multi-unit managers, general managers, kitchen managers and/or executive chefs Franchisee shall pay the Global Conference Fee to Franchisor within twenty (20) days following the date Franchisor notifies Franchisee that the Global Conference Fee is being assessed whether or not each franchise group is required to attend, or attends, such conference, and/or Franchisor may apply JMA Fees to pay for up to all of the costs and expenses Franchisor or its affiliate incurs in arranging for and putting on such any Global Conference Franchisee must pay all of its or its representatives costs and expenses incurred to attend any Global Conference including, without limitation, travel, lodging, meals and incidental expenses

## XIV INDEMNITY AND INSURANCE

A. Franchisee shall indemnify, defend and hold harmless the Indemnitees from all Losses and Expenses incurred in connection with any action suit, proceeding, claim, demand, investigation, or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon this Agreement or the development or operation of the Restaurant, including any Losses and Expenses arising as a result of any Indemnitee's negligence Specifically, but not exclusively and without limiting the foregoing, Franchisee shall indemnify, defend and hold harmless the Indemnitees from any Losses and Expenses arising from, as a result of or in connection with the following

1 The infringement, alleged infringement, or any other violation or alleged violation by Franchisee, its Affiliates, any Principal or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives of any patent, trademark, service mark, copyright, or other proprietary right owned or controlled by third parties (except as such may occur with respect to any rights in the Marks or other Intellectual Property granted to Franchisee under this Agreement),

2 The violation, breach, or asserted violation or breach, by Franchisee, its Affiliates, any Principal or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives of any federal, state or local law, regulation, ruling, standard or directive, or any industry standard,

3 Libel, slander or any other form of defamation of any Indemnitee or the System by Franchisee, its Affiliates, any Principal or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives,

4 The violation or breach by Franchisee, its Affiliates, any Principal or their respective officers, directors shareholders, partners, employees, agents, independent contractors or representatives of any warranty, representation, agreement, or obligation in this Agreement or in any franchise agreement or other agreement between Franchisee or its Affiliates and Franchisor or its Affiliates, and

5 Acts, errors or omissions of Franchisee, its Affiliates, any Principal or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or

representatives in connection with the performance or nonperformance of Franchisee's (i) obligations under this Agreement, or (ii) or Developers' (or its officers, directors, shareholders, partners, employees, agents, independent contractors or representatives) obligations under, the Development Agreement

C Franchisee shall give Franchisor prompt notice of any such action, suit, proceeding, claim, demand, inquiry or investigation At the expense and risk of Franchisee, Franchisor may elect to control (but is not obligated to undertake) the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation Such an undertaking by Franchisor shall in no manner or form diminish the obligation of Franchisee to indemnify, defend and hold harmless the Indemnitees

D In order to protect persons or property, or its reputation or goodwill, or the reputation or goodwill of others, Franchisor may, at any time and without notice, as it, in its judgment deems appropriate, consent or agree to settlements or take such other remedial or corrective action as it deems expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in Franchisor's sole judgment, there are reasonable grounds to believe that

1 Any of the acts or circumstances enumerated in Section XIV A.1 above has occurred, or

2 Any act, error or omission as described in Section XIV A.2-5 (inclusive) may result directly or indirectly in damage, injury or harm to any person or any property

E All Losses and Expenses shall be chargeable to and paid by Franchisee pursuant to its obligations of indemnity hereunder, regardless of any actions, activity or defense undertaken by Franchisor or the subsequent success or failure of such actions, activity or defense

F The Indemnitees do not assume any liability whatsoever for acts, errors or omissions of those with whom Franchisee, any of its Principals, their respective Affiliates or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives may contract, regardless of the purpose Franchisee shall indemnify, defend and hold harmless the Indemnitees for all Losses and Expenses which may arise out of any acts, errors or omissions of Franchisee, its Affiliates, any Principal or their respective officers, directors, shareholders, partners, employees, agents, independent contractors or representatives, without limitation and without regard to the cause or causes thereof or the negligence of any Indemnitee (whether such negligence be sole, joint or concurrent, or active or passive) or strict liability of any Indemnitee

G Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against Franchisee Franchisee agrees that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable from Franchisee by the Indemnitees

H Franchisor shall have the right, independently, to take any action to protect and defend itself against any threatened action subject to indemnification hereunder Franchisee agrees that its obligations under this Section XIV shall remain in effect from the date of this Agreement and survive the expiration or termination of this Agreement

I (1) At all times during the Term, Franchisee shall procure and maintain in full force and effect, at Franchisor's expense, an insurance policy(ies) as (i) required under any lease or mortgage covering the Restaurant, (ii) specified by Franchisor in the Manuals or in written directives from time to time, and (iii) Such other insurance as may be required by the state or locality in which the Restaurant is located and operated, protecting Franchisee and Franchisor and its Affiliates and their respective successors, assigns, officers, directors, shareholders, partners, agents, representatives, independent contractors and employees against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Restaurant

(2) Such policy or policies shall be written by a responsible carrier or carriers acceptable to Franchisor, and shall include, at a minimum (except as additional coverage and higher policy limits may reasonably be specified by Franchisor from time to time) the following required coverages

| **Type of Insurance** | **Minimum Required Coverage** |
|---|---|
| Worker's compensation insurance (or comparable coverage) | As required by law and in the amounts prescribed by the state or locality in which the Restaurant is located and operated, or such other insurance as may be required by the state or locality in which the Restaurant is located and operated |
| Employer's liability coverage | Employer's liability/Foreign Coverage/United States Longshore & Harbor Worker's Compensation/ Voluntary Compensation<br>At least<br>$1,000,000 each Accident<br>$1,000,000 each Employee<br>$1,000,000 Policy Limit<br><br>If such insurance is required by the state or locality in which the Restaurant is located and operated, in such greater amount as prescribed by such state or locality |
| Comprehensive general liability insurance (with products, completed operations, independent contractors and escalators coverage) and automobile liability insurance (as applicable) | General Liability at least<br>$1,000,000 each occurrence<br>$300,000 Fire Damage Legal Liability<br>$10,000 Medical Expense to any one person'<br>$1,000,000 Personal & Advertising Injury<br>$2,000,000 General Aggregate<br>$2,000,000 Products-Completed Operations Aggregate<br><br>Automobile Liability at least<br>$1,000,000 combined single limit- Non-owned & hired liability only including hired and non-owned liability and physical damage<br><br>Physical Damage at least<br>Actual cash value or cost of repair, whichever is less<br>$500 deductible – schedule of covered autos<br><br>Hired Car Auto Physical Damage at least<br>$500 deductible collision<br>$500 deductible comprehensive |

| | |
|---|---|
| Liquor liability insurance | At least<br>$2,000,000 Liquor liability aggregate limit<br>$1,000,000 Liquor liability cause limit |
| Umbrella Coverage | At least<br>$10,000,000 each occurrence<br>$10,000,000 general aggregate<br>$10,000,000 products-completed operations aggregate |
| Blanket Crime Policy | At least<br>$1,000,000 limit each coverage section<br>Coverage Sections<br>A. Employee Dishonesty<br>B Forgery or Alteration<br>C Theft, Disappearance & Destruction<br>D Robbery & Safe Burglary<br>E Computer Fraud with Wire Transfer<br>F Money Orders & Counterfeit Currency-Credit Card Forgery |
| D&O, EPL, Fiduciary Coverage | $3,000,000 Policy aggregate limit of liability<br>$3,000,000 Limit of liability – directors & officers<br>$3,000,000 Limit of liability – employment practices liability<br>$1,000,000 Limit of liability – fiduciary |

Such policies shall also include a waiver of subrogation in favor of Franchisor and their Affiliates and their respective directors, officers, shareholders, partners, employees, representatives, independent contractors and agents Any changes to such policy requirements requiring higher policy limits or additional coverage shall be obtained by Franchisee within thirty (30) days following notice of such requirement from Franchisor

J Upon execution of this Agreement, and at least thirty (30) days prior to (i) the time any insurance is required to be carried by Franchisee, and (ii) the expiration of any such policy, Franchisee shall deliver to Franchisor certificates of insurance or other evidence satisfactory to Franchisor evidencing the existence and continuation of proper coverage with limits not less than those required hereunder If Franchisor requests, Franchisee shall deliver to Franchisor a copy of the insurance policy or policies required hereunder All insurance policies required hereunder, with the exception of workers' compensation, shall name Franchisor and its Affiliates, and their respective directors, officers, shareholders, partners, employees, representatives, independent contractors and agents as additional insured parties and shall expressly provide that any interest of same therein shall not be affected by any breach by Franchisee of any policy provisions Further, each insurance policy required hereunder shall expressly provide that no less than thirty (30) days' prior written notice shall be given to Franchisor in the event of a material alteration to or cancellation of such policy

K Should Franchisee fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by Franchisor, Franchisor shall have the right and authority (without, however, any obligation to do so) to immediately procure such insurance and to charge same to Franchisee, which charges, together with a reasonable fee for 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 hereunder, at law or in equity

L In connection with any construction, renovation, refurbishment or remodeling of the Restaurant, Franchisee shall maintain Builder's Risks insurance and performance and completion bonds in forms and amounts, and written by a carrier or carriers, reasonably satisfactory to Franchisor

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

N All public liability and property damage policies shall contain a provision that Franchisor and its Affiliates and their respective directors, officers, shareholders, partners, employees, representatives, independent contractors and agents, although named as additional insured parties, shall nevertheless be entitled to recover under such policies on any loss occasioned to Franchisor or its Affiliates and their respective officers, shareholders, partners, employees, representatives, independent contractors and agents by reason of the negligence of Franchisee or its Affiliates and their respective officers, shareholders, partners, employees, representatives, independent contractors and agents All coverage procured under this Agreement will be primary and non-contributing to any other insurance in force

O Franchisee agrees that the terms of this Section XIV shall survive the expiration, termination or Transfer of this Agreement or any interest therein

**XV RESTRICTIVE COVENANTS**

A Franchisee, for itself and each Principal, acknowledges that they will receive valuable specialized training and Confidential Information which is in addition to the present skills and experience of Franchisee, its officers, directors, shareholders, partners, employees, agents, independent contractors or representatives and each Principal, Franchisee, for itself and each Principal, acknowledges that such training and Confidential Information provide a competitive advantage and will be valuable to them in the development and operation of the Restaurant, and that gaining access to such training and Confidential Information is, therefore, a primary reason why Franchisee is entering into this Agreement In consideration for such valuable specialized training and Confidential Information, Franchisee, for itself and each Principal, hereby make the covenants and agreements set forth below in this Section XV

B With respect to Franchisee, during the Term or, with respect to each Principal for so long as such individual or entity satisfies the definition of "Principal," and in either case for twenty-four months thereafter, neither Franchisee nor any Principal shall directly or indirectly, for themselves or through, on behalf of or in conjunction with any Person

(i) own, maintain, operate, engage in or have any financial or beneficial interest in (including any interest in any Person), including advise, assist, make loans to, become a landlord for, or offer any service to or consult with any business which is the same or similar to a [Tony Roma's/TR Fire Grill] restaurant, including but not limited to any food service business which offers [ribs or steak as a primary menu item/ artisanal food and beverages using locally sourced and seasonal produce] which business is located within (a) the United States, its territories or commonwealths, (b) the Territory, (c) a ten (10) mile radius of any [Tony Roma's/TR Fire Grill] restaurant, and (d) at the Location or within a ten (10) mile radius thereof, or

(ii) divert, or attempt to divert, any business or customer of a [Tony Roma's/TR Fire Grill] restaurant 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 Marks, the Confidential Information or the System

C Franchisee understands and acknowledges that the management employees and training staff of Franchisor, its Affiliates and other franchisees of the System are uniquely qualified and trained individuals who have been provided their knowledge of and experience with Franchisor methods of operation at the cost of substantial time and expense to their employers Franchisee further understands and acknowledges that the loss of such employees would result in considerable harm and expense to the [Tony Roma's/TR Fire Grill] restaurant or other employer by which they are employed, due to the time and expense involved in locating, hiring and training new employees, and the loss of the value of the trained employees' experience Franchisee, therefore, covenants and agrees that, during the Term and for twenty-four (24) months thereafter, neither Franchisee nor any Principal shall employ, or seek to employ, any managerial employee of Franchisor, its Affiliates or any franchisee of Franchisor or its Affiliates or otherwise induce such person to leave his or her employment In the event of a breach hereof, any former employer described herein shall be entitled to be compensated for the reasonable costs and expenses, of whatever nature or kind, incurred by such former employer in connection with the training of such employee The parties agree that such expenditures may be uncertain and difficult to ascertain and, therefore, agree that as liquidated damages and not as a penalty, the breaching Person shall pay to the former employer one-half (1/2) of the gross salary and benefits of such employee for the twelve (12) month period immediately prior to the time of termination of the employment of such managerial employee prior to such employee assuming such managerial position In seeking any individual to serve in a managerial position, neither Franchisee nor any Principal shall discriminate in any manner whatsoever against any individual to whom the provisions of this paragraph apply, on the basis of the compensation required to be paid hereunder in the event such individual is employed The parties hereto expressly acknowledge and agree that no employee of Franchisor or its Affiliates is a beneficiary of this Agreement or any provision thereof, excluding only the covenant of Franchisee and each Principal set forth in the preceding sentence Franchisor expressly disclaims any representations and warranties regarding the performance of any employee or former employee of Franchisor or any franchisee or developer operating under the System, who is employed by Franchisee or any Principal in any capacity, and Franchisor shall not be liable for any losses, of whatever nature or kind, incurred by Franchisee, Managing Principal or any Principal in connection therewith

D The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of Franchisor The parties agree that each of the above covenants shall be construed as independent of any other covenant or provision of this Agreement If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee and each Principal shall be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section

E Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth herein, or any portion thereof, without Franchisee's or any Principal's consent, effective immediately upon written notice to Franchisee, and Franchisee, for itself and the Principals, agrees that they shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section XXIIA hereof

F The existence of any claims they may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section XV

G Franchisee, for itself and each Principal, acknowledge that any failure to comply with the requirements of this Section XV shall constitute a material event of default under this Agreement and will cause Franchisor irreparable injury for which there is no adequate remedy at law Therefore, Franchisee, for itself and each Principal, consents to the issuance of an injunction prohibiting any conduct by Franchisee or any Principal in violation of the terms of this Section Franchisee, for itself and each Principal, agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in connection with the enforcement of this Section XV

H Sections XV B(i) and (ii) shall not apply to ownership of less than a one percent (1%) beneficial interest in the outstanding equity securities of any Publicly-Held Corporation

I The covenants and agreements of this Section shall survive the expiration or termination of this Agreement

## XVI. COMPLIANCE WITH LAWS AND CONTRACTS

A Franchisee shall at all times operate the Restaurant in strict accordance with all applicable laws, ordinances, rules, regulations and lawful directives or orders of public officials administering such laws

B Franchisee represents and warrants that as of the date hereof, Franchisee is in compliance with all leases, contracts and agreements affecting Franchisee's use and possession of the Restaurant premises, and that Franchisee has adequate access to and control of (either through ownership or otherwise) the premises to be able to fulfill its obligations to operate the Restaurant for the full, uninterrupted Term

