

FRANCHISE DISCLOSURE DOCUMENT



Toppers Pizza LLC,
a Wisconsin limited liability company
333 West Center Street
Whitewater, WI 53190
(262) 473-6666
info@toppers.com
www.toppers.com
www.toppersfranchise.com

As a franchisee, you will operate a Toppers Pizza restaurant that offers on-premises, carry-out and delivery of pizza, breadsticks, and other related premium food and beverage products. We also offer area development opportunities in select markets.

The total investment necessary to begin operation of a Toppers Pizza franchised restaurant is \$322,875 to \$578,100. This includes \$40,000 to \$50,000 that must be paid to the franchisor.

The total investment necessary under the Area Development Agreement typically ranges from \$40,000 (for 2 restaurants) to \$65,000 (for 5 restaurants) all of which is payable to the franchisor.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Director of Franchise Development at 333 West Center Street, Whitewater, Wisconsin 53190, (262) 473-6666, info@toppers.com.

The terms of your Franchise Agreement will govern your franchise relationship with us. Don't rely on this disclosure document alone to understand your Franchise Agreement. Read all of your Franchise Agreement carefully. Show your Franchise Agreement 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 ("FTC"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

ISSUANCE DATE: April 11, 2022, as amended December 22, 2022

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits B and C.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Toppers Pizza business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Toppers Pizza franchisee?	Item 20 or Exhibits B and C lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The area development agreement and franchise agreement require you to resolve disputes with us by arbitration or litigation only in Wisconsin. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate or litigate with us in Wisconsin than in your home state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps, including your house, at risk if your franchise fails.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

**FOR TRANSACTIONS REGULATED BY THE MICHIGAN FRANCHISE
INVESTMENT LAW ONLY**

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.

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this Act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 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 sub-franchisor.
- (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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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.

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48933
Telephone Number: (517) 373-7117

Note: Despite paragraph (f) above, we intend, and we and you agree, to fully enforce the arbitration provisions of our Franchise Agreement, Area Development Agreement, and Project Management Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing these arbitration provisions.

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Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

“We,” “You” and Guaranty. To simplify the language in this disclosure document, “we,” “our” or “us” means Toppers Pizza LLC, the franchisor. “You” or “your” means the person or entity that buys a Toppers Pizza franchise. If you are a corporation, partnership, limited liability company or other business entity, your owners must sign our “Guaranty” which means that all of the Franchise Agreement’s provisions will also apply to your owners.

Franchisor. We were incorporated in 1992 as an Illinois corporation. In March 2021, we converted to a Wisconsin corporation, and in October 2021, we converted from a Wisconsin corporation to a Wisconsin limited liability company. We do business under our corporate name and under the name “Toppers Pizza.” We do not do business under any other name. Our principal business address is 333 West Center Street, Whitewater, Wisconsin 53190. Our agents for service of process are disclosed in Exhibit A. We have offered franchises for Toppers Pizza restaurants since 2000. We have not conducted, nor offered franchises in, any other line of business. We do not operate the type of business that a franchisee will operate; however, we may do so in the future.

Our Predecessors, Parents, and Affiliates. We have no predecessors. We are a wholly owned subsidiary of Toppers Pizza Holdings LLC (“Holdings”), a Wisconsin limited liability company. Holdings owns the Marks (defined below), and Holdings has licensed to us the right to use and sublicense the Marks to Toppers Pizza franchisees. Holdings is a subsidiary of GITCO HOLDINGS Inc., a Wisconsin corporation (“GITCO”). The principal business address for Holdings and GITCO is the same as ours. Neither Holdings nor GITCO offer franchises in any line of business and do not otherwise conduct businesses of the type offered to you in this disclosure document.

We do not have any affiliates that offer franchises in any line of business or provide products or services to franchisees.

Our Business Activities. We franchise the right to offer delivery, dine-in and carryout service of distinctive handmade pizza and other pizza related products under the trademarks and service marks we license periodically, including the trademark “Toppers Pizza” (the “Marks”). Franchisees utilize our exclusive system for the establishment, development, management and operation of pizza restaurants operating under our Marks. The Toppers Pizza system emphasizes convenience for on-premises consumption, carryout, curbside pickup, and delivery of pizza, breadsticks, and other pizza-related products and services we approve, all prepared in accordance with our specified recipes and procedures, proprietary products, trade secrets, and/or special packaging and marketing techniques. Toppers Pizza restaurants feature distinctive accessories and color schemes, special recipes and menu items (including proprietary products and ingredients), uniform systems, procedures, methods, standards, specifications, inventory lists, marketing and advertising programs, operating methods, technology packages, financial control concepts, training methods and teaching techniques.

If you are opening your first Toppers Pizza restaurant, we require you to enter into a Project Management Agreement attached as Exhibit I. Under the Project Management Agreement, we will

provide you with project management assistance related to the evaluation of a proposed site you have identified for a Toppers Pizza restaurant, the preparation of a site evaluation report, and the construction of the restaurant at that site (the “Project Management Assistance”).

Before you open your restaurant, you must license proprietary point-of-sale (“POS”) software (known as “PiZMET”) directly from us or an affiliate, which you will do by signing the Toppers Subscription Agreement (Point of Sale Services) (the “POS Subscription Agreement”) attached to this disclosure document as Exhibit J.

We also grant qualified franchisees area development rights (the “Area Development Program”). If you qualify, and participate in the Area Development Program, you must sign an Area Development Agreement attached as Exhibit G and agree to develop, open and operate multiple Toppers Pizza restaurants according to a pre-determined development schedule (the “Development Schedule”). We will identify the number of Toppers Pizza restaurants you must develop, open and operate in an exhibit to the Area Development Agreement before you sign it. Your obligation to develop, open and operate Toppers Pizza restaurants may be satisfied by you or an approved affiliate. Each Toppers Pizza restaurant that you or an approved affiliate develops, opens and operates under the Area Development Agreement must be governed by a Franchise Agreement signed by you or the approved affiliate. The Franchise Agreement you or an approved affiliate signs will be our then-current form of Franchise Agreement, which may include materially different terms than in the form of Franchise Agreement attached as Exhibit F.

Except as described above, we do not conduct any other business activities.

The Toppers Pizza Franchise.

The franchised system (the “System”) will include: (a) the TOPPERS PIZZA service marks, trademarks and logos we designate, (b) advertising and other marketing programs, (c) training and consulting programs, (d) site acceptance, (e) operations manuals and certain other written standards for restaurant services and operations, design, furniture, fixtures and equipment, facilities and the like, and (f) quality assurance and inspection programs.

The market for the food products and services Toppers Pizza stores offer is highly competitive and well developed. Toppers Pizza stores compete with locally owned businesses, as well with national and regional chains that offer pizza carryout and delivery services and related products. Pizza restaurants compete based on many factors such as price, service, store location, product quality and store promotions and marketing programs. These businesses are often affected by other factors as well, such as changes in consumer taste, economic conditions, and seasonal population fluctuation.

Restaurants are subject to significant federal, state and local laws and regulations applicable to businesses generally and, more specifically, to the food service industry, including regulations regarding zoning and building, occupational health and safety, labor, licensing and bonding, insurance, advertising, sales, income and other taxes, and the Americans with Disabilities Act. The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and various state and local departments of health and other agencies have laws and regulations concerning the

preparation of food, display of nutrition facts and calorie counts, and sanitary conditions of restaurant facilities. You must comply with all applicable laws and regulations.

Item 2

BUSINESS EXPERIENCE

Chief Executive Officer and Director: M. Scott Gittrich

Mr. Gittrich has served as our Chief Executive Officer since March 2021 and has served as our President, Secretary, Treasurer, and Director since our formation in 1992. Mr. Gittrich has also served as President, Secretary, Treasurer, and Director for Pizza People LLC (formerly known as T.P. of Champaign, Inc.), since its formation in 1993 and Holdings, since its formation in January 2016, and has served as President, Secretary, Treasurer and Director for GITCO, since its incorporation in October 2021, each in Whitewater, Wisconsin.

Chief Financial Officer: Kendall Richmond

Since August 2012, Mr. Richmond has served as Chief Financial Officer for us and for Pizza People LLC, each in Whitewater, Wisconsin.

Vice President of Marketing: Greg Wold

Since September 2020, Mr. Wold has served as our Vice President of Marketing in Whitewater, Wisconsin. Before joining us, Mr. Wold was a self-employed consultant from July 2020 to September 2020 working primarily from Madison, Wisconsin. From June 2019 to July 2020, he served as Director of Consumer Brands at Shine United located in Madison, Wisconsin. From March 2010 to June 2019, he was a Partner at Planet Propaganda located in Madison, Wisconsin.

Vice President of Information Technology: Anthony Ellis

Mr. Ellis has served as our Vice President of Information Technology since May 2016.

Vice President of Development: James McFeeters

Mr. McFeeters has served as our Vice President of Development since September 2022. From April 2022 to September 2022, Mr. McFeeters served as Vice-President of Development for Woworks in Philadelphia, Pennsylvania. From April 2017 to April 2022, he served as Senior Director of Franchise Development & Franchise Sales for Focus Brands in Atlanta, Georgia.

Vice President – Pizza People LLC: Adam Oldenburg

Mr. Oldenburg has served as a Vice President for Pizza People LLC, since April 2019. From September 2017 to April 2019, Mr. Oldenburg served as our Vice President of Operations. From April 2013 to September 2017, he served as our Corporate Operations Director. From December 2010 to April 2013, he was our Corporate Area Supervisor.