## XVII. PRINCIPALS' GUARANTY OF PAYMENT AND PERFORMANCE

Franchisee acknowledges that Franchisor is entering into this Agreement in reliance upon and in consideration of the business skill, financial capacity, personal character, the personal qualifications of each Principal Therefore, and as a condition precedent to the effectiveness of this Agreement, each Principal shall to execute and deliver to Franchisor a Guaranty of Payment and Performance in substantially the form attached hereto as Attachment E at the same time this Agreement is executed by Franchisee

## XVIII. TRANSFER OF INTEREST

A. Franchisor shall have the right to transfer or assign this Agreement and all or any part of its rights or obligations herein to any person or legal entity without Franchisee's consent Specifically, and without limitation to the foregoing, Franchisee expressly agrees that Franchisor may sell or pledge its assets, the Marks or any or all elements of the System to a third party, may offer its securities publicly or privately may merge, spin-off, acquire other corporations or be acquired by another corporation, may undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring, and, with regard to any or all of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising therefrom against

Franchisor or its Affiliates Nothing in this Agreement shall require Franchisor or its Affiliates to remain in the business of operating or licensing the operation of [Tony Roma's/TR Fire Grill] restaurants, or to offer any services or products whether or not bearing the Marks, if Franchisor exercises its rights hereunder to assign its rights in this Agreement

B Franchisee, for itself and for each Principal, understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Franchisor has granted such rights in reliance on the business skill, financial capacity and personal character of Franchisee and each Principal Accordingly, neither Franchisee nor any Principal, nor any subsequent direct or indirect holder of an Ownership Interest or any part of Franchisee's interest in this Agreement, may effect a Transfer without Franchisor's prior written consent, provided, however, that Franchisor's prior written consent shall not be required for a Transfer of less than a one percent (1%) interest in a Publicly-Held Corporation Any purported Transfer, by operation of law or otherwise, made in violation of this Agreement shall be null and void and shall constitute a material event of default of this Agreement

C Franchisee shall promptly notify Franchisor of any proposed Transfer Franchisor shall not unreasonably withhold its consent to a Transfer, <u>however</u>, Franchisor may require any or all of the following as conditions of its consent to any such Transfer

1 All of Franchisee's and its Affiliate's accrued monetary obligations and all other outstanding obligations to Franchisor or its Affiliates arising under this Agreement or any other agreement between Franchisor or its Affiliates and Franchisee or its Affiliates shall have been fully paid and satisfied,

2 Franchisee and its Affiliates are not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisor or its Affiliates and Franchisee or its Affiliates,

3 The transferor shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its Affiliates and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors and employees, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement, any other agreement between Franchisee or its Affiliates and Franchisor or its Affiliates and under all applicable laws, rules, regulations and ordinances,

4 The transferee and other parties required by Franchisor shall enter into a written agreement, in a form prescribed by Franchisor assuming full, unconditional, joint and several liability for and agreeing to perform from the date of the Transfer, all obligations, covenants and agreements contained in this Agreement, and, if transferee is a corporation or a partnership, transferee's shareholders, partner(s) or other investors, as applicable, shall guarantee the performance of all such obligations, covenants and agreements,

5 The transferee shall demonstrate to Franchisor's satisfaction that transferee meets the criteria considered by Franchisor when reviewing a prospective franchisee's application for a franchise, including without limitation Franchisor's educational, managerial and business standards, transferee's good moral character, business reputation and credit rating, transferee's aptitude and ability to conduct the business contemplated hereunder (as may be evidenced by prior related business experience or otherwise), and transferee's resources and capital

6 At Franchisor's option, Franchisee or the transferee and other necessary parties as determined by Franchisor, shall (i) execute the standard form franchise agreement then being offered to new System franchisees or a revised form of this Agreement, as Franchisor deems appropriate, and such other ancillary agreements as Franchisor may require for the business franchised hereunder, which agreements shall supersede this Agreement and its ancillary documents in all respects and the terms of which agreements may differ from the terms of this Agreement, including, without limitation, to the extent allowed under applicable law, a higher Royalty Fee, JMA Fee, or Local Marketing Expenditure contribution (provided, however, that the transferee shall not be required to pay any Franchise Fee),

7 At Franchisor's option, Franchisee or the transferee, at its expense and within the time period required by Franchisor, shall renovate modernize and otherwise upgrade the Restaurant to conform to the then-current standards and specifications of [Tony Roma's/TR Fire Grill] restaurants,

8 The transferor shall remain liable for all of the obligations to Franchisor incurred in connection with this Agreement prior to the effective date of the Transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability,

9 At Franchisee's or the transferee's expense, the transferee, transferee's principals, the transferee's restaurant management personnel and other designees appointed by the transferee must be approved by Franchisor and shall complete any training programs then in effect for System franchisees upon such terms and conditions as Franchisor may reasonably require, and

10 The Transfer Fee shall have been paid to Franchisor,

11 If transferee is a legal entity, the transferee shall make and will be bound by all of the representations, warranties and covenants set forth in Section VIII of this Agreement and shall provide evidence satisfactory to Franchisor that all such representations, warranties and covenants have been satisfied and are true and correct on the date of Transfer

Franchisee acknowledges and agrees that each condition which must be met by the transferee is reasonable and necessary

D (1) If Franchisee, and Principal or any party holding any interest in Franchisee, the Restaurant or in this Agreement desires to accept any <u>bona fide</u> offer from a third party to engage in a Transfer, Franchisee or the proposed transferor shall promptly notify Franchisor in writing of each such offer, and shall provide such information and documentation relating to the offer as Franchisor may require including, without limitation, a description of the transaction, the names and contact information of the proposed transferee, the time during which the transaction is to be completed and all terms of the proposed Transfer including price or other consideration, method and time of payment, liabilities to be assumed and indemnification rights Franchisor shall have the right and option, exercisable within thirty (30) business days after receipt of such written notification and receipt of all documentation requested by Franchisor, to send written notice to the transferor that Franchisor intends to complete the proposed Transfer as transferee on the same terms and conditions offered by the third party If Franchisor elects to complete the proposed Transfer as transferee, the closing on such purchase must occur within the later of sixty (60) days from the date of notice to the transferor of such election by Franchisor, sixty (60) days from the date Franchisor receives or obtains all necessary permits and approvals to complete such Transfer, or such other date the parties agree upon in writing Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same rights of Franchisor as in the case of an initial offer

(2) If the offer from the third party provides for payment of consideration other than cash or involves certain intangible benefits, Franchisor may elect to purchase the interest proposed to be sold for the reasonable equivalent in cash If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the noncash part of the offer, Franchisor shall designate an independent appraiser to determine such amount, and his determination shall be final and binding In the event of such appraisal, each party shall bear its own legal and other costs and shall share equally the appraiser fee and appraisal costs If Franchisor exercises the option/right of first refusal described in this Section XVIII D(1), it shall have the right to set off (i) all amounts due from Franchisee or its Affiliates or the transferor for the appraiser's fees and appraisal costs, and (ii) all amounts due from Franchisee or its Affiliates, against any payment made therefor If the proposed Transfer includes assets not related to the operation of the Restaurant, Franchisor shall have the right to exclude such unrelated assets and complete the Transfer with only the assets relating to the operation of the Restaurant and the consideration conveyed to Franchisee shall be adjusted by agreement or by appraisal (as aforesaid)

(3) Franchisor's failure to exercise the option afforded by this Section XVIII D shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section XVIII, relating to a proposed Transfer

E (1) Upon the death of any person with an interest in this Agreement or the Restaurant's assets, or an Ownership Interest in Franchisee (the "Deceased"), the executor, administrator or other personal representative of the Deceased shall transfer such interest to a third party in accordance with the conditions described in this Section XVIII E within twelve (12) months after the death If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by Franchisor If the distributee is not so approved by Franchisor, then the distributee shall transfer such interest to a third party approved by Franchisor within twelve (12) months after the death of the Deceased

(2) Upon the Permanent Disability of any person with an interest in this Agreement or the Restaurant's assets, or an Ownership Interest in Franchisee, Franchisor may require such interest to be transferred to a third party approved by Franchisor within six (6) months after notice to Franchisee Permanent Disability shall be determined upon examination of the person by a licensed practicing physician selected by Franchisor If the person refuses to submit to such an examination, then such person shall be automatically deemed Permanently Disabled as of the date of such refusal for the purpose of this Section XVIII E Franchisor shall pay the costs of any examination required by this Section XVIII E

(3) Upon any such death or claim of Permanent Disability, Franchisee or a representative of Franchisee must promptly notify Franchisor of such death or claim of Permanent Disability Any Transfer upon death or Permanent Disability shall be subject to the same terms and conditions as described in this Section XVIII for any <u>inter vivos</u> transfer

F Franchisor's consent to a Transfer shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee

G Securities of, or partnership interests in, Franchisee may be offered to the public by private offering or otherwise only with the prior written consent of Franchisor, which consent shall not be unreasonably withheld All materials required for such offering by federal or state law shall be submitted to Franchisor for a limited review as discussed below prior to their being filed with any government 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 shall imply (by use of the Marks or otherwise) that Franchisor or any Affiliate is participating in an underwriting, issuance or offering of Franchisee's or its Affiliates or Franchisor's or its Affiliates securities, and Franchisor's review of any offering materials shall be limited solely to the relationship between Franchisee and Franchisor or 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 and the other participants in the offering shall fully indemnify, defend and hold harmless Franchisor and its Affiliates and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors and employees in connection with the offering For each proposed offering, Franchisee shall pay to Franchisor the nonrefundable Offering Fee at the same time Franchisee first notifies Franchisor of the proposed offering. Franchisee shall additionally notify Franchisor in writing (i) at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Section, and (ii) of the filing the proposed offering with any state or federal agency

H Franchisee and each Principal, as applicable, may Transfer their respective Ownership Interests by and amongst themselves with Franchisor's prior written consent, provided, that such Transfer shall not result in a change in the Controlling Interest in Franchisee Franchisor's consent shall not be unreasonably withheld, but may be conditioned on compliance with Section XVIII B and C , except that such Transfer shall not be subject to Sections XVIII C (4), (5), (6), (8), (9) and (10)

## XIX. DEFAULT AND TERMINATION

A. Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee, if

1 Franchisee shall become insolvent or make a general assignment for the benefit of creditors or files a voluntary petition under any section or chapter of the federal bankruptcy laws or under any similar law or statute of the United States or any state thereof, or admits in writing its inability to pay its debts when due,

2 Franchisee is adjudicated bankrupt or insolvent in proceedings filed against Franchisee under any section or chapter of federal bankruptcy law or any similar law or statute of the United States, or any state thereof,

3 a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee, or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction,

4 proceedings for a composition with creditors under any state or federal law is instituted by or against Franchisee,

5 a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed),

6 Franchisee is dissolved,

7 execution is levied against Franchisee's business or property,

8 suit to foreclose any lien or mortgage against the premises or equipment of any business operated hereunder is instituted and not dismissed within thirty (30) days, or

9 the real or personal property of the business operated hereunder shall be sold after levy thereupon by any sheriff, marshal, constable or other appropriate governmental official.

B Franchisee shall be deemed to be in default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default except as provided below or unless otherwise as provided by law, effective immediately upon written notice to Franchisee, upon the occurrence of any of the following events

1 If Franchisee operates the Restaurant or sells any products or services authorized by Franchisor for sale at the Restaurant at a location which have not been approved by Franchisor,

2 If Franchisee fails to acquire a site for the Restaurant, or fails to construct or open the Restaurant, in accordance with the terms of this Agreement,

3 If Franchisee at any time ceases to operate for a period of two (2) or more consecutive days or otherwise evidences an intention to abandon the Restaurant, or loses the right to possession of the premises, or otherwise forfeits the right to do or transact business in the jurisdiction where the Restaurant is located, provided, however, that this provision shall not apply in cases of excused delay of performance as described in Section XXII I hereof and provided that, if through no fault of Franchisee, the premises are damaged or destroyed by an event such that repair or reconstruction cannot be completed within thirty (30) days thereafter, then Franchisee shall have thirty (30) days after such damage or destruction has occurred in which to apply for Franchisor consent to relocate or reconstruct the Restaurant premises, which consent shall not be unreasonably withheld,

4 If Franchisee or any Principal's is convicted of, or shall have entered a plea of nolo contendere to, 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 System, the Marks, the goodwill associated therewith or Franchisor's interest therein,

5 If a threat or danger to public health or safety results from the construction, maintenance or operation of the Restaurant,

6 If Franchisee fails to employ and retain a qualified General Manager and sufficient Managers, trained as required herein, and any necessary replacements thereof, and a Managing Principal, all as required herein,

7 If Franchisee breaches any of its representations and warranties, or fails to perform any of its covenants, in this Agreement,

8 If Franchisee or any Principal Transfers or attempts to Transfer any rights or obligations under this Agreement, an interest in Franchisee, or the assets of Franchisee, without first obtaining Franchisor's prior written consent or without offering Franchisor a right of first refusal with respect to such Transfer pursuant to Section XVIII of this Agreement,

9 If Franchisee or any Principal fails to comply with the covenants in Sections X A hereof or if Franchisee fails to obtain the execution of the covenants required under

Sections X B or XV I hereof within thirty (30) days following Franchisor's request that Franchisee obtain the execution of such covenants,

10 If an approved Transfer upon death or Permanent Disability is not effected within the time period and in the manner prescribed by Section XVIII E,

11 If Franchisee knowingly maintains false books or records, or intentionally submits any false reports to Franchisor,

12 If Franchisee misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated therewith or with the System or Franchisor's rights therein and does not cure such default within twenty-four (24) hours following notice thereof from Franchisor,

13 If Franchisee fails to procure and maintain such insurance policies as required by Section XIV and Franchisee fails to cure such default within seven (7) days following notice thereof from Franchisor,

14 If Franchisee or its Affiliates fails, refuses or neglects promptly to pay any monetary obligation owing to Franchisor or its Affiliates when due under this Agreement or any other agreement between Franchisor or its Affiliates and Franchisee or its Affiliates, and does not cure such default within five (5) days following notice thereof from Franchisor,

15 If Franchisee or any of its Affiliates fails or refuses to comply with any terms and conditions of any sublease, or related agreement, between Franchisor or its Affiliates and Franchisee or its Affiliates, and does not cure such default within any notice and cure period provided for in such sublease or related agreement following notice from Franchisor of such default (unless no cure period is specified in the sublease or other agreement, in which case the notice and cure period in Section XIX C shall apply),

16 If Franchisee fails to offer for sale and sell such menu items and other products required by Franchisor, or offers and sells unapproved menu items, and Franchisee does not cure such default within ten (10) days following notice thereof from Franchisor, and

17 If Franchisee has, on three (3) separate occasions, committed a material event of default under this Agreement, whether or not cured, after notice from Franchisor

C Except as otherwise provided in this Section XIX , if Franchisee fails to comply with any other term or condition imposed by this Agreement, or any other agreement between Franchisor or its Affiliates and Franchisee or its Affiliates, Franchisor may upon notice to Franchisee terminate this Agreement after Franchisor has given written notice to Franchisee stating the nature of such default and providing to Franchisee at least thirty (30) days to cure such default(s), provided, however, that Franchisee may avoid termination by immediately initiating the cure of such default(s) and curing it to Franchisor's satisfaction within the thirty (30) day period and by promptly providing proof 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 may be terminated by Franchisor upon notice to Franchisee

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

1 Franchisee shall immediately cease to operate the Restaurant, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor

2 Franchisee shall immediately and permanently cease to use, in any manner whatsoever, and remove from the Premises at Franchisee's expense any Confidential Information, all Marks and distinctive forms, slogans, signs, symbols and devices associated with the System In particular, Franchisee shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms and any other articles which display the Marks

3 Franchisee shall take such action as may be necessary to cancel any assumed name, domain name or similar registration which contains any of the Marks or any other Mark owned by Franchisor or its Affiliate, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within five (5) days after termination or expiration of this Agreement

4 Franchisee shall, at Franchisor's option, assign to Franchisor any interest which Franchisee has in any lease or sublease for the Location of the Restaurant Franchisor may give notice of exercise such option at, or within thirty (30) days following, termination or (subject to any existing right to renew) expiration of this Agreement If Franchisor not elect to exercise its option to acquire the lease or sublease for the Location of the Restaurant, Franchisee shall make such modifications or alterations to the Location immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of such Location from that of other restaurants under the System, including removal of all signage which includes the Marks, and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose If Franchisee fails or refuses to comply with the requirements of this Section XIX D 4, Franchisor or its designee shall have the right to enter upon the Location of the Restaurant, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at Franchisee's expense, which expense Franchisee agrees to pay upon demand

5 Franchisee agrees, if it subsequently begins to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's or its Affiliate's rights in and to the Marks or the System, and further agrees not to use any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor or its Affiliates constituting unfair competition

6 Franchisee shall promptly pay all sums owing to Franchisor or its Affiliates, including but not limited to all costs and expenses in enforcing this Agreement In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor or its Affiliates as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, signs, fixtures and inventory owned by Franchisee

7 Franchisee shall pay to Franchisor all damages, costs and expenses incurred by Franchisor or its Affiliates subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement

8 Franchisee shall immediately deliver to Franchisor the Manual and all records, files, instructions, correspondence, all materials related to operating the Restaurant, including, without limitation, brochures, agreements, invoices and any and all other materials relating to the operation of the Restaurant in Franchisee's possession, and all copies thereof (all of which are acknowledged to be Franchisor property), whether in tangible or digital/electronic form, and shall retain no copy or record of any of the foregoing, except Franchisee's copy of this Agreement and of any correspondence between the parties and any other documents which Franchisee reasonably needs for compliance with any provision of law

9 Franchisee, at the option of Franchisor, shall assign to Franchisor all rights to the (i) telephone numbers of the Restaurant and any related Yellow Pages or other business listings, and (ii) all e-mail addresses, URLs, domain names, Internet listings and Internet accounts related to the Restaurant Franchisee shall execute all forms and documents required by Franchisor and any telephone company or any Internet service provider at any time to transfer such service and numbers to Franchisor Franchisee hereby appoints Franchisor its true and lawful agent and attorney-in-fact with full power and authority for the sole purpose of taking such action as is necessary to complete such assignment This power of attorney shall survive the expiration or termination of this Agreement Franchisee shall thereafter use different telephone numbers, e-mail addresses or listings at or in connection with any subsequent business conducted by Franchisee

E Franchisor shall have the right, to be exercised within thirty (30) days after termination or (subject to any right to renew) expiration, to purchase from Franchisee any or all of Franchisee's assets, lease rights, furnishings, equipment, signs, fixtures, supplies or inventory related to the operation of the Restaurant, at Franchisee's cost or fair market value, whichever is less

1 Franchisor would purchase Franchisee's assets only and shall be assuming no liabilities whatsoever

2 If the parties cannot agree on a fair market value within thirty (30) days from the date of Franchisor's notice of exercise its option, an independent appraiser shall be designated by each party, and the two (2) independent appraisers so designated shall select a third independent appraiser The determination of fair market value of the majority of appraisers so chosen shall be concluded within sixty (60) days from the date of Franchisor's notice of exercise described above and shall be binding Each party shall bear the fees, costs and expenses of the appraiser it has chosen, and the parties shall equally share the fees, costs and expenses of the third appraiser

3 At closing, Franchisee shall deliver to Franchisor, in a form satisfactory to Franchisor, such bills of sale, assignments, releases of liens and such other documents and instruments which Franchisor deems reasonably necessary to perfect Franchisor's title and possession in and to the assets being purchased and to meet the requirements of all taxing and other governmental authorities

4 The time for the closing of the purchase and sale of such assets shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the determination of the appraisers, whichever is later (unless the parties agree to a different date, and the place of the closing shall be Franchisor offices in Orlando, Florida, unless another office is designated by Franchisor

5 At closing, Franchisor shall have the right to set off all amounts due from Franchisee or its Affiliates against any payment for the purchased assets and shall pay the remaining amount in cash

F Franchisee shall comply with all of its covenants or agreements which, pursuant to the terms of this Agreement or the nature of the covenant or agreement, survive the expiration or termination of this Agreement

G Franchisor's exercise of any of its options under this Agreement shall not constitute a waiver by Franchisor to exercise its option to terminate this Agreement at any time with respect to a subsequent event of default of a similar or different nature

H No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy provided or permitted under this Agreement, by law or in equity

## XX. RELATIONSHIP OF THE PARTIES

A. The parties acknowledge and agree that this Agreement does not create a fiduciary relationship between Franchisor and Franchisee, that Franchisee is an independent contractor, and that nothing in this Agreement is intended to constitute either party as the agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer or servant of the other for any purpose Neither Franchisee nor any Principal shall take any actions, omit to take any action, make any representation, or otherwise do or fail to do anything that would create, at law or otherwise, any of such relationships Franchisee shall be exclusively responsible for the control of the Restaurant and all activities conducted therein and therefrom

B During the Term, Franchisee shall hold itself out to the public as an independent contractor conducting its operations as a franchisee of Franchisor Franchisee shall take such action as shall be necessary to that end including, without limitation, continuously displaying at the Restaurant and in all public records, contracts and other documents evidencing a legal obligation of Franchisee, in a manner conspicuous to the public, a legend in a form approved by Franchisor stating that Franchisee is the owner of the business being conducted therein, and that the Restaurant is operated under a franchise granted by Franchisor

C Franchisee understands and agrees that nothing in this Agreement authorizes Franchisee or any of the Principals to make any contract, agreement, warranty or representations on Franchisor's or its Affiliate's behalf, or to incur any debt or other obligation in Franchisor's or its Affiliate's name, and that in no event shall Franchisor or its Affiliates assume liability for, or be deemed liable hereunder as a result of any such action, or by reason of any act or omission of Franchisee or any Principal or any claim or judgment arising therefrom

## XXI. CHOICE OF LAW; FORUM SELECTION; WAIVERS

A THIS AGREEMENT SHALL BE INTERPRETED AND CONSTRUED UNDER THE LAWS OF THE STATE OF FLORIDA (EXCEPT FOR FLORIDA CHOICE OF LAW RULES)

B THE PARTIES AGREE THAT ANY ACTION BROUGHT BY EITHER PARTY AGAINST THE OTHER IN ANY COURT, WHETHER FEDERAL OR STATE, SHALL BE BROUGHT WITHIN THE STATE OF FLORIDA IN THE JUDICIAL DISTRICT IN WHICH FRANCHISOR HAS ITS OFFICES, PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION WHICH INCLUDES INJUNCTIVE RELIEF OR SEEKS POSSESSION OR DISPOSITION OF, OR OTHER RELIEF RELATING TO, REAL PROPERTY, FRANCHISOR MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE WHICH HAS JURISDICTION THE PARTIES DO HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF

CARRYING OUT THIS PROVISION

C FRANCHISEE HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT THIS WAIVER WILL APPLY TO ANY MATTER BETWEEN OR AMONG FRANCHISEE, MANAGING PRINCIPAL OR THE PRINCIPALS AND FRANCHISOR OR ITS AFFILIATES WHICH ARISES OUT OF OR IN ANY WAY IS RELATED TO THIS AGREEMENT, ANY PARTY'S OR GUARANTOR'S PERFORMANCE UNDER THIS AGREEMENT, AND/OR THE OFFER OR SALE OF THE FRANCHISE REPRESENTED BY THIS AGREEMENT

D THE PARTIES TO THIS AGREEMENT WAIVE, EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, ANY RIGHT OR CLAIM OF ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES AGAINST THE OTHER PARTY AND THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, PARTNERS, AGENTS, REPRESENTATIVES, INDEPENDENT CONTRACTORS, SERVANTS AND EMPLOYEES, IN THEIR CORPORATE AND INDIVIDUAL CAPACITIES, ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT, OR OTHERWISE), PROVIDED, THAT THIS WAIVER WILL NOT PRECLUDE FRANCHISOR FROM ASSERTING A CLAIM, OR RECOVERING, FOR LOST FUTURE PROFITS IF THIS AGREEMENT IS TERMINATED BEFORE EXPIRATION OF THE TERM AS A RESULT OF FRANCHISEE'S BREACH EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, FRANCHISOR AND ITS AFFILIATES AND FRANCHISEE AND ITS AFFILIATES AND PRINCIPALS SHALL BE LIMITED TO THE RECOVERY OF THEIR DIRECT OR GENERAL DAMAGES IN ANY ACTION FOR DAMAGES IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES WILL CONTINUE IN FULL FORCE AND EFFECT

E FRANCHISEE, FOR ITSELF AND THE PRINCIPALS, AND FRANCHISOR ACKNOWLEDGE THAT EACH PARTY'S AGREEMENT REGARDING APPLICABLE STATE LAW AND FORUM SET FORTH ABOVE PROVIDES EACH OF THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND ANY DISPUTE ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT EACH FURTHER ACKNOWLEDGES THE RECEIPT AND SUFFICIENCY OF MUTUAL CONSIDERATION FOR SUCH BENEFIT, AND THAT THEIR AGREEMENT REGARDING APPLICABLE STATE LAW AND CHOICE OF FORUM HAVE BEEN NEGOTIATED IN GOOD FAITH AND ARE PART OF THE BENEFIT OF THE BARGAIN REFLECTED BY THIS AGREEMENT

F NO FORM OF PROCEEDING PERMITTED HEREBY WILL BE MAINTAINED BY ANY PARTY TO ENFORCE ANY LIABILITY OR OBLIGATION OF THE OTHER PARTY, WHETHER ARISING FROM THIS AGREEMENT OR OTHERWISE, UNLESS BROUGHT BEFORE THE EXPIRATION OF THE LATER OF (i) ONE (1) YEAR AFTER THE DATE OF DISCOVERY OF THE FACTS RESULTING IN SUCH LIABILITY OR OBLIGATION, OR (ii) TWO (2) YEARS AFTER THE DATE OF THE FIRST ACT OR OMISSION GIVING RISE TO THE ALLEGED LIABILITY OR OBLIGATION, EXCEPT THAT WHERE STATE OR FEDERAL LAW MANDATE OR MAKE POSSIBLE BY NOTICE OR OTHERWISE A SHORTER PERIOD, SUCH SHORTER PERIOD SHALL APPLY

G Any obligation of Franchisee or any Principal that contemplates performance of such obligation after termination or expiration of this Agreement or any Transfer shall be deemed to survive such termination, expiration or Transfer

H **FRANCHISEE, FOR ITSELF AND FOR THE PRINCIPALS, ACKNOWLEDGES THAT VARIOUS PROVISIONS OF THIS AGREEMENT SPECIFY CERTAIN MATTERS THAT ARE WITHIN THE DISCRETION OR JUDGMENT OF FRANCHISOR OR ARE OTHERWISE TO BE DETERMINED UNILATERALLY BY FRANCHISOR IF THE EXERCISE OF FRANCHISOR'S DISCRETION OR JUDGMENT AS TO ANY SUCH MATTER IS SUBSEQUENTLY CHALLENGED, THE PARTIES TO THIS AGREEMENT EXPRESSLY DIRECT THE TRIER OF FACT THAT FRANCHISOR'S RELIANCE ON A BUSINESS REASON IN THE EXERCISE OF ITS DISCRETION OR JUDGMENT IS TO BE VIEWED AS A REASONABLE AND PROPER EXERCISE OF SUCH DISCRETION OR JUDGMENT, WITHOUT REGARD TO WHETHER OTHER REASONS FOR ITS DECISION MAY EXIST AND WITHOUT REGARD TO WHETHER THE TRIER OF FACT WOULD INDEPENDENTLY ACCORD THE SAME WEIGHT TO THE BUSINESS REASON**

## XXII. GENERAL; NOTICES

A. This Agreement, the documents referred to herein and the Attachments hereto, constitute the entire agreement between Franchisor and Franchisee concerning the Restaurant This Agreement does not cover any other relationships which may exist between the parties Except as may be described in Franchisor's Franchise Disclosure Document to which reference is made in Section XXIII B below there are no oral representations, stipulations, warranties or understandings with respect to the subject matter of this Agreement which are not fully set forth herein and all prior or contemporaneous promises, representations, agreements and understandings in connection with the Restaurant are expressly merged herein, provided that nothing in this Agreement, the Attachments or any related agreement is intended to disclaim Franchisor's representations contained in the franchise disclosure document provided to Franchisee in connection with this Agreement Except for those permitted to be made unilaterally by Franchisor hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

B Franchisor and Franchisee agree, and Franchisee agrees for each Principal, that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable, and the other of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable Franchisor and Franchisee agree, and Franchisee agrees for each Principal, that they and their counsel have reviewed this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any attachments or amendments hereto If any court shall determine that any provision of this Agreement is not enforceable as written, Franchisor and Franchisee agree, and Franchisee agrees for each Principal, that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought The provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in the Agreement and partially valid or enforceable provisions shall be enforced to the extent they are valid and enforceable Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable and this Agreement shall be interpreted and enforced as if all invalid or unenforceable provisions were not contained in this Agreement, any partially valid or partially enforceable provisions shall be enforced to the extent valid or enforceable

C Franchisor may modify the Manual and/or the System unilaterally under any conditions and to any extent which Franchisor deems necessary in its sole discretion

D This Agreement shall not become effective and binding until executed by an authorized officer of Franchisor Franchisee's occupancy of the Restaurant prior to such execution hereof by Franchisor shall not be construed as a waiver by Franchisor of this requirement

E The use herein of any personal pronouns shall include the masculine, feminine and neuter pronouns

F Franchisor's delay, waiver or failure to exercise any right, option or remedy provided to it under this Agreement, or to insist upon strict compliance by Franchisee with the terms of this Agreement, shall not constitute a waiver by Franchisor to enforce any such right, option or remedy with respect to any of the terms or conditions of this Agreement or with respect to a subsequent breach or default, nor a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the terms of this Agreement Acceptance by Franchisor of any payment due to it hereunder subsequent to the time as which such payment is due shall not be deemed a waiver of any preceding breach by Franchisee of any terms or conditions of this Agreement