Director of Store Development: Beth Larson

Ms. Larson has served as our Director of Store Development since October 2020. Ms. Larson has previously held several different positions with us, including Director of Legal (April 2019 to October 2020), Director of Real Estate & Legal (April 2017 to April 2019), Director of Franchise Legal & Administration (December 2014 to April 2017), and Franchise Services Manager (December 2008 to December 2014). Ms. Larson has served in each of these positions from our headquarters in Whitewater, Wisconsin.

Franchise Operations Director: Matt Martin

Mr. Martin has served as our Franchise Operations Director since November 2018. Before that time, Mr. Martin has served in several different positions for us, each in Whitewater, Wisconsin, including: Director of Systems & Training (August 2017 to November 2018); Director of Training (October 2013 to August 2017); Franchise Training Leader (November 2011 to October 2013); and Corporate Training Manager (June 2010 to November 2011). From October 2004 to June 2010, Mr. Martin was a General Manager for T.P. of Champaign, Inc. (now Pizza People LLC), in Whitewater, Wisconsin.

Director of Real Estate and Franchise Development: Ronald Filian

Mr. Filian has served as our Director of Real Estate and Franchise Development since September 2022. From January 2020 to September 2022, Mr. Filian served as a real estate manager for Asurion in Orlando, Florida. From July 2019 to December 2019, Mr. Filian was self-employed as a commercial real estate broker in Yorkville, Illinois. From October 2016 to July 2019, Mr. Filian served as Director of Franchise Development for Kahala in Scottsdale, Arizona.

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

Item 5

INITIAL FEES

Initial Franchise Fee.

If you are opening a restaurant under a Franchise Agreement, your initial franchise fee is \$30,000. The \$30,000 initial franchise fee is due when you sign your Franchise Agreement. If you are an existing franchisee currently operating at least one Toppers Pizza restaurant, the initial franchise fee for your Toppers Pizza restaurant is as follows:

If this is your . . .	Initial Franchise Fee
Second Toppers Pizza Restaurant	\$20,000
Third Toppers Pizza Restaurant	\$20,000
Fourth Toppers Pizza Restaurant	\$15,000
Fifth Toppers Pizza Restaurant	\$15,000
Sixth or Subsequent Toppers Pizza Restaurant	\$10,000

If, in our discretion, you and/or your owners have insufficient prior experience in operating a restaurant, then, in addition to the initial training program described in Item 11, we may require you and your manager(s) to attend, at your cost, such additional training as we deem necessary (“New Operator Training”). If you and your manager(s) do not complete all New Operator Training to our satisfaction, we may terminate the Franchise Agreement, in which case we would, upon receipt of a general release in a form satisfactory to us from you and your owners, refund you \$10,000 of the initial franchise fee.

The initial franchise fee is fully earned by us upon your execution of the Franchise Agreement and, except as provided for above, is non-refundable.

Project Management Fee

If you are opening your first Toppers Pizza restaurant, we require you to enter into the Project Management Agreement attached as Exhibit I. Under the Project Management Agreement, we will provide you with Project Management Assistance (defined in Item 1). The fee for Project Management Assistance is \$7,500, payable to us in 3 equal installments upon completion of certain milestones. The first installment is due when you sign the Project Management Agreement. The second installment is due upon completion of the rough-in inspection. The third installment is due upon completion of the project closeout (punch list) inspection. Each installment is fully earned by us upon completion of the relevant milestone and is non-refundable.

Opening Extension Fee

Under the Franchise Agreement, you must acquire possession of a location for your restaurant within 180 days after signing the Franchise Agreement and have your restaurant open and operating within 180 days after signing the lease or acquiring the location. If you fail to meet the deadline to open your restaurant and you wish to extend the deadline, we may grant you a one-time, six-month extension to have your restaurant open and operating. In exchange for us granting you this opening extension, you agree to pay us a nonrefundable extension fee of \$5,000.

Software License and Installation of Point-of-Sale System

Before you open your restaurant, you must license proprietary POS software directly from us or our affiliate (known as “PiZMET”) which you will do by signing the POS Subscription Agreement attached to this disclosure document as Exhibit J. The current cost for the PiZMET software site license is \$2,500 per restaurant, which is fully earned by us upon payment and is non-refundable. If you are purchasing an existing restaurant, you instead will pay us a fee of \$1,250 to

transfer the existing PiZMET software license for the restaurant, which is fully earned by us upon payment and is non-refundable.

In addition, we require you to pay us an installation fee for your POS system. We estimate the installation fee to be \$2,000 to \$5,000, depending on the complexity of the installation and our travel costs. The installation fee is fully earned by us before we install the POS system and is non-refundable. We may choose to outsource the installation of the POS system, in which case any installation fees would be payable to the third-party installer.

Area Development Fee for Restaurants to Be Developed Under Area Development Agreement

If you sign an Area Development Agreement, you will be required to pay an Area Development Fee. The Area Development Fee equals (1) 100% of the initial franchise fee due under the first Franchise Agreement you are required to sign plus (2) 50% of the initial franchise fees we currently charge for the remaining Toppers Pizza restaurants to be developed. Typically, an area developer is expected to develop 2 to 5 restaurants and the range of the Area Development Fee is \$40,000 to \$65,000. However, it may be higher depending on the number of restaurants to be developed. The table below illustrates how we calculate the Area Development Fee:

No. of Stores Required to Be Developed	100% of Initial Franchise Fee for First Restaurant	PLUS 50% of Current Initial Franchise Fee for each subsequent Restaurant	EQUALS Total Area Development Fee
2	\$30,000	\$10,000	\$40,000
5	\$30,000	\$10,000 + \$10,000 + \$7,500 + \$7,500	\$65,000
7	\$30,000	\$10,000 + \$10,000 + \$7,500 + \$7,500 + \$5,000 + \$5,000	\$75,000

We will apply the Area Development Fee as a credit against the initial franchise fees due under each Franchise Agreement which you must sign under the Area Development Agreement. For the first Franchise Agreement, (which you must sign at the same time you sign the Area Development Agreement), the credit will be equal to the entire initial franchise fee due under that first Franchise Agreement. For the second and third Franchise Agreements, the credit will be \$10,000 per Franchise Agreement. For the fourth and fifth Franchise Agreements, the credit will be \$7,500 per Franchise Agreement. For the sixth and subsequent Franchise Agreements, the credit will be \$5,000 per Franchise Agreement. The maximum credit for all Franchise Agreements, in the aggregate, will be equal to the total Area Development Fee.

The Area Development Fee is due when you sign your Area Development Agreement. The Area Development Fee is fully earned by us upon your execution of the Area Development Agreement and is non-refundable.

Reduction of Initial Franchise Fee for Veterans of the U.S. Armed Forces.

We are a member of the International Franchise Association (“IFA”) and participate in the IFA’s VetFran Program. If you are a veteran of the U.S. Armed Forces qualified under the VetFran Program, we will reduce the initial franchise fee for your first Toppers Pizza restaurant by \$10,000.

Referral Fee

If an existing franchisee or one of our employees refers a prospective franchisee to us who ultimately purchases a franchise for a new Toppers Pizza restaurant, we currently pay the referring franchisee or employee \$5,000. The referral fee will be paid in two installments, \$2,500 upon the execution of the franchise agreement and payment of initial fees, and \$2,500 upon the opening of the restaurant. We may discontinue this referral program or change the amount of the referral fee at any time.

Item 6

OTHER FEES

Type of Fee¹	Amount	Due Date	Remarks
Continuing Royalty	5.5% of Gross Sales	Every Friday, for Gross Sales from the previous week (defined as Monday through Sunday).	(Note 2)

Type of Fee¹	Amount	Due Date	Remarks
Brand Development Fund Fee	Currently 3.3% of Gross Sales	Every Friday, for Gross Sales from the previous week (defined as Monday through Sunday).	We have the right to increase the Brand Development Fund Fee, but in no event will the total (i) Brand Development Fund Fees you must contribute to the Brand Development Fund, (ii) the local advertising expenditures you must make, and (iii) fees you must contribute to a cooperative exceed 7% of Gross Sales (the “Advertising Cap”) unless agreed to by a supermajority (80%) of all active franchisees in the Toppers franchise system. If you fail to meet your minimum local advertising expenditure requirement during an annual period, we may require you to pay the difference between the amount you were required to spend and your actual local advertising expenditures to the Brand Development Fund, within three months of the end of the annual period.
Additional Investor-Owner Training	\$300 to \$500 per day for each trainee, plus travel and living expenses	Before investor-owner training begins	If a new direct or indirect owner obtains an interest in you, the new owner must attend investor-owner training, and you must pay our then-current fee for investor-owner training. You will pay all travel and living expenses during additional investor-owner training.
Additional Initial Training	\$300 to \$500 per day for each trainee, plus travel and living expenses	Before additional initial training begins	If you send more than 2 people to initial training, or if you or any of your trainees fail to successfully complete our initial training program, you will pay us \$300 to \$500 per day for each additional trainee. You will pay all travel and living expenses during additional initial training.

Type of Fee¹	Amount	Due Date	Remarks
Initial On-Site Training and Opening Support	Actual travel and living expenses for our training personnel sent to your restaurant.	Upon our issuance of an invoice after completion of on-site training	Depending upon your experience, we will provide 7 to 35 days of additional on-site training and opening support for your first restaurant (7 to 21 days if you or an affiliate already operate a restaurant) immediately before, at the time of, and just after the opening of the restaurant. This training will be at no extra charge; however, you must pay the travel and living expenses of each trainer we send. We typically pay our training team's travel and meal expenses and invoice you for reimbursement of these expenses after completion of on-site training. We have no obligation to provide opening support if you or an affiliate already operate 3 or more restaurants.
Additional On-Site Training	\$300 to \$500 per day per trainer, plus actual travel and living expenses incurred by the trainers we send.	Upon completion of additional on-site training	You may request or we may require additional on-site training. We are not obligated to provide this additional on-site training, but if we do, we will impose a daily fee of \$300 to \$500 per trainer for each additional day of training you request or we require, plus actual travel and living expenses incurred by the trainers we send.
Optional Supplementary Training	Training fee to be established, and all travel and living expenses.	At time of training	We may provide optional supplementary training, which you may elect to attend, for which we may establish a training fee to be paid by you. You will also pay all travel and living expenses for your trainees.
Relocation Review Fee	\$1,500	Upon our request	To offset our costs in evaluating your planned relocation.