G No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or available at law or in equity, but each shall be cumulative (and not alternative) of every other right or remedy Nothing herein contained shall bar or restrict Franchisor's right to obtain injunctive relief against threatened conduct that may or will cause loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions, provided, however, that Franchisor shall not be required to post a bond of any kind

H Franchisor shall be entitled to recover from Franchisee Franchisor's reasonable attorneys' fees and all court costs in any litigation between Franchisor and Franchisee arising out of any dispute concerning the terms and provisions of this Agreement

I Except as provided in Section XIX B 3 hereof, if either party hereto shall be delayed or prevented from performance of any act required hereunder (excluding, however, the payment of any Royalty Fee or JMA Fee and any interest on overdue amounts which otherwise would be due and payable hereunder) by reason of any strike, walkout, fire, flood, act of God, failure of power, terrorist acts or government action resulting from any actual or threatened terrorist act, governmental law or regulation, riot, insurrection, war, coup or other reason of the same or similar nature, which is not the fault of the delayed party, then performance of such act (excluding the payment of Royalty Fee, JMA Fee and interest) shall be excused for the period of the delay, provided, however, that except as provided in Section XIX B 3 hereof, should any performance or act required hereunder by Franchisee, including any performance or act related to the Managing Principal or any other Principal, be delayed for at least one hundred twenty (120) days, Franchisor may terminate this Agreement immediately upon notice to Franchisee

J Except as expressly provided in this Agreement, nothing in this Agreement is intended, nor shall be deemed, to confer upon any Person other than Franchisee and Franchisor any rights or remedies under or as a result of this Agreement

K All captions in this Agreement are intended solely for the convenience of the parties and shall not affect the meaning or construction of any provision of this Agreement

L Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by expedited delivery service or certified or registered mail, return receipt requested, first-class postage prepaid, or sent by prepaid facsimile (provided that the sender confirms the facsimile by sending an original confirmation copy by certified or registered mail or expedited delivery service within three (3) Business Days after transmission) 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 | Roma Franchise Corporation<br>11315 Corporate Blvd , Suite 100<br>Orlando, Florida 32817<br>Attention Chief Executive Officer<br>Facsimile 321-281-9340 |
| Notices to Franchisee and the Principals | ______________________<br>______________________<br>______________________<br>Attention _______________<br>Facsimile _______________ |

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of facsimile upon transmission (provided confirmation is sent as described above) or, in the case of expedited delivery service or registered or certified mail, three (3) Business Days after the date and time of mailing

M Except as otherwise provided herein, when this Agreement requires the prior consent, acceptance or approval of Franchisor, Franchisee shall make a timely written request to Franchisor and such consent, acceptance or approval shall be obtained in writing

N Franchisor makes no warranties or guarantees upon which Franchisee may rely and assumes no liability or obligation to Franchisee or any third party by providing any waiver, consent, acceptance, approval, advice or suggestion to Franchisee in connection with this Agreement, the Restaurant or the Licensed Business, or by reason of any neglect, delay or denial of any request therefor

## XXIII. ACKNOWLEDGMENTS

A. Franchisee acknowledges that it has conducted an independent investigation of the business venture contemplated by this Agreement and recognizes that the success of such business venture involves substantial business risks and that its success will largely depend upon the ability of Franchisee, Managing Principal and each Principal Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received or relied on, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement

Initials________/______

B Franchisee acknowledges that it received a complete copy of this Agreement and all Attachments and agreements relating thereto at least seven (7) calendar days prior to the date on which this Agreement was executed Franchisee further acknowledges that it has received Franchisor's

Franchise Disclosure Document required by applicable state law or by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising" at least fourteen (14) calendar days prior to the date on which this Agreement was executed

Initials________/______

C Franchisee acknowledges that it has read and understands this Agreement and the Attachments and agreements relating thereto, and that Franchisor has accorded it ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement

Initials________/______

D Franchisee understands that Franchisor has previously granted franchises pursuant to franchise agreements, the terms and conditions of which vary from the terms and conditions of this Agreement Further, Franchisee acknowledges that in the future Franchisor may offer existing franchisees the opportunity to enter into a franchise agreement similar to this Agreement for their existing restaurants, however, such franchise agreement would be modified to take into consideration such existing restaurant operations

Initials________/______

E As between Franchisor and its Affiliates and Franchisee and its Affiliates, any and all "goodwill" created by operation of the franchised business shall inure to the benefit of Franchisor and its Affiliates, and neither Franchisee nor its Affiliates shall, at any time, be entitled to compensation for any such "goodwill" from Franchisor or its Affiliates

Initials________/______

F Franchisor and Franchisee agree that neither Managing Principal nor any Principal is a party to this Agreement, any language in this Agreement to the contrary notwithstanding
This Agreement may be (i) executed in multiple counterparts and each copy so executed shall be deemed an original, (ii) executed by either party using electronic signatures, and (iii) delivered by electronic delivery (for example, an attachment to electronic mail), and in such circumstances this Agreement, so executed and delivered, shall be deemed an original Agreement and fully binding on the parties

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

FRANCHISOR
**ROMA FRANCHISE CORPORATION,**
a Delaware corporation

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

FRANCHISEE

______________________________

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

## Attachment A

### LOCATION, OPENING DATE AND COMMENCEMENT DATE SUPPLEMENT

THE LOCATION OF THE RESTAURANT ______________________________
(see Section I)

THE OPENING DATE OF THE RESTAURANT ______________________________
(see Section I)

THE COMMENCEMENT DATE OF THE TERM ______________________________
(see Section I)

THEN END OF THE FIRST 20 YEAR PERIOD OF THE TERM ____________________
(see Section IV A )

FRANCHISOR
**ROMA FRANCHISE CORPORATION,**
a Delaware corporation

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

FRANCHISEE

______________________________

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

## Attachment B

### AGREEMENT REGARDING LEASE AGREEMENT

This Agreement Regarding Lease Agreement ("Agreement") is made and entered into this ____ day of __________, 20__ by and between Roma Franchise Corporation , a Delaware corporation ("Franchisee"), ____________________("Franchisee") and ________________________________________ ("Landlord")

**WHEREAS**, Franchisee and Franchisor are parties to that certain Franchise Agreement dated __________, 20___ ("Franchise Agreement"),

**WHEREAS**, Franchisee and Landlord are parties to that certain lease agreement dated _________ (the "Lease") pursuant to which Franchisee will occupy the premises located at ________________________________________ (the "Premises") for a [Tony Roma's/TR Fire Grill] restaurant (the "Restaurant") which will be operated by Franchisee under the Franchise Agreement,

**WHEREAS**, as a condition to entering into the Lease, Franchisee is required pursuant to the Franchise Agreement, and Landlord and Franchise desire to, execute this Agreement, and

**WHEREAS**, Franchisee has agreed to collaterally assign its right, title and interest in the Lease as security for Franchisee's obligations hereunder, with the right to reassign as provided herein, and Landlord has agreed to consent to such collateral assignment

**NOW, THEREFORE**, in consideration of the mutual undertakings and commitments set forth herein and in the Franchise Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows

1 During the term of the Franchise Agreement, the Premises shall be used only for the operation of the Restaurant

2 Landlord consents to Franchisee's use of such proprietary marks ("Proprietary Marks") and signs, color scheme, decor and related components of the [Tony Roma's/TR Fire Grill] restaurant system ("System") as Franchisor may from time to time prescribe for the Restaurant

3 Landlord agrees to furnish Franchisor with copies of any and all letters and notices sent to Franchisee pertaining to the Lease at the same time that such letters and notices are sent to Franchisee

4 Franchisor or its designee shall have the right to enter onto the Premises for purposes of making any modification or alteration necessary to protect the System and Proprietary Marks or to cure any default under the Franchise Agreement or any development agreement entered into between Franchisor and Franchisee or their respective affiliates or under the Lease, without being guilty of trespass or any other crime or tort

5 Within thirty (30) days after Franchisor receives notice of Franchisee's (i) default under the Lease or the Franchise Agreement, or (ii) expression by Franchisee of its intention not to renew, or to terminate, the Lease, Franchisor shall have the option, in its sole discretion, to cure the default If Franchisor so elects, Franchisor shall cure any such default within thirty (30) days of such election or, if the default cannot be reasonably cured within such thirty (30) day period, then Franchisor shall commence and proceed to cure the default within such time as is reasonably necessary to cure the default In the event of Franchisee's default under the Lease or Franchise Agreement, and if Franchisor elects to cure such default as described above, or upon Franchisee's intention to not renew, or to terminate, the Lease, Franchisor may, but is not required to, assume the Lease as lessee/tenant in Franchisor's name If Franchisor elects to cure any such default under the Lease and assume the Lease, Franchisor shall notify Landlord of its intent to cure such default and to assume the Lease If Franchisor elects to assume the Lease, Landlord agrees to

recognize Franchisor as lessee/tenant under the Lease and Franchisee shall no longer have any rights thereunder

6 (a) Landlord consents to Franchisee's assignment of the Lease to, or the assumption of the Lease by, Franchisor or its affiliates (i) as described in Section 5 above, and (ii) upon the expiration or earlier termination of the Franchise Agreement, and the Landlord agrees not to impose or assess any assignment fee or similar charge or accelerate rent under the Lease in connection with such assignment or assumption, or require Franchisor to pay any past due rent or other financial obligation of Franchisee, it being understood that Landlord shall look solely to Franchisee for any rents or other financial obligations owed to Landlord prior to such assignment or assumption Landlord and Franchisee acknowledge that Franchisor is not a party to the Lease and shall have no liability under the Lease, unless and until the Lease is assigned to, or assumed by, Franchisor

(b) Franchisee does hereby collaterally assign, transfer and set over unto Franchisor, with the right to reassign, all of its right, title and interest in and to the Lease and in and to the Premises, it being understood and agreed that this assignment is made with the consent of the Landlord Franchisor may, in its sole discretion, record this Agreement in the appropriate real estate records in the county or state where the Premises is located

7 Notwithstanding anything contained in the Lease, following the assignment of the Lease to, or the assumption of the Lease by, Franchisor or its affiliate, the lessee/tenant shall be permitted without the consent of the Landlord, to assign the lease or sublet the Premises to an authorized franchisee of Franchisor or its affiliates provided that (i) such assignment or subletting is specifically subject to the terms of the Lease, (ii) the assignor/sublessor remains liable for the performance of the terms of this Lease, and (iii) the assignee/sublessee expressly assumes all obligations of the Lease Franchisor shall notify Landlord of the name of any such assignee/sublessee within then (10) days after such assignment or subletting

8 Franchisee shall not assign the Lease or renew or extend the term thereof without the prior written consent of Franchisor

9 Landlord and Franchisee shall not amend or otherwise modify the Lease in any manner that could affect any of the foregoing requirements or rights without the prior written consent of Franchisor

10 The terms of this Agreement will supersede any conflicting terms of the Lease

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written

LANDLORD ____________________

By ____________________
Name ____________________
Title ____________________

NOTARY/ACKNOWLEDGEMENT

FRANCHISEE ____________________

By ____________________
Name ____________________
Title ____________________

NOTARY/ACKNOWLEDGEMENT

ROMA FRANCHISE CORPORATION

By ____________________
Name ____________________
Title ____________________
NOTARY/ACKNOWLEDGEMENT

**ATTACHMENT C**
**STATEMENT OF OWNERSHIP INTERESTS AND PRINCIPALS**

The following is a list of stockholders, partners or other investors in Franchisee, including all investors who own or hold a direct or indirect interest in Franchisee, and a description of the nature of their interest If any of the following stockholders, partners or other investors is an entity other than a natural person, the names of all Persons holding an Ownership Interest in such entity, and a description of the nature of their interest, shall appear directly below the name of the stockholder, partner or other investor

<u>Name</u> <u>Percentage of Ownership/Nature of Interest</u>

## Attachment D

### AGREEMENT REGARDING PURCHASING SYSTEM

This Agreement ("Agreement") is made as of this __ day of __________, 20_, by and between Romacorp, Inc , a Delaware corporation ("Roma"), with offices at 11315 Corporate Blvd , Suite 100, Orlando, Florida 32817 and _____________, a __________ ("Franchisee") with offices located at ____________________

WHEREAS, an affiliate of Roma has granted to Franchisee the right to develop and operate one (1) or more [Tony Roma's and/or TR Fire Grill] restaurants ("Restaurants") in a defined geographic territory pursuant to a Development Agreement and/or Franchise Agreements (collectively the "Franchise Agreements"), and

WHEREAS, Franchisee wishes to purchase certain products in connection with the operation of its Restaurants under the umbrella of Roma's purchasing system, and

WHEREAS, Roma is willing to permit Franchisee to purchase such products under Roma's purchasing system pursuant to the terms and conditions contained herein

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, Roma and Franchisee agree as follows

1 **Franchisee Participation** Franchisee shall participate under Roma's purchasing system pursuant to the terms and conditions hereof and for the Term described herein Franchisee shall purchase all of its requirements of the products listed on Exhibit A, attached hereto and made a part hereof, as Exhibit A may be changed by Roma from time to time upon notice to Franchisee (the "Required Products"), through Roma's purchasing system for so long as such products are available for distribution to the Restaurants through Roma's purchasing system Delivery of Required Products to Franchisee shall be subject to a reasonable implementation period determined by Roma Additional Required Products designated by Roma from time to time, shall thereafter be purchased by Franchisee, subject to a reasonable implementation period

2 **Franchisee's Restaurants** The locations of each of Franchisee's Restaurants as of the date of this Agreement are listed on Schedule 2 to this Agreement Should Franchisee open new or replacement Restaurants during the Term, such shall purchase all of its requirements of Required Products for such new or replacement Restaurants under this Agreement With respect to each Restaurant, Franchisee shall provide, within ten (10) days (i) of its execution of this Agreement for the Restaurants listed on Schedule 2 or at least sixty (60) days prior to the opening of any new or replacement Restaurant, and (ii) following Roma's written request, a complete projected volume of Franchisee's orders of each Required Product, including the frequency of such orders, whether monthly, quarterly or otherwise, in such form or documentation as Roma shall reasonably require

3 **Products** Franchisee acknowledges that the products that are available for purchase and distribution to the Restaurants pursuant to Roma's purchasing system are limited to those items that are required pursuant to Roma's System (as defined in the Franchise Agreements) menu from time to time Franchisee will be provided with information and/or documents ("Pricing Information") which will reflect available products and pricing (inclusive of distribution and handling fees from

Roma's authorized distributor to Franchisee's freight forwarder or consolidator or other point of delivery to Franchisee [collectively "Consolidator"] in the United States) on an aggregate basis Such pricing may not reflect discounts, rebates or other cost savings associated with the available products Such Pricing Information will be modified in the event that any of such products are unavailable or discontinued

4 **Prices and Price Changes, Rebates** (a) Franchisee understands that Roma negotiates product prices directly with the vendor and delivery/distribution charges directly with its authorized distributor In the event of a price change for any product and/or service during the Term (hereinafter defined), which changes may occur daily, Franchisee's Pricing Information shall be updated The price applicable to any product is the price reflected in the Pricing Information on the date Franchisee orders the product Franchisee acknowledges that it shall have no right to receive, and shall not receive, any specific information regarding product prices, discounts, rebates, delivery charges or other costs or savings However, upon not less than 30 days notice to Roma, independent United States based auditors designated by Franchisee, and to which Roma has consented acting reasonably, may conduct an audit to verify Franchisee's pricing, discount and rebate structure The report of such audit shall be limited to the confirmation of such pricing, discount and rebates in the aggregate, and Franchisee's auditors shall have no right to, and shall not, communicate any specific pricing, rebate, cost or discount information to Franchisee or any other person, nor shall Franchisee's auditor be permitted to make any copies or to retain any work papers with respect to such audit The cost and expense of Franchisee's auditor and such audit shall be borne solely by Franchisee

(b) Roma reserves the right to, and as of September 1, 2016 shall, retain all discounts, rebates or similar amounts based upon Franchisee's purchases under this Agreement Roma shall apply such retained amounts to offset the costs associated with Roma's or its affiliates purchasing and/or distribution efforts, including without limitation the wages, salaries, benefit costs, travel and other fees and expenses of Roma's or its affiliates employees and Roma's vendors which Roma may incur in connection with the negotiation, implementation and operation of such purchasing and distribution arrangements After such costs are fully recovered, Roma will distribute such discounts, rebates and/or similar amounts to all participating franchisees in a reasonable manner determined by Roma

5 **Term and Termination** A. The term of this Agreement ("Term") shall commence on the date hereof and shall continue for a period of one (1) year Unless Roma notifies Franchisee that it will not renew this Agreement not less than one hundred twenty (120) days prior to the end of the Term, this Agreement shall continue until terminated, with or without cause, by Roma or Franchisee upon not less than one hundred twenty (120) days notice to the other party

B Notwithstanding the terms of Section 5A, this Agreement may be terminated by Roma or Franchisee following a ten (10) day cure period, after receipt of notice from one party to the other party describing the other party's breach of the terms and conditions of this Agreement

C Franchisee acknowledges that Franchisee's continued compliance with the System and the Standards as (as defined the Franchisee Agreements) is a requirement of its continued participation under this Agreement A default by Franchisee under any of the Franchise Agreements shall constitute a default under this Agreement (subject to any cure period provided for in the Franchise Agreement or the cure period described in Section 5 B above, whichever is shorter)

D Franchisee acknowledges that if it fails to fulfill all of its obligations to Romã's distributors or vendors, including payment or other obligations, such distributors or vendors may cease doing business with Franchisee Roma shall have no responsibility or liability with respect thereto

E In the event of any termination or the expiration of this Agreement, Franchisee shall be responsible to immediately upon such termination or expiration secure appropriate products which comply with the System and the Standards

6 **Delivery and Payment for Products** Franchisee acknowledges that it must arrange for (i) payment for products directly with Roma's authorized vendor or distributor, (ii) delivery of products by Roma's authorized distributor to Franchisee s Consolidator, and (iii) transportation through Franchisee's Consolidator from the U S delivery point to Franchisee's Restaurants Franchisees assumes all risk relating to such delivery, consolidation and/or freight forwarding including the activities and performance of its Consolidator and all costs associated therewith, and all risk of loss with respect to the products At Franchisor's option, Franchisee shall pay for its purchases of Required Products (i) directly to the vendor or distributor in accordance with the payment terms established by such vendor or distributor from time to time, or (ii) to Franchisor in accordance with the payment terms established by Franchisor from time to time

7 **Relationship with Distributor and Vendors** In the event of questions or disputes involving product quality, availability, delivery schedule or order fulfillment or similar issues with Roma's vendors or distributors, Roma shall assist Franchisee in its discussions with the distributor/vendor Franchisee acknowledges that Roma will not be involved with, or intervene with respect to, any financial or payment issues between Roma's authorized distributor or vendors and Franchisee and/or Franchisee's Consolidator

8 **Confidential Information** Franchisee understands that the terms and conditions of this Agreement, together with the pricing contained in Franchisee's order guide, and any arrangements that Franchisee may make with Roma's authorized distributors or vendors, are confidential information of Roma which may not be disclosed, except as permitted below or as required by law Such confidential information shall be disclosed only to such employees of Franchisee as is required in connection with performance of job functions Neither Franchisee nor any of its affiliates or their respective officers, directors, owners, employees, agents, consultants, contractors or Franchisee's Consolidator shall, without Roma's prior consent, copy, duplicate, record or otherwise reproduce any of such confidential information Franchisee shall indemnify Roma and its affiliates from any and all damages, costs or expenses resulting from, or related to, any disclosure or use of such confidential information by Franchisee or any of its affiliates or their respective officers, directors, owners, employees, agents, consultants, contractors or Franchisee's Consolidator
All of the terms and conditions of the Franchise Agreements with respect to the treatment of Confidential Information (as defined in the Franchise Agreements) are incorporated herein by reference as if fully set forth

9 **No Resale or Donation** Franchisee shall not offer, sell, transfer, donate or provide any products acquired hereunder to any company, entity, organization or business which is not a franchisee of Roma (or its affiliate)

10 **Dispute Resolution** A. ANY CLAIM, CONTROVERSY, DISPUTE OR OTHER ACTION ARISING OUT OF OR UNDER THIS AGREEMENT OR RELATED THERETO SHALL BE REFERRED TO ARBITRATION IN ACCORDANCE WITH THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION FURTHER, THIS AGREEMENT AND ANY CLAIM, CONTROVERSY, DISPUTE, OR OTHER ACTION ARISING OUT OF OR UNDER THIS AGREEMENT OR RELATED THERETO SHALL BE GOVERNED AND ENFORCED BY AND

UNDER THE LAWS OF THE UNITED STATES OF AMERICA AND THE STATE OF FLORIDA (EXCEPT FOR ANY ARBITRATION RULES OR REGULATIONS THEREOF), WITHOUT GIVING EFFECT TO THE CHOICE OF LAW RULES THEREOF THE EXCLUSIVE VENUE FOR ANY SUCH ARBITRATION PROCEEDINGS SHALL BE IN ORANGE COUNTY, FLORIDA OR IN THE COUNTY IN WHICH ROMA'S PRINCIPLE OFFICE IS LOCATED FRANCHISEE AND ROMA ACKNOWLEDGE THAT (i) EACH PARTY'S AGREEMENT REGARDING DISPUTE RESOLUTION, VENUE AND CHOICE OF LAW SET FORTH IN THIS SECTION PROVIDES EACH OF THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT, AND (ii) THE RECEIPT AND SUFFICIENCY OF MUTUAL CONSIDERATION FOR SUCH BENEFIT EACH PARTY'S AGREEMENT REGARDING DISPUTE RESOLUTION, VENUE AND CHOICE OF LAW HAS BEEN NEGOTIATED IN GOOD FAITH AND ARE PART OF THE BENEFIT OF THE BARGAIN REFLECTED BY THIS AGREEMENT

B FRANCHISEE HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS) AGAINST ROMA, ITS AFFILIATES, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, PARTNERS, AGENTS, REPRESENTATIVES, INDEPENDENT CONTRACTORS, SERVANTS AND EMPLOYEES, ARISING OUT OF ANY CAUSE WHATSOEVER AND AGREES THAT IN THE EVENT OF A DISPUTE, FRANCHISEE SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS) SHALL CONTINUE IN FULL FORCE AND EFFECT

C ROMA AND FRANCHISEE AGREE THAT NO FORM OF PROCEEDING PERMITTED HEREBY WILL BE MAINTAINED BY ANY PARTY TO ENFORCE ANY LIABILITY OR OBLIGATION OF THE OTHER PARTY, WHETHER ARISING FROM THIS AGREEMENT OR OTHERWISE, UNLESS BROUGHT BEFORE THE EXPIRATION OF THE LATER OF (i) ONE (1) YEAR AFTER THE DATE OF DISCOVERY OF THE FACTS RESULTING IN SUCH LIABILITY OR OBLIGATION, OR (ii) TWO (2) YEARS AFTER THE DATE OF THE FIRST ACT OR OMISSION GIVING RISE TO THE ALLEGED LIABILITY OR OBLIGATION

11 <u>Notice.</u> All notices required or desired to be given hereunder shall be in writing and shall be personally delivered or sent by expedited delivery service or facsimile to the following addresses (or such other addresses as designated pursuant to this Section 12)

If directed to Roma

Romacorp, Inc<br>
11315 Corporate Blvd, Suite 100<br>
Orlando, Florida 32817<br>
Attention Chief Executive Officer<br>
Facsimile 321-281-9340

If to Franchisee

________________________________

________________________________

________________________________

Attention ____________________

Facsimile ____________________

Notices given by personal delivery or by facsimile shall be deemed given upon receipt, provided the facsimile is confirmed by confirmation copy personally delivered or sent by expedited delivery service within three (3) Business Days Notices posted by expedited delivery service shall be deemed received three (3) Business Days after the time of posting

12 **<u>Assignment</u>** The rights and remedies of Roma under this Agreement are fully assignable and transferable and shall inure to the benefit of its respective affiliates, successors and assigns The rights and obligations of Franchisee hereunder may not be assigned or delegated by Franchisee, without the prior written consent of Roma, which consent Roma may withhold in its sole discretion

13 **<u>Miscellaneous</u>**

A **TIME IS OF THE ESSENCE** to Franchisee's performance under this Agreement

B Roma shall not be considered to be engaged in or doing business in any jurisdiction in which the Restaurants are located, or any political subdivision thereof, by virtue of being a party to this Agreement

C There are no third party beneficiaries to this Agreement

D This Agreement may be executed in any number of counterparts and delivered by email, facsimile or similar means, each of which when so executed shall be an original agreement and shall be considered delivered to the other party, but all of which together shall constitute one (1) and the same instrument

E This Agreement shall be executed in English only Franchisee may translate this Agreement into **[native language]**, <u>provided</u>, <u>however</u>, that this Agreement in English shall define the rights, duties and remedies of the parties and shall control in all respects

F This Agreement is not a franchise agreement and does not grant Franchisee any rights in or to the (i) System, or (ii) any of the Marks (as defined in the Franchise Agreements)

G Any obligation of Franchisee that contemplates performance of such obligation after termination or expiration of this Agreement shall be deemed to survive such termination, expiration or transfer, including the provisions of this Section 13

14 **<u>Compliance With Law</u>** Franchisee shall be responsible for complying, and shall comply, with any and all applicable laws, rules and regulations with respect to its purchase of products hereunder and the delivery thereof from Roma's distributors or vendors to the Consolidator, and by the Consolidator to the Restaurants In connection therewith (A) Franchisee shall not submit any information to any governmental authorities with respect to this Agreement without Roma's prior written approval, which approval shall not be unreasonably withheld, and (B) Franchisee shall pay all of the costs and expenses of complying with such laws, rules and regulations, including all legal and other professional expenses (including translation expenses and disbursements)

15 **Entire Agreement/Amendment** This Agreement and the Exhibits and/or Schedules hereto constitute the entire agreement between Roma and Franchisee concerning the subject matter hereof. All prior agreements, discussions, representations, warranties and covenants are merged herein. **THERE ARE NO WARRANTIES, REPRESENTATIONS, COVENANTS OR AGREEMENTS, EXPRESS OR IMPLIED, BETWEEN THE PARTIES CONCERNIN THE SUBJECT MATTER HEREOF EXCEPT THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT** Except those permitted to be made unilaterally by Roma, any amendments or modifications of this Agreement shall be in writing and executed by Roma and Franchisee

IN WITNESS WHEREOF, this Agreement has been executed by the parties as of the date indicated above

| FRANCHISEE | ROMACORP, INC |
|---|---|
| By ____________________ | By ____________________ |
| Name ____________________ | Name ____________________ |
| Title ____________________ | Title ____________________ |

**ATTACHMENT E**
**GUARANTY OF PAYMENT AND PERFORMANCE**
("Guaranty")

As an inducement to Roma Franchise Corporation ("Franchisor") to execute that certain Franchise Agreement, including the Attachments thereto (the "Franchise Agreement"), dated the date hereof between Franchisee and Franchisor, and with the understanding that Franchisor would not enter into the Franchise Agreement in the absence of the execution and delivery to Franchisor of this Guaranty, the undersigned Principals represent, warrant, covenant, agree and acknowledge to Franchisor as follows

1 Capitalized terms used in this Guaranty and not defined herein shall have the meanings attributed to such terms in the Franchise Agreement

2 Each Principal acknowledges that Franchisor is entering into the Franchise Agreement in reliance upon and in consideration of the business skill, financial capacity, personal character, the personal qualifications of each Principal

3 Principals, personally, unconditionally, irrevocably, and jointly and severally (i) represents and warrants that each is a "Principal" as defined in the Franchise Agreement, (ii) confirms and true and correct each of the representations and warranties and/or acknowledgements of Franchisee in the Franchise Agreement, and (iii) shall take all such steps as are necessary or appropriate to cause Franchisee to fully comply with its obligations under or pursuant to the Franchise Agreement in a timely manner

4 Each Principal, personally, unconditionally and irrevocably, makes each of the covenants, agreements and/or acknowledgements of Franchisee described in the Franchise Agreement including without limitation those contained in Sections III B , VIII A (8), VIII B , VIII C , X, XV, XVIII, XIX, XX and XXI of the Franchise Agreement, each and all of which is incorporated herein by reference as if fully set forth herein and each of which each Principal agrees is applicable to, and binds, each Principal personally

5 Each Principal, personally, unconditionally, irrevocably, jointly and severally guarantees to Franchisor and its Affiliates, and their respective successors and assigns, that all of Franchisee's obligations under the Franchise Agreement, including without limitation all monetary obligations (including indemnity and guarantee obligations) of Franchisee, will be fully and timely paid and performed For purposes of this Guaranty, the monetary obligations of Franchisee under the Franchise Agreement includes, without limitation, Franchisee's obligations to defend, indemnify and hold harmless Franchisor and/or its Affiliates as described in the Franchise Agreement Upon any default by Franchisee under the Franchise Agreement, or notice from Franchisor of a default by Franchisee under the Franchisee, each Principal, jointly and severally, will immediately make each payment and perform each obligation required of Franchisee under the Franchise Agreement

6 Without affecting the obligations of the Principals under this Guaranty, Franchisor may, without notice to any Principal, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee under or related to the Franchise Agreement, or settle, adjust or compromise any claims against Franchisee No amendment, modification or waiver of any provision of this Guaranty shall be of any effect unless in writing and signed by each Principal and Franchisor

7 Each Prmcipal waives all demands and notices of every kind with respect to the enforcement of this Guaranty and the Franchise Agreement mcludmg, without limitation, notice of presentment, the amendment or modification of this Guaranty or the Franchise Agreement, the demand for payment or performance by Franchisee, any default by Franchisee or any Prmcipal and any release of any Prmcipal or other security for the Franchise Agreement or the obligations of Franchisee

8 Franchisor may pursue its rights against any one or all of the Prmcipals without first exhausting its remedies against Franchisee and without joining any other Principal Without notice to any Principal, Franchisor may modify, amend or release any indebtedness or obligation of any Prmcipal under this Guaranty, or settle, adjust or compromise any claim against any Principal, without affecting the obligations of the remaining Prmcipals under this Guaranty