Type of Fee¹	Amount	Due Date	Remarks
Transfer Fee – Franchise Agreement	\$10,000 if the proposed transfer is to a new franchisee who is not currently operating a Toppers Pizza restaurant; otherwise \$5,000 if the proposed transfer is to a franchisee who is currently operating a Toppers Pizza restaurant.	Before transfer	We will charge no transfer fee if the transfer is to an existing owner of you (if you are a business entity) or to members of your (or your owner's) immediate family, but we may require you to reimburse us for any direct costs we incur in documenting and processing the transfer, including our reasonable legal fees. If you are a multi-unit owner and transfer multiple restaurants to a new franchisee in the same transaction, then the transfer fee will be \$10,000 each for the first two restaurants and \$5,000 for each additional restaurant.
Transfer Fee – Area Development Agreement	\$10,000	Before transfer	We will charge no transfer fee if the transfer is to an existing owner of you (if you are a business entity) or to members of your (or your owner's) immediate family, but we may require you to reimburse us for any direct costs we incur in documenting and processing the transfer, including our reasonable legal fees.
Interest	18% per year or the highest commercial lending rate that the law allows on amounts owed to us or to our affiliates that are considered delinquent.	Upon our request	(Note 3)
Audit Costs and Interest	Cost of audit plus a percentage of interest on underpayments	Upon determination of the amount due	Payable if an audit reveals an understatement exceeding 0.5% of the Gross Sales reported for any period. (Note 4)
Testing and Evaluation Fee	Our then-current fee. (Currently, the fee will not exceed the actual cost of the test.)	Upon your request that we review alternate products or supplies	

Type of Fee¹	Amount	Due Date	Remarks
Contributions to a Cooperative	Not currently charged.	Every Friday, for Gross Sales from the previous week (defined as Monday through Sunday).	(Note 5)
Technology Fee	Currently, 2% of your Online Gross Sales. We may increase the Technology Fee to a maximum of 2.5% of your Online Gross Sales.	Every Friday, for Gross Sales from the previous week (defined as Monday through Sunday).	This fee is used in our discretion toward maintaining and enhancing technology services and may be used to pay for costs and expenses such as, but not limited to, an "Online Ordering System," hosting fees, third-party professional services, software fees, software maintenance fees, support services, and security. "Online Gross Sales" means Gross Sales derived from orders placed through the Online Ordering System.
POS System Fees	Currently, \$208.33 per month	Monthly	If we require you to sign the POS Subscription Agreement, you will pay us for PiZMET site maintenance at an annual cost of \$1,900 (payable in equal monthly installments of \$158.33). In addition, we require you to have access to our required enterprise reporting software, which costs \$50 per month and is payable to us.
Inspection	The greater of \$500 or the actual cost of re-inspection if you fail an inspection	As incurred	If you fail an inspection, a re-inspection will be conducted, and we may withdraw by ACH the greater of \$500 or the cost of the re-inspection (or any subsequent re-inspection).
Quality and Service Training	Our then-current fee for each person assigned to your restaurant (currently \$300 to \$500 per person), plus travel and living expenses.	As incurred	If you fail to maintain the standards of quality or service established by us, we have the right to assign to your restaurant individuals we deem necessary for the training of your employees to insure that standards of quality and service are maintained.

Type of Fee¹	Amount	Due Date	Remarks
Additional Printed Materials	Cost of any printed materials ordered on your behalf plus delivery fees. The materials ordered on your behalf will typically cost between \$100 and \$200.	As incurred	We reserve the right to order and have shipped to your restaurant, menus, menu boards, food preparation posters, sales material, systems advertising material, and other marketing material on your behalf and invoice you (or debit your account by ACH) for such items and their delivery.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Due prevailing party in any legal proceeding or arbitration.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us and our affiliates if any of us are held liable for claims related to your restaurant's operations.
Insurance Premiums / Rent	Will vary under circumstances	As incurred	If you do not pay your insurance premiums or rent, we or our affiliates can pay them for you and you must reimburse the payor. Rent includes any payments required under your lease.
Damages	Will vary under circumstances	As incurred	(Note 6)
Assumption of Management	10% of Gross Sales plus costs and expenses	As incurred	We may assume management of your restaurant, if: (1) you abandon or fail to actively operate your restaurant; (2) you fail to comply with any provision of the Franchise Agreement or any system standard and do not cure the failure within the specified time period; or (3) the Franchise Agreement expires or is terminated and we are deciding whether to exercise our option to purchase your restaurant.
Our Cure of Your Default	Will vary under circumstances	As incurred	If you default in the performance of any of your obligations or breach any term or condition of the Franchise Agreement or any related agreement, we may cure the default or breach on your behalf. We will collect the amount we expend in curing the default from you.

Notes:

- (1) Except as otherwise noted, fees are collected by and payable to us or our designated affiliates. No fees are refundable. Fees are uniformly imposed. When you sign your Franchise Agreement, you will also sign an electronic funds transfer form with a pre-signed

withdrawal authorization that will allow us or our designated representative to directly withdraw from your account(s) all amounts you owe us under the Franchise Agreement. However, you must pay all amounts due by means other than automatic debit whenever we deem appropriate.

The amounts due under the Franchise Agreement are expressed as the net amounts we must actually receive. If the applicable tax law of the state where the restaurant is located requires us to pay any income or other taxes in respect of payments you make to us, you must gross up the amount due to ensure that the amount we actually receive is the same amount we would have received had we not been required to make such tax payments.

- (2) “Gross Sales” means all sums or value received or receivable by you, directly or indirectly, in cash, exchange or barter, from or in connection with the operation of your restaurant, excluding monies collected for taxes chargeable to customers by law. Gross Sales include revenues generated from the sale of food, beverages, and other goods and products (including vending machines, games, slot machines, automated teller machines, amusement rides, and telephones, which shall in any event be subject to the our prior written approval), and from the rendering of services of any kind or nature, at or from your restaurant, or under, or in any way connected with the use of, the Marks, whether for cash, credit, or barter (the Gross Sales amount from any barter shall equal the fair market value of that barter). We include gift certificate, gift card or similar program payments in Gross Sales when the gift certificate, gift card, other instrument or applicable credit is redeemed. Gross Sales also include all insurance proceeds you receive for loss of business due to a casualty to or similar event at your restaurant. There shall be deducted from Gross Sales for purposes of said computation (but only to the extent that they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged, and the amount of any reasonable, actual and verifiable refunds, rebates, over-rings, and allowances given to customers in good faith.
- (3) Amounts not paid when due are subject to finance charges of 18% per year, or the highest rate permitted by law, whichever is less, compounded daily from the due date until paid. Payment of finance charges and late fees does not excuse or cure late payment. Payments received are first applied to finance charges and late fees.
- (4) If you understate Gross Sales for any 4-week period by less than ½%, then you will owe us the amount of the understatement. If you understate Gross Sales for any 4-week period by more than ½%, but less than 5%, then you will owe us the cost of the audit, the amount of the understatement plus a penalty equal to 5% of the understatement, plus interest. If you understate Gross Sales for any 4-week period by more than 5%, then you will owe us the cost of the audit, the amount of the understatement plus a penalty equal to 5% of the understatement, plus interest, and we will have the right to terminate your Franchise Agreement.
- (5) Under the Franchise Agreement, we may create a cooperative advertising program among Toppers Pizza restaurants (both franchised and company-owned) located in marketing areas we determine. If we require you to participate in a cooperative advertising program, we may require each member of the cooperative to contribute a minimum percentage of its Gross Sales to fund the cooperative’s advertising programs and activities. Your

contributions would be credited against your local advertising requirement. Members of any cooperative may elect to collect an additional advertising contribution in excess of that required by us, even if that amounts exceeds the Advertising Cap. Otherwise, voting power on any fees imposed by a cooperative would be determined by the organizational documents we prepare for the cooperative.

- (6) If the Franchise Agreement is terminated because of your default or if you terminated it without cause, you will pay us liquidated damages equal to the net present value of the continuing royalty fees, technology fees, brand development fund fees, and cooperative advertising fees that would have become due had the Franchise Agreement not been terminated, from the date of termination to the earlier of (a) five years following termination, or (b) the scheduled expiration date of the Franchise Agreement (the “Measurement Period”). These amounts will be calculated by multiplying (1) the number of calendar months in the Measurement Period by (2) the aggregate percentages of the continuing royalty fees, technology fees, brand development fund fees, and cooperative advertising fees, by (3) the average monthly Gross Sales of your restaurant during the 12 full calendar months immediately preceding the termination date. However, if as of the termination date, your restaurant has not been operating for at least 12 months, liquidated damages will be calculated based on the average monthly Gross Sales during our previous fiscal year immediately preceding the termination date of all Toppers Pizza restaurants during the entirety of that fiscal year.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT (AREA DEVELOPMENT AGREEMENT)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to Be Made
Area Development Fee ¹	\$40,000 to \$65,000	Lump Sum	At signing of Area Development Agreement	Us
Additional Funds (3 months) ²	\$0	Not applicable	Not applicable	Not applicable
TOTAL	\$40,000 to \$65,000			

Notes:

- (1) The Area Development Fee is calculated based on the number of restaurants you will develop. This estimate assumes you are developing 2 to 5 restaurants. The Area Development Fee is non-refundable. We do not offer direct or indirect financing for the Area Development Fee.