9 Franchisor's delay, waiver or failure to exercise any right, option or remedy provided to it under the Franchise Agreement or this Guaranty, or to insist upon strict compliance by (i) any Prmcipal with the terms of this Guaranty, or (ii) Franchisee with the terms of the Franchise Agreement, shall not constitute a waiver by Franchisor to enforce any such right, option or remedy with respect to any of the terms or conditions of this Guaranty or the Franchise Agreement, or with respect to a subsequent breach or default, or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the terms of this Guaranty or the Franchise Agreement Franchisor's acceptance of any payment due to it under this Guaranty or the Franchise Agreement subsequent to the time as which such payment is due shall not be deemed a waiver of any preceding breach by any Prmcipal of any terms or conditions of this Guaranty or by Franchisee of any terms or conditions of the Franchise Agreement

10 No right or remedy conferred upon or reserved to Franchisor by this Guaranty or the Franchise Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy or available at law or in equity, but each shall be cumulative (and not alternative) of every other right or remedy Nothing herein contained shall bar or restrict Franchisor's right to obtain injunctive relief against threatened conduct that may or will cause loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions, provided, however, that Franchisor shall not be required to post a bond of any kind

11 Franchisor shall be entitled to recover from each Prmcipal, jointly and severally, Franchisor's reasonable attorneys' fees and all court costs in any litigation between Franchisor and any Prmcipal arising out of any dispute concerning the terms and provisions of this Guaranty

12 Each Prmcipal agrees that, if any provisions of the Franchise Agreement or this Guaranty may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable, and the other of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable Each Prmcipal acknowledges that he/she/it and their respective counsel have reviewed the Franchise Agreement and this Guaranty and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Franchise Agreement or this Guaranty or any attachments or amendments hereto If any court shall determine that any provision of the Franchise Agreement or this Guaranty is not enforceable as written, each Principal agrees that the provision shall be amended so that it is enforceable to the fullest extent permissible under the laws and public policies of the jurisdiction in which enforcement is sought The provisions of this Guaranty are severable and this Guaranty shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained in this Guaranty and partially valid or enforceable provisions shall be enforced to the extent they are valid and enforceable Except as expressly provided to

the contrary herein, each portion, section, part, term and provision of this Guaranty shall be considered severable and this Guaranty shall be interpreted and enforced as if all invalid or unenforceable provisions were not contained in this Guaranty, any partially valid or partially enforceable provisions shall be enforced to the extent valid or enforceable

13 Each Principal acknowledges that he/she/it has conducted an independent investigation of the business venture contemplated by the Franchise Agreement and recognizes that the success of such business venture involves substantial business risks and that its success will largely depend upon the ability of Franchisee, Managing Principal and each Principal. Franchisor expressly disclaims the making of, and each Principal acknowledges that it has not received or relied on, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement

Initials________/______

14 Each Principal acknowledges that he/she/it received a complete copy of the Franchise Agreement and all Attachments and agreements relating thereto at least seven (7) calendar days prior to the date on which the Franchise Agreement was executed Each Principal further acknowledges that he/she/it has received Franchisor's Franchise Disclosure Document required by applicable state law or by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising" at least fourteen (14) calendar days prior to the date on which the Franchise Agreement was executed

Initials________/______

15 Each Principal acknowledges that he/she/it has read and understands the Franchise Agreement and the Attachments and agreements relating thereto, and this Guaranty and the agreements relating thereto, and that Franchisor has accorded he/she/it ample time and opportunity to consult with advisors of his/her/its own choosing about the potential benefits and risks of entering into this Guaranty

Initials________/______

16 Each Principal understands that Franchisor has previously granted franchises pursuant to franchise agreements, the terms and conditions of which vary from the terms and conditions of the Franchise Agreement Further, each Principal acknowledges that in the future Franchisor may offer existing franchisees the opportunity to enter into a franchise agreement similar to the Franchise Agreement for their existing restaurants, however, such franchise agreement would be modified to take into consideration such existing restaurant operations

Initials________/______

17 As between Franchisor (i) and its Affiliates and Franchisee and its Affiliates, and (ii) each Principal and its Affiliates (if any), any and all "goodwill" created by operation of the franchised business described in the Franchise Agreement shall inure to the benefit of Franchisor and its Affiliates, and neither Franchisee nor its Affiliates, nor any Principal nor its Affiliates shall, at any time, be entitled to compensation for any such "goodwill" from Franchisor or its Affiliates

Initials________/______

This Guaranty may be (i) executed in multiple counterparts and each copy so executed shall be deemed an original, (ii) executed by any party using electronic signatures, and (iii) delivered to Franchisor by electronic delivery (for example, an attachment to electronic mail), and in such circumstances this Guaranty, so executed and delivered, shall be deemed an original Agreement and fully binding

IN WITNESS WHEREOF, each Principal has signed this Agreement this _____ day of ___________, 20___

PRINCIPALS

| | |
|---|---|
| ______________________________ | ______________________________ |
| Name ________________________ | Name ________________________ |
| Address ______________________ | Address |
| ______________________________ | |
| ______________________ | ______________________ |

**ATTACHMENT F**
**STATE SPECIFIC AMENDMENTS**

**ROMA FRANCHISE CORPORATION**
**CALIFORNIA AMENDMENT TO FRANCHISE AGREEMENT**

For purposes of complying with the requirements of California law, including the California Franchise Investment Law, CAL CORP CODE Section 31000 *et seq* ("CFIL"), and the California Franchise Relations Act, CAL BUS & PROF CODE Section 20000 *et seq* (the "CRA"), Roma Franchise Corporation ("Roma") and ________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated ________________ (the "Agreement") as follows

1 Sections 20000 through 20043 of the CRA provide rights to you concerning nonrenewal and termination of the Agreement The Federal Bankruptcy Code also provides rights to You concerning termination of the Agreement upon certain bankruptcy-related events To the extent the Agreement contains a provision that is inconsistent with these laws, these laws will control

2 The franchise agreement requires you to execute a general release of claims upon renewal or transfer of the franchise agreement California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order is void Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516) Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 2000 through 20043)

3 If the Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable

4 If the Agreement contains a covenant not to compete which extends beyond the expiration or termination of the Agreement, the covenant may be unenforceable under California law

5 If the Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California, the requirement may unenforceable under California law

6 If the Agreement requires that it be governed by a state's law other than the State of California, such requirement may be unenforceable

7 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of California law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

8 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

9 All other provisions of the Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**FRANCHISEE**

By ______________________________
Name ______________________________
Title ______________________________

______________________________
Witness

**ROMA FRANCHISE CORPORATION**
**ILLINOIS AMENDMENT TO FRANCHISE AGREEMENT**

For purposes of complying with the requirements of Illinois law, including the Illinois Franchise Disclosure Act of 1987, Ill Rev Stat ch 815 para. 705/1 – 705/44 (1994) (the "Illinois Franchise Act"), Roma Franchise Corporation ("Roma") and ________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated ________________ (the "Agreement") as follows

1 Section 705/19 and 705/20 of the Illinois Franchise Act provide rights to franchisees concerning nonrenewal and termination of a franchise If the Agreement contains a provision that is inconsistent with the Illinois Franchise Act, the Illinois Franchise Act will control

2 Section 41 of the Illinois Franchise Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in the Agreement is inconsistent with Illinois law, Illinois law will control

3 Any provision that designates jurisdiction or venue or required Franchisee to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the state of Illinois

4 To the extent that Section XXI of the Agreement (pertaining to choice of law) conflicts with Illinois law Illinois law will control

5 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Illinois law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

6 All other provisions of the Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on _____________, 20___

**ROMA FRANCHISE CORPORATION**

| | |
|---|---|
| ______________________________ | By ______________________________ |
| Witness | Name ______________________________ |
| | Title ______________________________ |

**FRANCHISEE**

| | |
|---|---|
| ______________________________ | By ______________________________ |
| Witness | Name ______________________________ |
| | Title ______________________________ |

**ROMA FRANCHISE CORPORATION**
**MARYLAND AMENDMENT TO FRANCHISE AGREEMENT**

For purposes of complying with the requirements of Maryland law, including the Maryland Franchise Registration and Disclosure Law, MD BUS REG CODE ANN § 14-201 et seq (2015 Repl Vol ) (the "Maryland Franchise Law"), Roma Franchise Corporation ("Roma") and ________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated ________________ (the "Agreement") as follows

1 All representations requiring a prospective franchisee to assent to any release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

2 The Agreement is amended to reflect that

(a) Any general release required as part of the Agreement or as a condition of the sale, renewal, or assignment/transfer of the franchise shall not apply to any liability under the Maryland Franchise Law

(b) Notwithstanding any other provision contained in the Agreement, any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise

(c) Any provision in the Agreement which requires litigation to be conducted in a forum other than the State of Maryland will not limit any rights you may have under the Maryland Franchise Law to bring suit in the State of Maryland.

3 The general release required as a condition of renewal (as set forth in Section IV) shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

4 Section V of the Agreement is supplemented and amended as follows
Receipt of the initial franchise fee and other initial payments will be deferred until the Restaurant is open for business Such fees will accrue during the deferral period and all accrued fees will be payable immediate upon the opening of said restaurant

5 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Maryland law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

6 All other provisions of the Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

________________________________
Witness

By ______________________________
Name ____________________________
Title ____________________________

**FRANCHISEE**

________________________________
Witness

By ______________________________
Name ____________________________
Title ____________________________

**ROMA FRANCHISE CORPORATION**
**MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT**

For purposes of complying with the requirements of Minnesota law, including the Minnesota Franchise Act, Minn Stat Section 80 01 *et seq* and the rules and regulations promulgated thereunder, Roma Franchise Corporation ("Roma") and ________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated ________________ (the "Agreement") as follows

1 The Minnesota Department of Commerce requires that Roma indemnify you against liability to third parties for infringement resulting from your use of the trademarks licensed under the Agreement Section III of the Agreement describes the circumstances under which Roma will indemnify you against third party liability for trademark infringement Requirements imposed under the Minnesota Franchises Act will supersede inconsistent provisions contained in Section III of the Agreement

2 Sec 80C 14, Subd 4 of the Minnesota Franchises Act requires, except in certain specified instances, that Roma give you written notice of its intention not to renew the franchise 180 days before the franchise expires, and to give you sufficient opportunity to operate the franchise in order to enable you to recover the fair market value of the franchise as a going concern Requirements imposed under the Minnesota Franchise Act will supersede inconsistent provisions contained in the Agreement

3 Sec 80C 14, Subd 3 of the Minnesota Franchises Act requires, except in certain specified instances, that Roma give you ninety (90) notice of termination (with sixty (60) days to cure) Requirements imposed under the Minnesota Franchises Act will supersede inconsistent provisions contained in the Agreement

4 Any release of claims or acknowledgment of fact contained in the Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Minnesota Franchises Act or a rule or order promulgated thereunder shall be void with respect to claims arising under the Minnesota Franchises Act

5 Sec 80C 17, Subd 5 of the Minnesota Franchises Act provides that no action may be commenced thereunder more than three (3) years after the cause of action accrues To the extent that Section XXI conflicts with this law, the law will control

6 Secs 80C 21 of the Minnesota Franchises Act and Minn Rule 2860 4400J prohibit Roma from requiring litigation to be conducted outside Minnesota Nothing in the Agreement will, or is intended to, abrogate or reduce any of your rights as provided for in the Minnesota Franchises Act or your rights to any procedure, forum or remedies provided for by the laws of the Minnesota.

7 Section XV C of the Agreement (pertaining to liquidated damages) is hereby deleted, provided, that such deletion shall not excuse you from liability for actual or other damages and the formula for assessing liquidated damages shall be admissible in any litigation or proceeding as evidence of actual damages

8 Section XXI (pertaining to waiver of rights to a jury trial) is hereby deleted

9 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Minnesota law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

10 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

11 All other provisions of the Agreement are hereby ratified and confirmed

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________ 20___

**ROMA FRANCHISE CORPORATION**

By ______________________________

Name ______________________________

Title ______________________________

______________________________

Witness

**FRANCHISEE**

By ______________________________

Name ______________________________

Title ______________________________

______________________________

Witness

**ROMA FRANCHISE CORPORATION**
**NEW YORK AMENDMENT TO FRANCHISE AGREEMENT**

For purposes of complying with the requirements of New York Law, including the New York General Business Law, Article 33, §§ 680 – 695 (1989) (the "New York Law"), Roma Franchise Corporation ("Roma") and ________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated ________________ (the "Agreement") as follows

1 To the extent that the Agreement requires you to sign a release or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the New York Law or a rule or order promulgated thereunder, such release or acknowledgment of fact shall be void with respect to claims arising under the New York It is the intent of this provision that non-waiver provisions of the Sections 687 4 and 687 5 of the New York Law be satisfied.

2 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of New York Law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

3 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

4 All other provisions of the Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 200___

**ROMA FRANCHISE CORPORATION**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**FRANCHISEE**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**ROMA FRANCHISE CORPORATION**
**NORTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT**

For purposes of complying with the requirements of the North Dakota Franchise Investment Law, North Dakota Century Code Annotated Chapter 51-19, §§ 51-09-01 through 51-19-17 (1993) (the "NDFIL") Roma Franchise Corporation ("Roma") and _________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated _________________ (the "Agreement") as follows

1 Covenants not to compete are enforceable only under certain conditions under North Dakota law If the Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable

2 If the Agreement requires litigation, arbitration or mediation to be conducted in a jurisdiction other than North Dakota, the requirement is void Any litigation, arbitration or mediation under the Agreement shall be conducted in North Dakota or a mutually agreed upon location

3 If the Agreement requires that the Agreement be governed by a state law other than North Dakota, the requirement may be unenforceable in North Dakota

4 If the Agreement requires payment of a termination penalty or liquidation penalty, the requirement is void

5 If the Agreement requires you to consent to a waiver of exemplary and/or punitive damages, the requirement is void.

6 If the Agreement requires you to consent to a waiver of trial by jury, the requirement is void

7 If the Agreement requires that you consent to a limitations of claims, the requirement is void and the statute of limitations under North Dakota law will apply

8 If the Agreement requires that you consent to payment of all costs and expenses incurred in the enforcement of the Agreement, the requirement is void The prevailing party in any such action is entitled to recover all costs and expenses, including attorneys' fees

9 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of North Dakota law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

10 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

11 All other provisions of the Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

_______________________________
Witness

By ___________________________________
Name _________________________________
Title _________________________________

**FRANCHISEE**

______________________________
Witness

By ______________________________
Name ____________________________
Title _____________________________

**ROMA FRANCHISE CORPORATION**
**RHODE ISLAND AMENDMENT TO FRANCHISE AGREEMENT**

For purposes of complying with the requirements of the Rhode Island Franchise Investment Act, R I Gen. Law ch 395 §§ 19-28,1-1 – 1928 1-34 (the "RIFIA"), Roma Franchise Corporation ("Roma") and ________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated ________________ (the "Agreement") as follows

1 Section 19-28 1-14 of the Rhode Island Franchise Investment Act (the "RIFIA") provides that any provision in a franchise agreement restricting jurisdiction or venue to a forum outside of Rhode Island or requiring the application of the laws of another state is void with respect to claims otherwise enforceable under the RIFIA. Section XXI of the Agreement pertaining to forum selection and choice of law are hereby amended to the extent necessary to comply with this law