- (2) Based on our and our affiliates' many years of business experience in selling and operating Toppers franchises, we estimate that you will not require any additional funds for the first three months of operating your development business. However, you will incur fees and expenses in opening each restaurant you commit to develop under the Area Development Agreement. Those additional funds are reflected in the table below reflecting the initial investment necessary to commence operation of a Toppers Pizza restaurant.

**YOUR ESTIMATED INITIAL INVESTMENT
(FRANCHISE AGREEMENT)**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to Be Made
Initial Franchise Fee (Note 1)	\$30,000	Lump Sum	At Signing of Franchise Agreement	Us
Travel & Living Expenses for Your Initial Training (Note 2)	\$2,000 - \$10,000	As Incurred	During Training	Airlines, Hotels & Restaurants
Travel & Living Expenses for Our Training Team (Note 3)	\$525 - \$12,000	As Incurred	As Incurred	Airlines, Hotels & Restaurants
Equipment & Smallwares (Note 4)	\$105,100 - \$141,100	Lump Sum, Unless Financed with Supplier	Prior to Opening	Third-Party Suppliers
Construction & Leasehold Improvements (Note 5)	\$90,000 - \$202,500	As Incurred	Prior to Opening	Third-Party Suppliers
Indoor & Outdoor Signage (Note 6)	\$10,000 - \$23,000	Lump Sum	Prior to Opening	Third-Party Suppliers
Pre-opening Salaries & Payroll (Note 7)	\$5,500 - \$10,500	As Incurred	Prior to & During Opening	Employees
Pre-opening Rent (Note 8)	\$0 - \$12,000	As Incurred	As Incurred	Landlord
Utility & Insurance Deposits (Note 9)	\$2,000 - \$6,000	As Incurred	Prior to Opening	Utility Company & Insurance Agents
Market Introduction and Team Recruiting Program (Note 10)	\$8,000 - \$11,000	As Incurred	Prior to Opening	Third-Party Suppliers
Opening Inventory (Note 11)	\$5,000 - \$10,000	As Incurred	Prior to Opening	Third-Party Suppliers
Architectural Fees (Note 12)	\$9,500 - \$14,000	As Incurred	Prior to Opening	Architect

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to Be Made
Permits and Professional Fees (Note 13)	\$2,250 - \$6,000	As Incurred	Prior to Opening	Accountants, Lawyers, Financial Advisors
POS System Hardware (Note 14)	\$16,000 - \$20,000	Lump Sum	Prior to Opening	Third Party Suppliers
POS System Software Licenses (Note 15)	\$2,500	Lump Sum	Prior to Opening	Us
POS System Installation (Note 16)	\$2,000 - \$5,000	Lump Sum	Prior to Opening	Us or Third-Party Supplier
Project Management (Note 17)	\$7,500	3 Installments	Prior to Opening	Us
Opening Extension Fee (Note 18)	\$0 - \$5,000	Lump Sum	Upon expiration of original opening deadline	Us
Additional Funds (3 months) (Note 19)	\$25,000 - \$50,000	As Incurred	As Incurred	Us or Third-Party Suppliers
TOTAL (Note 20)	\$322,875- \$578,100			

Notes:

- (1) This is the initial franchise fee you will pay if this is your first Toppers Pizza restaurant. If you are an existing franchisee currently operating at least one Toppers Pizza restaurant, the initial franchise fee will be between \$10,000 to \$20,000, depending on how many Toppers Pizza restaurants you currently operate. If you and your manager(s) must participate in New Operator Training but do not complete all New Operator Training to our satisfaction, we may terminate the Franchise Agreement, in which case we would, upon receipt of a general release in a form satisfactory to us from you and your owners, refund you \$10,000 of the initial franchise fee. The initial franchise fee is not otherwise refundable.
- (2) Up to 2 individuals may participate in our initial training program, including the Managing Partner (see Item 15) and a Restaurant Manager (if applicable; see Item 15). Initial training will take place at our headquarters in Whitewater, Wisconsin, or at another suitable location that we designate. Although we do not charge tuition for this training, you will be responsible for all costs associated for you and your staff to attend. Each franchisee's costs will depend on the number of people attending training, their point of origin, method of travel, class of accommodation, and living expenses (lodging, meals, transportation, etc.). The duration of the training program for the Managing Partner and Restaurant Manager (if

applicable) is typically 28 to 30 days unless you must participate in New Operator Training, in which case such additional training will last approximately 14 additional days.

The low end of the estimated range is for expenses for one Managing Partner who has prior experience in the restaurant industry to attend the initial training. The high end of the estimated range is for expenses for one Managing Partner and a Restaurant Manager who do not have prior restaurant industry experience to attend the initial training plus New Operator Training.

- (3) The figures estimate the travel and living expenses for 1 to 5 members of our training team to participate in the setup and opening of your first restaurant. The low estimate is for the expenses incurred for a 7-day commitment while the high estimate is for 35 days. After consultation with you, we will determine the number of training days required at your restaurant. In most cases, you will arrange our training team's lodging expenses and directly pay the hotel or other lodging site. With respect to other expenses for our training team, such as travel and meals, as described in Item 6, we typically pay these expenses and invoice you for reimbursement after on-site training is complete and your restaurant is open for business.
- (4) These figures represent the purchase of food service equipment, smallwares, millwork, the exhaust system and light packages for your restaurant, and all items necessary to transport and deliver menu items to customer such as hot bags, car top identification, and uniforms for delivery drivers. Your delivery employees will generally use their own personal vehicles for transporting and delivering menu items, so these figures do not include any estimate for the purchase or lease of delivery vehicles.
- (5) Estimated costs identified here are for tenant improvements of a typical property with 1,400 to 1,600 square feet of space, with a range of improvement cost of between \$64.28 to \$126.56 per square foot. (The low estimate of \$64.28 per square foot contemplates a landlord contribution, or "tenant allowance," that serves to reduce the cost by approximately \$10 per square foot.) These figures are indicative of standard commercial pricing in Madison, Wisconsin. Material, labor and code-related costs may be more or less depending on the location of your restaurant. The estimate applies to a site that has been obtained in the "white box" stage, which refers to the interior condition of either a new or existing building or suite in which the improvements generally consist of heating/cooling with delivery systems, lighting, electrical switches and outlets, lavatories, a finished ceiling, walls that are prepped for painting, and a concrete slab floor. These numbers are inclusive of fees by licensed professionals, (such as project managers, general contractors and licensed tradesmen), who are contracted to install electrical, plumbing, and HVAC (heating, ventilation, air conditioning), but do not include architect fees (which are described below in Note 12). Landlords often provide monetary allowances for materials or work, or rent credits during the time of construction. Your costs may be less or more than this estimate, depending upon where you are planning to open your franchise or if you receive the premises in any condition other than what is in the "white box" description above or a non-standard commercial property.

- (6) This is an estimate of the cost to obtain permits, fabricate, and install an approved Toppers Pizza “trade dress” package for a typical restaurant storefront. The “trade dress” package consists of three components: exterior storefront, interior storefront, and interior point-of-sale frames and graphic materials. The low estimate contemplates a non-illuminated exterior storefront signage, while the high estimate contemplates an individually lighted channel letter configuration.
- (7) The lower figure represented indicates that the franchisee will act as location manager and includes only the salary for 2 assistant managers over a period of 2 weeks, plus one week of staff training wages for 15 hourly employees, to include clean-up of the site and training sessions prior to the opening. The higher figure indicates training wages paid for a location manager and 2 assistants for 2 weeks, plus one week of wages for the training of 30 hourly employees.
- (8) The low end of this estimate assumes free pre-opening rent has been negotiated as part of the lease. The high end of this estimate assumes a 1,600 square foot premises with 1 month’s rent paid as security deposit, and the first 3 month’s rent. The high estimated lease rental amount per month is indicative of a 1,600 square foot facility in the Madison, Wisconsin area with a rent of \$30 per square foot annually. Pre-paid rent is generally non-refundable, while security or other deposits may be refundable either in full, or in part, depending upon the terms of your lease.
- (9) Utility deposits will vary due to the type of services required for the facility and the municipality from which it is being contracted. Typically, an insurance deposit of a ½-year premium will need to be made in order to obtain the minimum required insurance as listed in Item 8 of this disclosure document. The cost of coverage will vary based upon the area in which your restaurant will be located, your experience with the insurance carrier, the loss experience of the carrier, and other factors beyond our control.
- (10) The figures indicated include an estimate of the costs associated with the placement of recruitment advertisements. Beyond these recruitment costs, the remainder of the estimated amount pertains to the execution of a Market Introduction Program. You will be expected to launch this 2 to 6 month advertising and marketing campaign to raise awareness of your new location. This Market Introduction Program will begin 1 month before the scheduled opening and continue for 2 to 6 months after.
- (11) An opening inventory will include all food, cleaning products and packaging necessary for the opening of location. In most situations, this will be sufficient for a period of 7 days.
- (12) An architect you hire will prepare architectural, engineering, and construction drawings and site plans. The figures shown in the table contemplate the fees you should expect to pay to use the services of a state-licensed architect. The architect will be required to provide a fully engineered set of contract documents (CDs) for our approval (and, typically, the approval of your landlord). The architect will be expected to provide services to obtain all city, county, and state building and health department permits required to construct the project.

- (13) These fees are primarily for the services rendered by your attorney, accountant and other professional advisors. This amount includes the first three months' fees (currently, estimated to be \$500 per month) you are required to pay to the third party we designate for accounting services during the first year you operate the Toppers Pizza restaurant. Additionally, you are responsible for obtaining and maintaining all required permits and licenses necessary to operate the Toppers Pizza restaurant.
- (14) These fees are for the hardware required for the POS system we require you to use. The typical restaurant requires 5 to 7 stations. However, your actual cost may vary based on the number of stations required by your restaurant layout.
- (15) Before you open your restaurant, you must license the proprietary PiZMET POS software directly from us which you will do by signing the POS Subscription Agreement. The current cost for the PiZMET software site license is \$2,500 per restaurant.
- (16) We may choose to outsource the installation of the POS system, in which case any installation fees would be payable to the third-party installer.
- (17) If you are opening your first Toppers Pizza restaurant, we require you to enter into a Project Management Agreement attached as Exhibit I. The fee for Project Management Assistance is \$7,500, payable to us in 3 equal installments upon completion of certain milestones.
- (18) Under the Franchise Agreement, you must acquire possession of a location for your restaurant within 180 days after signing the Franchise Agreement and have your restaurant open and operating within 180 days after signing the lease or acquiring the location. If you fail to meet the deadline to open your restaurant and you wish to extend the deadline, we may grant you a one-time, six-month extension to have your restaurant open and operating. In exchange for us granting you this opening extension, you agree to pay us a nonrefundable extension fee of \$5,000.
- (19) This is an estimate of the amount of additional operating capital you may need to operate your restaurant during the first 3 months after you open your business. The estimate here includes such items as initial payroll taxes, ongoing franchise fees, system brand fund contributions, professional and accounting fees, additional advertising, insurance, health insurance and workers' compensation, rent, repairs and maintenance, bank charges (including interest), miscellaneous supplies and equipment, initial staff recruiting expenses, POS system support and maintenance fees, state tax and license fees, depreciation/amortization, deposits and prepaid expenses (if applicable) and other miscellaneous items, but does not include any draw or salary for you. After opening, additional operating expenses will be incurred in connection with the ongoing operation of your business as some reinvestment will be necessary following the initial start-up phase for modifications, repair or replacement of leasehold improvements, equipment, fixtures, and other assets. This amount is based upon the experience of our affiliates in opening and owning multiple Toppers Pizza restaurants since 1991.
- (20) We strongly recommend that you use these categories and estimates as a guide to develop your own business plan and budget and investigate specific costs in your area. If you

choose to own the building and/or the property upon which the chosen location is situated, you will need to factor those investment costs into this total as well. We do not offer direct or indirect financing to franchisees for any fees. Unless otherwise noted, fees are not refundable.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases.

Your supplies and equipment must meet the specifications described in our Operations Manual (see Item 11). These specifications also include standards for delivery, performance, design, and appearance. We reserve the right to set System standards for all products, programs and equipment that will be used in your restaurant. You must comply with all such standards and specifications. We may revise these standards and specifications.

We may designate products as “Proprietary Products.” Proprietary Products include toppings, cheeses, mixes, seasonings, flavorings and sauces. Proprietary Products are manufactured according to our recipes, specifications or formulas. You will be required to use our Proprietary Products and to purchase the Proprietary Products from us or our designated suppliers in accordance with the provisions in our Operations Manual.

We may also designate services, products or equipment as “Authorized Products and Services.” Authorized Products and Services include accounting, architectural and design services, computer hardware, software or support services, credit-card processing services, food products, ingredients, condiments, beverages, fixtures, lighting, millwork, furnishings, equipment, uniforms, supplies, menus, packaging, and forms. You will be required to use these Authorized Products and Services in your restaurant, and to purchase them from us, from our designated suppliers, or from suppliers selected by you and approved by us in writing. Your equipment and supplies must meet our specifications. We require you to use an Online Ordering System that we designate. The Online Ordering System is described more fully in Item 11.

Insurance.

In addition to the purchases described above, you must also obtain and maintain, at your own expense and from carriers rated A- or better by A.M. Best Company, Inc., the minimum insurance coverage that we require, including: (i) comprehensive general liability insurance, providing product liability coverage, business interruption coverage, and personal injury coverage in the amount of \$1,000,000 per occurrence for bodily and personal injury and death, and \$250,000 per occurrence for property damage; (ii) automobile liability insurance (including owned automobiles, titled or leased in your name and the name of your owners and used at any time, whether principally or occasionally in the business, hired and non-owned coverage) in the amount of \$1,000,000 per occurrence for bodily and personal injury and death, and \$250,000 per occurrence for property damage; (iii) workers’ compensation and employer’s liability insurance; (iv) fire, vandalism, and extended coverage insurance with primary and excess limits of not less than the full replacement value of the restaurant and its furniture, fixtures and equipment;

(v) employment practices liability insurance (EPLI) in the amount of \$100,000 per occurrence; and (vi) any other insurance required by law. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverages. Each insurance policy must name us and any affiliates and parent companies we designate as additional named insureds, using a form of endorsement that we have approved, and provide for 10 days' prior written notice to us before the cancellation or material change of the policy.

Required and Approved Suppliers.

We may approve a single distributor or other supplier for any Authorized Products and Services (which may be us or our affiliates), and we may approve a distributor or other supplier only as to certain Authorized Products and Services. We may concentrate purchases with one or more distributors or suppliers to obtain lower prices and/or the best advertising support and/or services for any group of Toppers Pizza restaurants franchised or operated by us. Approval of a product or supplier may be conditioned on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), or other criteria. We will not issue to you or any of our approved suppliers (except as we deem necessary for purposes of production) the standards and specifications.

We have negotiated a purchase arrangement with a third-party distributor for all of your food ingredients and paper products. We require you to enter into a support agreement with a third-party service provider to assist you with operating methods and financial control concepts in your restaurant. If you have not selected a site that we have approved before signing the Franchise Agreement, you must use our designated real estate broker to help you locate a site for your Toppers Pizza restaurant, which will be subject to our approval. During the first year you operate your Toppers Pizza restaurant, you will engage a designated third party for accounting services.

We are the only provider of Project Management Assistance under the Project Management Agreement. We are also the only supplier of your Restaurant's approved PiZMET POS system. We may authorize and use a third party to provide installation services for the PiZMET POS system, but we also offer installation services through our internal technical support team. Except for these products and services, neither we nor any person or entity affiliated with us is currently an approved supplier for Toppers Pizza franchisees, but we may be an approved supplier in the future. Except for Scott Gittrich's indirect ownership in us, none of our officers owns an interest in any approved supplier for Toppers Pizza franchisees.

We estimate that the costs of your purchases from designated or approved sources, or according to our standards and specifications, are approximately 95% of the total cost of establishing your restaurant, and approximately 90% of the total cost of operating your restaurant after that time.

We do not provide material benefits to franchisees for purchasing particular products or services using required or approved suppliers. Except as disclosed above, we have not negotiated any purchase arrangements with manufacturers and suppliers (including price terms), but we may do so in the future.

Approval of Alternative Suppliers.

You may seek approval to purchase Authorized Products and Services from an alternate supplier. If you would like to purchase equipment, products, services, supplies, or materials from suppliers other than those previously approved by us, you must, prior to purchasing any such equipment, products, services, supplies, or materials, give us a written request to change supplier. Under our current process for reviewing and approving alternative suppliers, if we decide to conduct an investigation of the proposed supplier, we will notify you in writing of the approval or rejection of the proposed supplier within a reasonable time after we complete our investigation. We may inspect any supplier's facilities and products to assure proper production, processing, storing, and transportation of equipment, products, services, supplies, or materials to be purchased from the supplier by you. Permission for such inspection will be a condition of the continued approval of such supplier. We may, for any reason whatsoever, elect to withhold or revoke approval of the supplier. We may require that samples from the supplier or a proposed new supplier be delivered for testing. We may assess you a fee to compensate us for the time and resources we spend in evaluating the proposed supplier. If we already have a designated supplier, we are likely to reject your request for a new supplier without conducting any investigation.

Revenue from Franchisee Purchases.

We, or an affiliate, may derive revenue or other material consideration from required purchases or leases by franchisees.

In fiscal year 2021, franchisees paid us \$169,997 in PiZMET license and support fees and \$5,000 in construction services fees, which in the aggregate represents 1.8% of our total revenue of \$9,595,442.

Revenue from Third-Party Suppliers.

We, or an affiliate, may receive fees, commissions, royalties, or other consideration from approved suppliers based on their revenues (from sales, lease payments, license fees and the like) from franchisees.

In fiscal year 2021, we received \$984,564 from third-party suppliers based on purchases of food and beverage by franchisees and affiliate-owned restaurants.

In fiscal year 2021, we received \$341,524 in vendor contributions for participation in our franchisee convention.

We receive revenue from approved suppliers ranging from 42 cents to \$5.00 per case or pound for purchases made by franchisees of food and beverages, and we receive revenue from an approved supplier of marketing services of 2.0% to 2.5% of purchases made by franchisees.

Except as disclosed above, neither we nor our affiliates currently receive payments from third-party suppliers based on franchisee purchases, but we may do so in the future.

Cooperatives.

There are currently no purchasing or distribution cooperatives for franchisees.

Item 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Unless otherwise identified, references to section numbers in this Item 9 are references to section numbers in the Franchise Agreement. "ADA" refers to the Area Development Agreement. "PMA" refers to the Project Management Agreement.