2 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Rhode Island law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

3 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

4 All other provisions of the Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

____________________________
Witness

By ____________________________
Name __________________________
Title ___________________________

**FRANCHISEE**

____________________________
Witness

By ____________________________
Name __________________________
Title ___________________________

**ROMA FRANCHISE CORPORATION**
**SOUTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT**

Roma Franchise Corporation ("Roma") and ________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated ________________ (the "Agreement") as follows

1 The South Dakota Division of Securities has required that certain provisions contained in franchise documents be amended to be consistent with South Dakota law To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended

a. The Agreement is revised to state that the South Dakota Division of Securities requires Roma to defer payment of the initial franchise fee and other initial payments owed by Franchisee to Roma until Roma completes its pre-opening obligations to Franchisee under the Agreement

2 All other provisions of the Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________ Witness

By ______________________________
Name ______________________________
Title ______________________________

**FRANCHISEE**

______________________________ Witness

By ______________________________
Name ______________________________
Title ______________________________

**ROMA FRANCHISE CORPORATION**
**WASHINGTON AMENDMENT TO FRANCHISE AGREEMENT**

For purposes of complying with the requirements of Washington law, including the Washington Franchise Investment Protection Act, WA Rev Code §§ 19 100 010 – 19 100 940 (1991) (the "WFIPA"), Roma Franchise Corporation ("Roma") and ________________ ("Franchisee"), hereby amend the Franchise Agreement between them dated ________________ (the "Agreement") as follows

1 The state of Washington has a statute, RCW 19 100 180 which may supersede the franchise agreement in your relationship with Roma including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the franchise agreement in your relationship with Roma including the areas of termination and renewal of your franchise

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

3 In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW (the "WFIPA") shall prevail

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

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

6 Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of Washington law applicable to the provisions are met independent of this Amendment This Amendment shall have no force or effect if such jurisdictional requirements are not met

7 As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Agreement, Roma reserves the right to challenge the enforceability of the state law

8 All other provisions of the Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties acknowledge that they have read and understand the contents of this Amendment, that they have had the opportunity to obtain the advice of counsel Intending to be legally bound, the parties have duly executed and delivered this Amendment on ______________, 20___

**ROMA FRANCHISE CORPORATION**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**FRANCHISEE**

______________________________
Witness

By ______________________________
Name ______________________________
Title ______________________________

**EXHIBIT D**

**TABLE OF CONTENTS TO MANUALS**

TONY ROMA'S®
RIBS ▫ SEAFOOD ▫ STEAKS

# TR WAY MANUAL TABLE OF CONTENTS

## CONFIDENTIALITY AGREEMENT

In connection with Candidate's due diligence investigation of Tony Roma's franchise opportunity, Roma Franchise Corporation ("Tony Roma's") desires to disclose to Candidate certain proprietary information (collectively referred to in this Agreement as "Confidential Information") including information concerning Tony Roma's confidential supplier relationships, proprietary standards, specifications, policies and procedures relating to the operation, advertising and marketing of a Tony Roma's business, and other confidential and nonpublic information, some of which is contained in Tony Roma's confidential operations manual and other written directives (the "Manuals"), and other data, materials, intellectual property, trade secrets, products, policies, business information, financial information, and other information that, in Tony Roma's judgment, may assist Candidate in evaluating the Tony Roma's franchise opportunity

In consideration of this disclosure, Candidate acknowledges that Tony Roma's owns all rights and interest in all Confidential Information, and agrees as follows

1 Candidate will keep the Confidential Information (including, without limitation, information contained in the Manuals) strictly confidential, and may reveal it only to his or her legal and financial advisors who must have access to it for the purpose of assisting Candidate in evaluating the Tony Roma's franchise opportunity (and who also must agree to keep the Confidential Information strictly confidential)

2 Candidate may not copy or reproduce any part of the Confidential Information, or disclose it to any person, except as expressly authorized in this Agreement

3 Candidate may use the Confidential Information only for the purpose of evaluating the Tony Roma's franchise opportunity

4 If Tony Roma's loans to Candidate any Confidential Information, Candidate will return all such information, together with all notes, documents, computer files and other materials prepared by Candidate based on such Confidential Information, when requested, but no later than forty-eight (48) hours after Candidate receives the Confidential Information

5 Candidate agrees that money damages would not be a sufficient remedy for any breach of this Agreement and that Tony Roma's shall be entitled to injunctive relief, specific performance or other appropriate equitable remedies for any such breach Equitable relief shall not be deemed to be the exclusive remedy for any breach, but shall be in addition to all legal remedies available to Tony Roma's If Tony Roma's brings an action to enforce Candidate's obligations under this Agreement, Candidate shall reimburse Tony Roma's for all costs and expenses, including reasonable attorney's fees, that Tony Roma's incurs in connection with such action.

6 This Agreement will be governed by and interpreted and enforced in accordance with the laws of the State of Indiana, excluding its conflicts of laws principles

7 If Candidate is a corporation or other business entity, the individual who signs this Agreement on behalf of Candidate represents and warrants to Tony Roma's that he is duly authorized to execute and deliver this Agreement on behalf of Candidate and that this Agreement constitutes a legally binding obligation of Candidate that will be binding on its successors and assigns

8 For purposes of this Agreement, "Confidential Information" does not include any information that is part of the public domain, provided, that it did not become part of the public domain due to a breach of this Agreement or a breach of any other confidentiality agreement to which Tony Roma's or its affiliate is a party

Candidate has signed this Agreement, intending to be legally bound, on the date first set forth above

**CANDIDATE**

_______________________________________________
Individually

Attest/Witness

**ROMA FRANCHISE CORPORATION**

___________________________

By _____________________________________________

**EXHIBIT E**

**LIST OF FRANCHISEES**

## TONY ROMA'S DOMESTIC FRANCHISE RESTAURANT LIST

| Restaurant Location | Address | Phone & Fax | Franchisee |
|---|---|---|---|
| **CALIFORNIA** | | | |
| Anaheim #327 | 1640 S Harbor Blvd<br>Anaheim, CA 92802 | 714-520-0200<br>714-520-4629 Fax | WDI International, Inc |
| Carson #452 | 20720 S Avalon Blvd<br>Carson, CA 90746 | 310-329-5723<br>310-329-2973 Fax | Primrose Food Srvc , Inc |
| Encino #594 | 16575 Ventura Blvd<br>Encino, CA 91436 | 818-461-8400<br>818-461-8404 Fax | WDI International, Inc |
| Universal City - City Walk #642 | 1000 Universal Studios Blvd<br>City Walk #122<br>Universal City, CA 91608 | 818-763-7674<br>818-763-7784 Fax | WDI International, Inc |
| **FLORIDA** | | | |
| Sawgrass Mills Express #2 #740 | 12801 West Sunrise Boulevard<br>Sawgrass Mills Mall, Unit #215<br>Sunrise, FL 33323 | 954-858-1791 | Inversiones Tropical Ribs |
| Jensen Beach #290 | 3731 Pineapple Avenue, Suite 200<br>Jensen Beach, FL 34957 | 772-692-9155 | Field TR of Jensen Beach, LLC |
| **HAWAII** | | | |
| Aiea Pearlridge #232 | 98-150 Kaonohi St<br>Aiea, HI 96701 | 808-487-9911<br>808-487-6728 Fax | WDI International, Inc |
| Honolulu Waikiki #236 | 1972 Kalakaua<br>Honolulu, HI 96815 | 808-942-2121<br>808-943-0622 Fax | WDI International, Inc |
| Honolulu, Waikiki #215<br>TR Fire Grill | 2330 Kuhio Avenue<br>Honolulu, Hawaii 96815 | 808-921-2330 | FG Restaurant, LLC |
| **ILLINOIS** | | | |
| Bloomington #703 | 1601 Jumer Drive<br>Bloomington, IL 61704 | 309-662-2525 | Bloomington Ribs, LLC |
| **IOWA** | | | |
| Dubuque-Grand Harbor Resort #693 | 350 Bell St<br>Dubuque, IA 52001 | 563-690-3249 | Platinum Hospitality Group |
| **MINNESOTA** | | | |
| Bloomington Mall Of 60<br>America #371 Bloomington, | East Broadway, Unit S-346 952-<br>MN 55425 952-854-5924 Fax | 854-7940 | Mursim, Inc |
| **NEVADA** | | | |
| Las Vegas Fremont #341 | Fremont Hotel & Casino<br>200 E Fremont St<br>Las Vegas, NV 89101 | 702-385-3232<br>702-385-6229 Fax | Boyd Group |

| Restaurant Location | Address | Phone & Fax | Franchisee |
|---|---|---|---|
| **NEW JERSEY** | | | |
| Newark Airport #710 | Newark Liberty International Airport<br>Terminal A, Space A12<br>Newark, NJ 07114 | 973-547-7944 | Areas EWR USA, LLC |
| **NEW YORK** | | | |
| Niagara Falls #776 | 114 Buffalo Avenue<br>Niagara Falls, NY 14303 | 716-418-7427 | Niagara Ribs, LLC |
| **TEXAS** | | | |
| Laredo #430 | Mall del Norte<br>5300 San Dario Ave<br>Suite #278-C, #125<br>Laredo, TX 78041 | 956-722-7427<br>956-712-1329 Fax | Costillas Limited |
| McAllen #393 | Fairway Plaza Shopping Center<br>2121 10th St<br>McAllen, TX 78503 | 956-631-2121<br>956-631-2247 Fax | Costillas Limited |
| San Antonio Rivercenter #572 | 849 E Commerce #171<br>San Antonio, TX 78205 | 210-225-7662<br>210-225-7669 Fax | San Roma, LLC |

The name and last known address and telephone number of every franchisee who has had a franchise terminated, canceled, not renewed, transferred or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the date of this Disclosure Document or the date of our application for registration of this Disclosure Document, are as follows

| FRANCHISE RESTAURANT CLOSINGS | FRANCHISEE NAME AND ADDRESS |
|---|---|
| San Diego, California #214 | P B Roma's, Inc<br>4110 Mission Blvd<br>San Diego, CA 92109<br>619-840-7798 |
| Bay Terrace, New York #690 | Bay Terrace Plaza, LLC<br>30-50 Whitestone Expressway, Suite 402<br>Flushing, New York 11354<br>718-224--5566 |
| Brooklyn, New York #757 | Atlantic Yards Plaza, LLC<br>30-50 Whitestone Expressway, Suite 402<br>Flushing, New York 11354<br>718-224--5566 |
| Commack, New York #761 | Commack Plaza, LLC<br>30-50 Whitestone Expressway, Suite 402<br>Flushing, New York 11354<br>718-224--5566 |

| FRANCHISE RESTAURANT CLOSINGS | FRANCHISEE NAME AND ADDRESS |
|---|---|
| Palisades Center Mall, New York #724 | Palisades Plaza, LLC<br>30-50 Whitestone Expressway, Suite 402<br>Flushing, New York 11354<br>718-224-5566 |
| Green Bay, Wisconsin #616 | GB Roma, Inc<br>2581 S Packerland Dr<br>Greenbay, Wisconsin 54313<br>920-499-9070 |

| FRANCHISE RESTAURANT TRANSFERS | FRANCHISEE NAME AND ADDRESS |
|---|---|
| NONE | |

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

# EXHIBIT F

# STATE ADMINISTRATORS

## STATE ADMINISTRATORS

**California**
Department of Business Oversight
320 West 4th Street, Suite 750
Los Angeles California 90013
(866) 275-2677 or (866) 275-2677

**Hawaii**
Dept of Commerce and Consumer Affairs
Business Registrations Division
335 Merchant Street, Room 203
Honolulu Hawaii 96813
(808) 586-2722
(701) 328-4712

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

**Indiana**
Franchise Section
Securities Division
302 W Washington St , Room E-111
Indianapolis Indiana 46204
(317) 232-6681

**Iowa**
Iowa Securities Bureau
2nd Floor
Lucas State Office Building
Des Moines, Iowa 50319
(515) 281-4441

**Kentucky**
Office of the Attorney General
1024 Capital Center Drive
Frankfort Kentucky 40602
(502) 696-5300

**Maryland**
Office of Attorney General
Securities Division
200 St Paul Place
Baltimore Maryland 21202
(410) 576-7042

**New York**
Bureau of Investor Protection and Securities
Department of Law
120 Broadway 23rd Floor
New York, New York 10271
(212) 416-8211

**North Dakota**
North Dakota Securities Department
600 East Blvd Avenue
State Capitol - Fifth Floor
Bismarck, North Dakota 58505

**Oregon**
Division of Consumer and Business Services
Finance and Corporate Securities
350 Winter Street N E
Labor and Industries Building, Room 21
Salem, Oregon 97310
(503) 378-4387

**Rhode Island**
Securities Division
1511 Pontiac Avenue
John O Pastore Complex – Building 69-1
Cranston Rhode Island 02920
(401) 222-3048

**South Dakota**
Division of Securities
124 S Euclid, Suite 104
Pierre SD 57501
(605) 773-4823

**Texas**
Statutory Document Section
Secretary of State
P O Box 12887
Austin, Texas 78711
(512) 475-1769

**Utah**
Division of Consumer Protection
Utah Department of Commerce
160 East Three Hundred South
P O Box 146704
Salt Lake City Utah 84114-6704
(801) 530-6601

**Michigan**
Consumer Protection Division
Antitrust and Franchise Unit
Department of Attorney General
G. Mennen Williams Building, 1st Floor
25 W Ottawa St
Lansing Michigan 48913
(517) 373-7117

**Minnesota**
85 7th Place East, Suite 500
St Paul, Minnesota 55101 2198
(651) 296-4026

**Nebraska**
Department of Banking and Finance
1526 K Street, Suite 300
P O Box 95006
Lincoln Nebraska 68509
(402) 471-3445

**Virginia**
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street 9th Floor
Richmond Virginia 23219
(804) 371 9051 Department of Commerce

**Washington**
Department of Financial Institutions
Securities Division
P O Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

**Wisconsin**
Division of Securities/Department of Financial Institutions
P O Box 1768
Madison Wisconsin 53701
or 01 W, Washington Avenue
Madison Wisconsin 53703
(608) 266-8559