Obligation	Section in Agreement	Item in Franchise Disclosure Document
a. Site selection and acquisition/lease	Sections 2.1, 2.3 ADA Section 3.B PMA Section 1	Items 8 and 11
b. Pre-opening purchases/leases	Sections 2.1, 2.3	Items 7, 8 and 17
c. Site development and other pre-opening requirements	Section 2.1, 2.3 PMA Section 3	Items 6, 7 and 11
d. Initial and ongoing training	Section 8	Item 11
e. Opening	Section 2.3 ADA Section 3.A	Item 11
f. Fees	Section 4 ADA Section 2.E PMA Section 3 POSSA Section 5	Items 5 and 6
g. Compliance with standards and policies/Operations manual	Section 7	Items 11 and 16
h. Trademarks and proprietary information	Section 5 ADA Section 5.F POSSA Sections 6, 7	Items 13 and 14
i. Restrictions on products/services offered	Section 7.1	Item 16
j. Warranty and customer service requirements	Section 7.4	Item 11
k. Territorial development and sales quotas	ADA Section 2.A	Item 12
l. Ongoing product/service purchases	Section 7.1	Items 6 and 8
m. Maintenance, appearance and remodeling requirements	Sections 2.3, 2.4	Item 11
n. Insurance	Section 7.5	Items 6 and 8
o. Advertising	Section 6, 7.12	Items 6 and 11

Obligation	Section in Agreement	Item in Franchise Disclosure Document
p. Indemnification	Section 14.2 ADA Section 8 POSSA Section 9	Item 6 and 14
q. Owner's participation/management/staffing	Section 7.2 ADA Section 3.E	Items 11 and 15
r. Records and reports	Sections 4.7, 7.6	Items 6 and 11
s. Inspections and audits	Section 7.7	Items 6 and 11
t. Transfer	Section 9 ADA Section 6 PMA Section 5	Item 17
u. Renewal	Section 3.2	Item 17
v. Post-termination obligations	Section 10, 12 ADA Section 4.D	Item 17
w. Non-competition covenants	Section 10 ADA Section 5	Item 17
x. Dispute resolution	Section 13 ADA Section 7 PMA Section 11	Item 17
y. Other – Personal Guarantee by Owner	Exhibit E ADA at Exhibit C	Item 17

Item 10

FINANCING

We do not offer direct or indirect financing. We do not guarantee your promissory notes, mortgages, leases or other obligations.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

A. Pre-Opening Assistance. Before you open your restaurant, we or our designee will provide the following assistance:

Franchise Agreement

1) We do not generally own your restaurant location or lease your restaurant location to you. If you do not already own adequate space, you must lease or acquire your location. Before signing your Franchise Agreement, we will identify a Search Area (defined in Item 12) in which your restaurant will be located. You will have 90 days after

signing the Franchise Agreement to obtain our acceptance of a location in the Search Area. If you do not obtain our acceptance within 90 days after signing the Franchise Agreement, we will have the right to terminate the Franchise Agreement. Once you have identified a prospective location, you will submit an application to us for location acceptance, and we will accept or reject your location. We will review your proposed location based on visibility, proximity to your customer base, the geographic distribution of your customer base, parking, location of competitors, your ability to efficiently cover your Delivery Area (defined in Item 12), and such other factors as we may reasonably determine. When you have given us all the necessary information on the proposed location you have selected, we generally will accept or reject the location within 30 days. If we reject your proposed location, you will be required to identify a different proposed location. (Franchise Agreement, Section 2.1.)

2) We will provide you with copies of our specifications for the design and layout of your restaurant, and the required fixtures, equipment, furnishings, decor and signs for your restaurant. We will review your plans for the construction or modification of your restaurant. (Franchise Agreement, Section 2.3)

3) If you are opening your first Toppers Pizza restaurant, we will provide Project Management Assistance (defined in Item 1), and you will sign a Project Management Agreement and pay us a fee of \$7,500, payable in installments upon completion of certain milestones. (Franchise Agreement, Section 2.3 and Exhibit I)

4) We will provide you with a template for a market introduction program for your restaurant. (Franchise Agreement, Section 6.2).

5) You must install, at your expense, the required POS system. (Franchise Agreement, Section 7.10). We may choose to install the POS system or outsource the installation of the POS system to a third-party installer. We do not deliver or install any other equipment, signs, fixtures, opening inventory, or supplies.

6) We will provide the training described below in this Item. However, if this is your 4th or later franchise, we will not be obligated to provide this training. (Franchise Agreement, Sections 8.1, 8.2, 8.3).

7) We will provide 7 to 35 days of additional training and opening support at your restaurant (which will be provided by one or more of our trainers) before, during and immediately after the opening of your first restaurant or 7 to 21 days if you or an affiliate already operate a restaurant. However, if you or an affiliate already operate 3 or more restaurants, we will not be obligated to provide this opening support. (Franchise Agreement, Sections 8.3, 8.6).

Area Development Agreement

1) After you have identified a location in the Development Area for development of a restaurant, you will be required to submit to us an application containing information and documentation we require. Once we receive the information and

documentation required, we may request additional information as we deem necessary to make our determination with respect to the prospective location. At the time we review the proposed locations, we will use our then-current standards, which may be different than the criteria we currently use. If we do not accept the location in writing within 30 days after we receive all information and documentation requested, the location will be deemed rejected. (Area Development Agreement, Section 3.B) Upon our acceptance of the location, you will receive our then-current franchise disclosure document and then-current Franchise Agreement for the accepted location. After the waiting period required by applicable law, you will sign our then-current Franchise Agreement for the accepted location. (Area Development Agreement, Section 2.D)

B. Opening Timeline. You must acquire possession of a location for your restaurant, through purchase or lease, within 180 days after signing the Franchise Agreement. You must open your restaurant for business within 180 days after signing a lease or acquiring the location of your restaurant (or, if you have signed an Area Development Agreement, within the deadline specified on Exhibit D of the Area Development Agreement). If you do not meet these deadlines, we may terminate the Franchise Agreement (and the Area Development Agreement, if applicable) or grant you a one-time extension, in exchange for a fee (described below). Before the renovation or construction of your restaurant, we will provide you with copies of specifications for the design and layout of the restaurant and required fixtures, equipment, furnishings, decor, and signs. Franchisees typically open their restaurants 8 to 11 months after they sign a Franchise Agreement. Factors that affect this time include: your ability to obtain a lease, financing or building permits; zoning and local ordinances; weather conditions; shortages; construction delays; and delayed installation of equipment fixtures and signs.

If you fail to meet the deadline to open your restaurant and you wish to extend the deadline, we may grant you a one-time, six-month extension to have your restaurant open and operating. In exchange for us granting you this opening extension, you agree to pay us a nonrefundable extension fee of \$5,000.

C. Post-Opening Assistance. During the operation of your restaurant, we or our designee will:

- 1) Offer or require supplementary training to you or your manager on topics of importance to the operation of your restaurant. We will designate supplementary training as either mandatory or optional. We will provide mandatory supplementary training at no charge. We will establish charges for optional supplementary training. For all supplementary training (mandatory and optional), you must pay the travel and living expenses for you and your employees. (Franchise Agreement, Section 8.4)

- 2) Provide you with the standard reporting forms and charts of accounts that we require you to use. (Franchise Agreement, Section 8.5).

- 3) Provide you online access to our Operations Manual, which contains mandatory and suggested specifications, standards and procedures, and includes required hours of operation. We currently provide and maintain an online electronic version of the Operations Manual only, but we may issue a hard copy, in which case we would loan you

one copy. The Operations Manual is confidential and remains our property. (Franchise Agreement, Section 7.3) Our current Operations Manual consists of two parts: a franchise operations manual, which consists of 39 pages, and a store-level operations manual, which is entirely online. The Table of Contents for the franchise operations manual is attached to this disclosure document as Exhibit D.

D. Advertising and Marketing.

General. We will permit you to use your own advertising material, but we must approve your advertising materials. Our Operations Manual will have information about our advertising standards.

Local Advertising. You are required to spend at least 3.7% of your Gross Sales on local advertising (subject to the Advertising Cap). In your first year after opening your restaurant, you must spend a minimum of \$65,000, even if that figure exceeds 3.7% of Gross Sales. You will have to document these expenditures for us. To the extent the aggregate annual amount of your Brand Development Fund Fee and Local Marketing Expenditure is less than \$65,000, you must expend an amount toward local advertising so that the sum of the Brand Development Fund Fee plus the amount expended on local advertising equals \$65,000. Advertising expenditures you make toward the fund for your cooperative will be credited against your local advertising requirement. If you fail to meet your minimum local advertising expenditure requirement during an annual period, we may require you to pay the difference between the amount you were required to spend and your actual local advertising expenditures to the Brand Development Fund, within three months of the end of the annual period.

Brand Development Fund. We administer a Brand Development Fund, supported by Brand Development Fund Fees paid by our franchisees. The Brand Development Fund Fee is currently 3.3% of Gross Sales, but we may increase that amount subject to the Advertising Cap. Restaurants owned by us or our affiliates will contribute to the Brand Development Fund on the same basis as our franchisees. All Brand Development Fund revenues and allocations will be expended on production and placement of national, regional or local advertising, public relations or promotional campaigns, or programs designed to promote and enhance the image, identity or patronage of Toppers Pizza businesses. Expenditures may be made from the Brand Development Fund, without limitation (a) to conduct marketing studies, and to produce and purchase advertising art, commercials, musical jingles, print advertisements, point-of-sale materials, media advertising, outdoor advertising art, vehicle decals, research and direct mail pamphlets and literature; (b) to implement a gift certificate program, a loyalty program or other marketing programs designed to encourage the use of System restaurants; (c) to collect customer data, implement a mystery shopper program, implement a customer survey program or other programs designed to study, track and support the image and use of System restaurants; (d) for social networking sites or other Internet-based marketing programs; (e) to develop, implement, and maintain a franchise system website; (f) to operate and acquire promotional vehicles; (g) to promote the sale of promotional merchandise; (h) for other marketing or advertising programs designed to encourage use of some or all System restaurants; (i) to develop and maintain application software designed to run on computers and similar devices, including tablets, smartphones and other mobile devices, as well as any evolutions or “next generations” of any such devices, and (j) for payments to us or our

affiliates, for internal expenses (such as legal fees, accounting fees, overhead and other business expenses) incurred in connection with the administration of the Brand Development Fund.

We will not use the Brand Development Fund for advertising that is principally a solicitation for the sale of franchises.

We intend for the Brand Development Fund to promote recognition of the applicable Marks and patronage of Toppers Pizza restaurants generally. Although we will try to use and cause the Brand Development Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Toppers Pizza restaurants contributing to the Brand Development Fund, we need not ensure that the Brand Development Fund's expenditures in or affecting any geographic area are proportionate or equivalent to contributions by Toppers Pizza restaurants operating in that geographic area or that any Toppers Pizza restaurant benefits directly or in proportion to its contribution from the development of advertising and marketing materials or the placement of advertising and marketing. We are not obligated to spend any amount on advertising in the area or territory where your franchise is located.

We will prepare an annual, unaudited statement of Brand Development Fund collections and expenses and give it to you upon written request. We may have the Brand Development Fund audited annually, at the Brand Development Fund's expense, by an independent certified public accountant. We may incorporate the Brand Development Fund or operate it through a separate entity when we think appropriate. Our successor entity will have all of the rights and duties described here. If the Brand Development Fund is terminated, we will (at our option) either spend the remaining Brand Development Fund assets on marketing activities or distribute the unspent assets to contributors (including us and our affiliates, if applicable) then contributing to the Brand Development Fund in proportion to their contributions during the preceding 12-month period.

In fiscal year 2021, 18.7% of the Brand Development Fund was spent on production, 63.7% was spent on media placement, 7.1% was spent on administration, and 10.5% was spent on research and miscellaneous marketing supplies.

Franchise Advisory Council. The Franchise Advisory Council (the "FAC") consists of a representative group of franchise owners who meet with our officers and representatives to provide input on various issues, including marketing strategy and programs. Franchisee members of the FAC are elected by their franchise owner peers during our annual franchisee convention. The FAC serves in an advisory capacity only, but we cannot form, change, or dissolve the FAC without amending the FAC's bylaws, which requires a vote of the majority of the members of the FAC.

Cooperative Advertising Program. We do not currently require you to participate in a local or regional advertising cooperative.

Advertising Cap. At any time, upon notice to you, we have the right to increase the amount of (i) Brand Development Fund Fees you must contribute to the Brand Development Fund, (ii) the local advertising expenditures you must make, and (iii) cooperative advertising fees. However, in no event will you be required to contribute to all of these advertising vehicles, in the aggregate, more than 7% of the restaurant's Gross Sales annually unless the members of a cooperative in which you are required to participate vote to increase cooperative advertising fees or a

supermajority of 80% of all active franchisees in the Toppers franchise system vote to increase the Advertising Cap.

E. Computer Systems. You must register all sales on an electronic cash control POS system running the most current version of PiZMET or another POS system as specified in the Operations Manual. The POS system consists of 1 or more electronic cash registers, a computer server, a computer workstation, various LCD monitors, a kitchen display unit, printers, and appropriate Internet connections and cabling. The estimated cost to purchase your computer hardware is \$16,000 to \$20,000.

The cost to purchase the PiZMET software site license is \$2,500. The POS system is used to generate and store data for your restaurant, including information on sales, payroll, and inventory. We have independent access to this information and data, including information regarding sales, payroll, and inventory. There is no contractual limitation on our right to access this information.

We may change, upgrade, or update computer hardware or software requirements at any time and you will have to comply with those changes. There are no limitations on the frequency or cost of this obligation.

In connection with the PiZMET POS system, we require you to enter into an agreement with us or our affiliate for PiZMET site maintenance at an annual cost of \$1,900 (payable in equal monthly installments of \$158.33). In addition, we require you to have access to our required enterprise reporting software, which costs \$50 per month and is payable to us. We also require you to enter into a service agreement with a third-party provider who will provide support for the PiZMET system and who currently charges \$175 per month. Finally, you must enter into an agreement with a third-party provider for a back-up internet and security device, which currently costs \$99 per month.

To provide customers with the ability to order online, we require that you use an Online Ordering System. The Online Ordering System is used to promote, receive, price and transmit over the Internet, or by certain other means as we may develop, orders for food and other products. You are responsible for all hardware costs, Internet access costs, third-party software costs (as determined by us) and any other technology costs required or convenient for the use and operation of the Online Ordering System. We reserve the right to change, modify, or upgrade the Online Ordering System and require mandatory upgrades to any related technology, software or hardware at any time. There are no limitations on the frequency or cost of this obligation. We are not required to provide maintenance, repairs or updates to your systems, hardware, or software related to the Online Ordering System. However, we may license certain vendors to provide maintenance and support, and services such as installation and training.

We have the independent right to access, enter and inspect your records and/or computer systems at any time. In addition, we have the right at any time to remotely and independently access, retrieve, use, and/or modify data and information from your Online Ordering System. You are required to pay a technology fee (currently equal to 2% of your Online Gross Sales), as discussed in Item 6.

F. Websites. The Brand Development Fund may be used to develop, implement, and maintain a franchise system website. You may not establish or maintain a website, social networking site, or any other electronic communication or Internet site (a “Website”) using any domain name or identity containing any of our trademarks unless you have first obtained our written consent. You may not promote or advertise the Toppers Pizza System, any of the Toppers Pizza trademarks or the restaurant on the Internet or on any other computer network without our prior written consent. Before listing your restaurant on any Website, you must receive our written consent.

G. Training. We will provide investor-owner training to you (or all of your direct and indirect owners if you are an entity) and your Restaurant Manager (if applicable). Investor-owner training generally consists of a two-week program that takes place on an as-needed basis at our headquarters in Whitewater, Wisconsin, or another suitable location we choose. Each trainee must complete the investor-owner training to our satisfaction before opening your restaurant. You will pay for the travel, meals, and lodging expenses of all your trainees. If a new direct or indirect owner obtains an interest in you, the new owner must attend investor-owner training, and you must pay our then-current fee for investor-owner training.

Up to 2 individuals may participate in our initial training program, including the Managing Partner (see Item 15) and a Restaurant Manager (if applicable; see Item 15). Initial training will last up to 30 days. In addition, if this is your first Toppers Pizza franchise, the individual who will have direct operational responsibility for the restaurant (either the Managing Partner or the Restaurant Manager) is required to invest an additional 100 hours working in operations at a Toppers Pizza location to be determined. The individual will not be paid for this time, and you are responsible for paying any associated travel and living expenses. Each individual who plans to attend initial training will be required to complete home-based, self-paced study and testing to our satisfaction before participating in initial training. Training is conducted on an as-needed basis, therefore current franchisees and store managers will typically receive less training than that of an inexperienced operator. Training is scheduled by mutual agreement with the new franchisee. The Managing Partner and the Restaurant Manager (if applicable) must complete initial training to our satisfaction before you open your restaurant. The schedule for each session of initial training is tailored to the needs of the trainees and the schedule of the training store.

If, in our discretion, you and/or your owners have insufficient prior experience in operating a restaurant, then, in addition to the initial training program described above, we may require you and your manager(s) to attend, at your cost, New Operator Training. If you and your manager(s) do not complete all New Operator Training to our satisfaction, we may terminate the Franchise Agreement, in which case we would, upon receipt of a general release in a form satisfactory to us from you and your owners, refund you \$10,000 of the initial franchise fee. New Operator Training must be completed to our satisfaction before you begin our standard initial training program. New Operator Training is held on an as-needed basis at our headquarters in Whitewater, Wisconsin, and/or at a Toppers Pizza location that we determine. You do not pay us an additional fee for New Operator Training, but you will pay for the travel, meals, and lodging expenses of all your trainees who attend New Operator Training.

The following schedule is representative of the training provided to a new franchisee and their managers who also attend New Operator Training.

TRAINING PROGRAM

New Operator Training

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Day1 - OFF			
Day 2			
Welcome, Overview, Expectations	3		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Ordertaking		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
GM Job Description		1	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 3			
Prep Training		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Ordertaking Practice		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 4			
Opening the Store		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Pizza Making		8	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 5			
Opening the Store		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Pizza Making Practice		8	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 6			
Product Practice		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Ordertaking Practice		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Closing Cleaning		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Safety and Security		1	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 7 - OFF			
Day 8			
Week 1 Recap and evaluation	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Weekly Planning and Organization		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 9 - OFF			
Opening the Store		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Prep Training		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Product Practice		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 10 - OFF			
Day 11			
Opening the Store		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Product Practice		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Delivery Training		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 12			
Product Practice		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Shadow Floating Manager		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 13			
Product Practice		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 14			

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Weekly Inventory and Bookwork		7	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Week 2 Evaluation		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Initial Training