**EXHIBIT G**

**AGENTS FOR SERVICE OF PROCESS**

| | |
|---|---|
| CALIFORNIA<br>Commissioner of the Department of Business Oversight<br>320 West 4th Street, Suite 750<br>Los Angeles, California 90013 | NORTH DAKOTA<br>North Dakota Securities Department<br>600 East Boulevard Avenue<br>State Capitol - Fifth Floor<br>Bismarck, North Dakota 58505 |
| HAWAII<br>Dept of Commerce and Consumer Affairs<br>Business Registrations Division<br>335 Merchant Street, Room 203<br>Honolulu, Hawaii 96813 | OREGON<br>Director<br>Department of Consumer and Business Services<br>Division of Finance and Corporate Securities<br>Labor and Industries Building<br>Salem, Oregon 97310 |
| ILLINOIS<br>Illinois Attorney General<br>500 South Second Street<br>Springfield, Illinois 62706 | RHODE ISLAND<br>Director of Department of Business Regulation<br>1511 Pontiac Avenue<br>John O Pastore Complex – Building 69-1<br>Cranston, Rhode Island 02920 |
| INDIANA<br>Indiana Secretary of State<br>201 State House<br>200 West Washington Street<br>Indianapolis, Indiana 46204 | SOUTH DAKOTA<br>Director of Division of Securities<br>124 S Euclid, Suite 104<br>Pierre SD 57501 |
| MARYLAND<br>Maryland Securities Commissioner<br>Office of the Attorney General<br>200 St Paul Place<br>Baltimore, Maryland 21202-2020 | VIRGINIA<br>Clerk of the State Corporation Commission<br>1300 East Main Street, 1st Floor<br>Richmond, Virginia 23219 |
| MICHIGAN<br>Department of Labor & Economic Growth<br>Commercial Services & Corporations Bureau<br>611 West Ottawa Street<br>Lansing, Michigan 48909 | WASHINGTON<br>Director of Financial<br>Institutions Securities Division<br>150 Israel Road, S W<br>Tumwater, Washington 98501 |
| MINNESOTA<br>Commissioner of Commerce<br>1010 Dale Street North<br>St Paul, Minnesota 55117 | WISCONSIN<br>Commissioner of Securities<br>201 W Washington Avenue<br>Madison, Wisconsin 53703 |
| NEW YORK<br>Secretary of State of New York<br>41 State Street<br>Albany, New York 11231 | |

**EXHIBIT H**

**STATE APPENDIX TO DISCLOSURE DOCUMENT**

## STATE APPENDIX TO DISCLOSURE DOCUMENT

We must provide you the following information about certain state laws, and how they may affect your franchise contracts By providing you this information, we are not agreeing that the laws apply to your franchise contract, or waiving our right to challenge the validity or enforceability of the state law in the future We are giving you this information solely for purposes of satisfying our disclosure obligations

***CALIFORNIA***

1 Item 2 is amended to reflect that

In California, you must comply with the requirements set forth in the Alcoholic Beverage Control Act and the California Code of Regulations, Title 4 for the sale of alcoholic beverages

In California, local county health departments inspect restaurants and other retail food facilities to ensure compliance with safe food handling practices and adequacy of kitchen facilities

2 Item 3 is amended to reflect that

Neither we nor any person identified in Item 2 of the Disclosure Document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U S C A 78a et seq , suspending or expelling such persons from membership is such association or exchange

3 Item 17 is amended by the addition of the following language

California Business and Professions Code Sections 20000 through 20043 provides rights to the franchisee concerning termination, transfer or nonrenewal of a franchise If the Franchise Agreement or Development Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement or Development Agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq )

The Franchise Agreement or Development Agreement contains covenants not to compete which extend beyond expiration or termination of the Agreement These provisions may not be enforceable under California law

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

The Franchise Agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable

The Franchise Agreement or Development Agreement requires the application of the laws of Texas This provision may be unenforceable under California Law

You must sign a general release if you renew or transfer your franchise California Corporations Code Sec 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516) California Business and Professions Code Sec 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043)

4 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

5 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

***ILLINOIS***

1 Item 17 is amended by the addition of the following language

In accordance with Illinois law, any provision in the Franchise Agreement or Development Agreement that designates jurisdiction or venue in a forum outside Illinois is void with respect to any action which is otherwise enforceable in Illinois, except that the Franchise Agreement or Development Agreement may provide for arbitration outside Illinois In addition, Illinois law will govern the Franchise Agreement with respect to those claims arising under the Illinois Franchise Disclosure Act or any other Illinois statute or regulation, Texas law will govern all other claims

***MARYLAND***

1 Item 5 is amended by the addition of the following language

All initial fees and payments due to us under the Franchise Agreement will be deferred until we complete our initial obligations to you All initial fees and payments due to us under the Development Agreement will be deferred until we complete our initial obligations to you and your first franchise is open for business

2 Item 17 is amended by the addition of the following language

(a) Any general release required as part of the Agreement or as a condition of the sale, renewal, or assignment/transfer of the franchise shall not apply to any liability under the Maryland Franchise Law

(b) Any claims arising under the Maryland Franchise Law must be brought within 3 years after the grant of the franchise

(c) Any provision in the Agreement which requires litigation to be conducted in a forum other than the State of Maryland will not limit any rights you may have under the Maryland Franchise Law to bring suit in the State of Maryland

*MICHIGAN*

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISION OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISE BUSINESS ARE NOT SUBJECT TO COMPENSATION THIS SUBSECTION APPLIES ONLY IF (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS, AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO

(i) THE FAILURE OF THE PROPOSED TRANSFEREE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C)

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL

As to any state law described in this addendum that declares void or unenforceable any provision contained in the Franchise Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated

***MINNESOTA***

1 Item 13 of the Disclosure Document is amended to state that the franchisor will protect your right to use the trademarks, service marks, trade names, logotypes of other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use the Marks

2 The following is added to Item 17 of the Disclosure Document

Under Minnesota law and except in certain specified cases, Roma Franchise Corporation must give you 90 days' notice of termination with 60 days to cure Roma Franchise Corporation also must give you at least 180 days' notice of its intention not to renew a franchise, and sufficient opportunity to recover the fair market value of the franchise as a going concern To the extent that the Franchise Agreement or Development Agreement is inconsistent with the Minnesota law, the Minnesota law will control

To the extent that any condition, stipulation or provision contained in the Franchise Agreement or Development Agreement (including any choice of law provision) purports to bind any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance with the Minnesota Franchises law, such condition, stipulation or provision may be void and unenforceable under the nonwaiver provision of the Minnesota Franchises Law

To the extent that any condition, stipulation or provision contained in the Franchise Agreement (including any choice of law provision) purports to bind any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance with the Minnesota Franchises law, such condition, stipulation or provision may be void and unenforceable under the nonwaiver provision of the Minnesota Franchises Law

Minn Stat §80C 21 and Minn Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction

Minn Rule 2860 4400J prohibits a franchisor from requiring a franchisee to assent to a general release To the extent that the franchise agreement requires you to sign a general release as a condition of renewal or transfer, the franchise agreement will be considered amended to the extent necessary to comply with Minnesota law

***NEW YORK***

1 The following is added to Item 3 of the Disclosure Document

Neither Roma Franchise Corporation nor any person identified in Item 2 of this Disclosure Document has been convicted of a felony or pleaded *nolo contendere* to a felony charge or has, during or within the 10-year period immediately preceding the application for registration or amendment of the franchise registration (as applicable), been convicted of a misdemeanor charge

2 The following is added to Item 5 of the Disclosure Document

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

3 The following is added to Item 17 of the Disclosure Document

Any condition, stipulation or provision contained in the Franchise Agreement or Development Agreement which purports to bind you to waive compliance with any provision of the New York General Business Law (Article 33, Sections 680 through 695) or any rule promulgated thereunder, may be void and unenforceable under the nonwaiver provision of such law

New York General Business Law, §687 5 prohibits Roma Franchise Corporation from requiring a franchisee to assent to a release, assignment, novation, waiver, or estoppel that would relieve a person from any duty or liability imposed by such law To the extent the Franchise Agreement or

Development Agreement requires you to waive or release any claims you may have against Roma Franchise Corporation or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would serve to relieve any person from liability under the FRDL, such release, waiver or acknowledgment shall not apply and shall be void to the extent that they would violate the nonwaiver provisions of the New York General Business Law

***NORTH DAKOTA***

THE NORTH DAKOTA SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (SECTION 51-19-09, N D C C )

- Restrictive Covenants Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N D C C , without further disclosing that such covenants will be subject to the statute

- Situs of Arbitration Proceedings Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business

- Restrictions on Forum Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota

- Liquidated Damages and Termination Penalties Requiring North Dakota franchisees to consent to liquidated damages or termination penalties

- Applicable Laws Franchise agreements which specify that they are to be governed by the laws of a state other than North Dakota

- Waiver of Trial by Jury Requiring North Dakota Franchises to consent to the waiver of a trial by jury

- Waiver of Exemplary & Punitive Damages Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage

- General Release Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement

- Limitation of Claims Franchise Agreements that require the franchisee to consent to a limitation of claims The statute of limitations under North Dakota law applies

To the extent that the Franchise Agreement contains these provisions, the Franchise Agreement will be amended, by way of North Dakota Amendment, to the extent necessary to comply with North Dakota law

***RHODE ISLAND***

1 Section 19-28 1-14 of the Rhode Island Franchise Investment Act (the "RIFIA") provides that any provision in a franchise agreement restricting jurisdiction or venue to a forum outside of Rhode Island or requiring the application of the laws of another state is void with respect to claims otherwise enforceable under the RIFIA

***SOUTH DAKOTA***

Item 5 of this disclosure document is amended by adding the following

All initial fees and payments due to us before you open your first Restaurant for business are deferred until we complete our pre-opening obligations to you and you open your first Restaurant for business

***VIRGINIA***

1 In recognition of the restrictions contained in Section 13 1-564 of the Virginia Retail Franchising Act, Item 17(h) of the Franchise Disclosure Document for Roma Franchise Corporation for use in the Commonwealth of Virginia will be amended as follows

> Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause If any ground for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable

***WASHINGTON***

1 The state of Washington has a statute, RCW 19 100 180 which may supersede the franchise agreement in your relationship with Roma Franchise Corporation including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the franchise agreement in your relationship with Roma Franchise Corporation including the areas of termination and renewal of your franchise

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

3 In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW (the "WFIPA") shall prevail

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

5 Transfer fees are collectable to the extent that they reflect Roma Franchise Corporation's reasonable estimated or actual costs in effecting a transfer

**EXHIBIT I**

**GENERAL RELEASE**

____________________ a _____________, whose address for the purpose of this Release is ____________________________________ ("Franchisee"), _________________, a(n) ________________________, whose address for the purpose of this Release is _____________________________________, and ________________________________, a(n) _______________, whose address for the purpose of this Release is ___________________________________________ (collectively, "Franchisee's Principals") hereby release and forever discharge Roma Franchise Corporation, a Delaware corporation having its principal place of business at 11315 Corporate Boulevard, Suite 100, Orlando, Florida 32817 ("Company"), its affiliates, and their respective heirs, successors, members, shareholders, representatives, assigns, agents, employees, officers and directors ("Affiliates"), of and from any claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action of every nature, character and description, known or unknown, vested or contingent, that Franchisee or any of Franchisee's Principals now own or hold, or has at any time heretofore owned or held, or may at any time own or hold against Company and its Affiliates, arising prior to and including the date of this Release, including, without limitation, any such claims that Franchisee or any of Franchisee's Principals may have against Company and its Affiliates (i) arising under any agreement between Franchisee and its Principals and Company and its Affiliates, except those surviving the termination of that certain Franchise Agreement dated ____________________ between Franchisee and Company (the "Franchise Agreement"), and any settlement agreement related to its termination, (ii) arising from the parties' conduct during the term of the Franchise Agreement, (iii) arising during Franchisee's operation of the franchised Restaurant located at ________________________________, (iv) arising under federal, state and local laws, rules or ordinances, including, but not limited to, federal and state franchise and deceptive trade practice laws, or (v) any obligation to refund or otherwise return any part of the franchise fee that Franchisee paid to Company upon the execution of the Franchise Agreement

IN WITNESS WHEREOF the parties have executed and delivered this General Release on this ____ day of __________________________

FRANCHISEE

[Name of Entity if Franchise is a business Entity]

_______________________________________

FRANCHISEE'S PRINCIPALS

Print Name ______________________________

By ____________________________________

Title ____________________________________

**EXHIBIT J**

**RECEIPTS**

## RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement, the Development Agreement and other information in plain language Read this Disclosure Document and all agreements carefully If Roma Franchise Corporation (we) offer you a franchise, we must provide this Disclosure Document to you at least 14 days before you sign a binding agreement with us or make a payment to us in connection with the proposed franchise sale Under Michigan law, if applicable, we must provide this Disclosure Document to you 10 business days before signing any contract or making any payment relating to the franchise relationship Under Oklahoma law, if applicable, we must provide this Disclosure Document to you at the earliest of the first personal meeting or 10 business days before signing any contract or making any payment relating to the franchise relationship Under Iowa law, if applicable, we must provide this Disclosure Document to you at the earliest of the first personal meeting or 14 days before signing any contract or making any payment relating to the franchise relationship

If we do 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 which may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20590 or the appropriate state agency listed in Exhibit F

Date of Issuance April 21, 2017, as amended August 2, 2017

The name & address of our registered agents authorized to receive service of process is shown in Exhibit G

The franchise seller is Jonathan E Benjamin and ____________ (if any) Mr Benjamin and ____________ (if any) can be reached at the Office of the President/CEO, Roma Franchise Corporation, 11315 Corporate Boulevard, Suite 100, Orlando, Florida 32817, 321-281-9330

I have received a Disclosure Document dated April 21, 2017, as amended August 2, 2017, that includes the following Exhibits

| | |
|---|---|
| Financial Statements | Exhibit A |
| Development Agreement (with state amendments) | Exhibit B |
| Franchise Agreement (with state amendments) | Exhibit C |
| Table of Contents to Manuals and Confidentiality Agreement | Exhibit D |
| List of Current and Former Franchisees | Exhibit E |
| State Administrators | Exhibit F |
| Agents For Service of Process | Exhibit G |
| State Appendix to Disclosure Document | Exhibit H |
| General Release | Exhibit I |
| Receipts | Exhibit J |

| | |
|---|---|
| **PROSPECTIVE FRANCHISEE**<br>(individually & as a representative<br>____________________)<br>(name for franchisee entity) | **PROSPECTIVE FRANCHISEE**<br>(individually & as a representative of<br>____________________)<br>(name of franchisee entity) |
| ____________________ | ____________________ |
| Print Name ____________ | Print Name ____________ |
| Date ____________ | Date ____________ |

**KEEP THIS COPY FOR YOUR RECORDS**

## RECEIPT

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

If Roma Franchise Corporation (we) offer you a franchise, we must provide this Disclosure Document to you at least 14 days before you sign a binding agreement with us or make a payment to us in connection with the proposed franchise sale Under Michigan law, if applicable, we must provide this Disclosure Document to you 10 business days before signing any contract or making any payment relating to the franchise relationship Under Oklahoma law, if applicable, we must provide this Disclosure Document to you at the earliest of the first personal meeting or 10 business days before signing any contract or making any payment relating to the franchise relationship Under Iowa law, if applicable, we must provide this Disclosure Document to you at the earliest of the first personal meeting or 14 days before signing any contract or making any payment relating to the franchise relationship

If we do 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 which may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20590 or the appropriate state agency listed in Exhibit F

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| **PROSPECTIVE FRANCHISEE**<br>(individually & as a representative<br>____________________)<br>(name for franchisee entity) | **PROSPECTIVE FRANCHISEE**<br>(individually & as a representative of<br>____________________)<br>(name of franchisee entity) |
| ____________________ | ____________________ |
| Print Name ____________ | Print Name ____________ |
| Date ____________ | Date ____________ |

**IMMEDIATELY SIGN AND DATE THIS PAGE AND RETURN TO** Jonathan E Benjamin, c/o Roma Franchise Corporation, 11315 Corporate Boulevard, Suite 100, Orlando, Florida 32817