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Day1 - OFF			
Day 2			
Weekly Planning and Organization		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Financial Audit		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Schedule Making		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 3			
Dough Making		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Training, Coaching, Care		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 4			
Opening the Store		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Recruiting, Hiring, Onboarding		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 5			
Run the Dayshift		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Delivery Training		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 6			
Training, Coaching, Care		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Oventender Training		6	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 7			
Oventender Practice		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Weekly Inventory and Bookwork		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 8			
Week 1 Recap and evaluation	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Weekly Planning and Organization		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Financial Audit		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 9 - OFF			
Day 10			
Train the Trainer		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Schedule Making		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 11			
Run the Dayshift		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
All operations repetition		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Training, Coaching, Care		1	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 12			
Visits with a Supervisor		11	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 13			
All operations repetition		9	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 14			
Troubleshooting		1	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
All operations repetition		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Weekly Inventory and Bookwork		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 15			
Week 1 Recap and evaluation	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Weekly Planning and Organization		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Financial Audit		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 16 - OFF			
Day 17			
Administrative, Legal, Accounting	1		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Cost Controls and Financial Follow Up	3		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Policies and Procedures	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Third Party Reporting Tools	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Day 18			
Core Values and Common Failures Meeting		1.5	Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Run the Dayshift		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Schedule Making		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 19			
Run the Shift		9	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 20			
Run the Shift		9	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 21			
Run the Shift		6	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Weekly Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 22			
Week 1 Recap and evaluation	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Weekly Planning and Organization		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Financial Audit		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 23 - OFF			
Day 24			
Operations Assessments		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Schedule Making		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 25			
Operations Assessments		10	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 26			
Run the Shift		9	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 27			

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Run the Shift		9	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 28			
Run the Shift		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Weekly Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Final Evaluation		1	Training will be at our Headquarters in Whitewater, WI and/or another designated training store

The following schedule is representative of the training provided to a new franchisee and their managers who do not attend New Operator Training. If you are an existing franchisee, your schedule will likely vary:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Day1 - OFF			
Day 2			
Welcome, Overview, Expectations	3		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Ordertaking		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Day 3			
Pizza Making		8	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 4			
Planning and Organization Training		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Schedule Making		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 5			
Opening the store,		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Pizza Making Practice		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 6			
Product Practice		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Closing Bookwork		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Safety and Security		1	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 7			
Weekly Inventory and Bookwork		8	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Day 8 - OFF			
Day 9			
Week 1 Recap and evaluation	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Weekly Planning and Organization		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 10			
Schedule Making		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Training, Coaching, Care		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 11			
Run the Dayshift		7	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 12			
Opening the Store		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Prep Training		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Food Ordering		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Training, Coaching, Care		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Day 13			
Training, Coaching, Care		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Pizza Making		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Delivery Training		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Closing Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 14			
Oventender Training		6	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Weekly Inventory and Bookwork		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 15			
Week 2 Recap and evaluation	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Weekly Planning and Organization		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Financial Audit		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 16			
Off			

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Day 17			
Run the Dayshift		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Recruiting, Hiring, Onboarding		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 18			
Administrative, Legal, Accounting	1		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Cost Controls and Financial Follow Up	3		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Policies and Procedures	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Third Party Reporting Tools	2		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Day 19			
Core Values and Common Failures Meeting		1.5	Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Run the Dayshift		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Dough Making		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 20			
Training, Coaching, Care		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Run the Shift		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 21			
Run the Shift		5	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 22 - OFF			
Day 23			
Week 3 Recap and Evaluation	1		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Weekly Planning and Organization		3	Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Financial Audit		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 24			
Run the Dayshift		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Schedule Making		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Day 25			
Marketing Training	3		Training will be at our Headquarters in Whitewater, WI and/or another designated training store
Run the Dinner Shift		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 26			
Run the Shifts		8	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Troubleshooting		1	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 27			
Run the Shifts		9	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		2	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Day 28			
Run the Shift		4	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)
Inventory and Bookwork		3	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Final Recap and Evaluation		1	Training will be on the job in a designated Toppers Pizza training restaurant (typically in Whitewater, Wisconsin, or another location we designate)

If you operate multiple Toppers Pizza franchises, our obligation to train you may be reduced. After your first Toppers Pizza restaurant is open and operating, the appropriate amount of investor-owner training and initial training will be determined by us. For your 4th and subsequent franchise agreements, we are not required to provide investor-owner training, New Operator Training, or initial training. Training materials will consist of the Operations Manual, positional training materials, and other appropriate materials.

The training program described above is overseen by Matt Martin and Dave Tripp. Dave Tripp is our Director of Training and Franchise Systems. He has been with Toppers Pizza since December 2021 and has over 20 years of experience in the learning and development field. Matt Martin is our Franchise Operations Director. He has 20 years of experience with us and 21 years of experience in the restaurant industry.

Depending on your experience, we may provide you with 7 to 35 days of additional training, marketing, and opening support (or 7 to 21 days if you or an affiliate already operate a restaurant). This support and training will be provided on an as-needed basis as determined by us. There is no charge for this on-site training, but you will reimburse us for our expenses, such as travel, lodging and meal expenses. After consultation with you, we will determine the number of training days required at your restaurant. We have no obligation to provide this additional training, marketing, and opening support if you or an affiliate already operate 3 or more restaurants.

After your restaurant is open, you may request or we may require additional on-site training. We are not obligated to provide this additional on-site training, but if we do, we will impose a daily fee of \$300 to \$500 (depending on the type of training required) per trainer for each additional day of training you request or we require, plus actual travel and living expenses incurred by the trainers we send.

We may occasionally provide (or authorize third parties to provide) supplementary training courses or programs at locations selected by us with regard to new procedures or programs. Such supplementary training may relate, for example, to cooking techniques, new recipes, marketing, bookkeeping, accounting and general operating procedures, and the establishment, development and improvement of computer systems. We will designate such supplementary training courses or programs as either mandatory or optional. If we designate a supplementary training program as mandatory, you must attend such training program. We will not charge you for mandatory supplementary training courses. If we designate a supplementary training program as optional, we may establish charges for the training. The time and place of both mandatory and optional supplementary training courses will be determined by us. With respect to both mandatory and optional supplementary training courses, you will pay all transportation costs, food, lodging and

similar costs incurred in connection with attendance at such courses. We may provide any training, seminars, conferences, or other meetings using online means, such as through an online video-conferencing service.

Item 12

TERRITORY

Single Restaurant Franchise.

We will identify a “Search Area” for your restaurant. The Search Area is the area within which you must find a location for your restaurant. In addition, your restaurant must be located at least 1 mile from the boundary edge of your Search Area. This Search Area will be determined based on population, geography, the location of other Toppers Pizza restaurants and such other criteria as is determined by us. Search Areas are generally located in urban or suburban areas. In smaller municipalities, the Search Area may be the entire municipality. In larger urban areas, the Search Area may be limited to a section of the metropolitan area based on geography, infrastructure, population density and the location of other Toppers Pizza restaurants. Within 90 days of the execution of your Franchise Agreement you must find a proposed location for your restaurant that meets our then-current standards and specifications. Your proposed location is subject to our acceptance. If you are unable to identify a location that is acceptable to us within 90 days after the execution of your Franchise Agreement, we may terminate your Franchise Agreement.

We will not operate, or franchise or license others to operate, a Toppers Pizza restaurant located within your “Protected Area.” In general, the “Protected Area” is that area within a circle with a ½-mile radius having the restaurant’s location at its center, assuming there are at least 30,000 households located within such area. If there are fewer than 30,000 households in such area at the time you sign the Franchise Agreement, then the radius of the circle will be extended by 1/8-mile increments until there are either (i) 30,000 households in the area, or the area has a radius of 1 mile. The Protected Area will not exceed the boundaries of the Search Area.

We will establish a “Delivery Area” for you, outside of which you may not offer delivery service. We will have the right to adjust, modify, and change the boundaries of the Delivery Area to account for changing market conditions, population changes and other relevant considerations such as the existence of non-traditional venues described below. The Delivery Area may be different than the Protected Area.

If you wish to relocate your restaurant, you must give us a written explanation of why you wish to relocate and pay a \$1,500 relocation review fee. Within 30 days we will either reject your request to relocate or we will allow you to relocate if you and we can jointly agree on a new location. Our failure to approve your request for a new location is deemed our rejection of the proposed relocation. When considering your request to relocate, we will review your proposed location based on visibility, proximity to your customer base, the geographic distribution of your customer base, parking, location of competitors, your ability to efficiently cover your Delivery Area, and such other factors as we may reasonably determine.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Either we or our affiliates or franchisees will have and retain the right to sell and distribute food and beverage products under the Toppers Pizza trademarks in non-traditional outlets of types different from your restaurant, such as shopping malls, colleges/universities, convention centers, airports, hotels, sports facilities, theme parks, hospitals, transportation facilities, convenience stores, and other similar captive market locations. These non-traditional outlets may be located anywhere, even within the boundaries of your Protected Area and Delivery Area. Additionally, either we or our affiliates will have and retain the right to sell and distribute food and beverage products under the Toppers Pizza trademarks through any distribution channel, at wholesale or retail, and/or by means of mail order catalogs, the Internet, direct mail advertising, and other distribution methods, and at non-traditional venues that are not Toppers Pizza restaurants. Sales from these distribution channels may be made anywhere, even within the boundaries of your Protected Area and Delivery Area. These non-traditional outlets and distribution channels may compete directly with you. You will not be compensated for sales through these non-traditional outlets and distribution channels.

Either we or our affiliates or franchisees will have the right to sell and deliver food and beverage products of any type and under any trademark, other than the Toppers Pizza trademarks at any location, even within your Protected Area and Delivery Area. These businesses may compete directly with you. You will not be compensated for sales by and through these businesses.

Either we or our affiliates or franchisees are free to solicit and accept orders from any customers regardless of the location of their restaurant, but you may not make deliveries outside of the bounds of your Delivery Area. You will not be compensated for sales by and through these businesses. Other than using the Online Ordering System described in Item 11, you may not, without our consent, use other channels of distributions, such as the Internet, catalog sales, telemarketing, or other direct marketing to solicit or accept orders. We may require you to use third-party food delivery services, online ordering services, or other food aggregation services (such as UberEats[®], GrubHub[®], and DoorDash[®]). Otherwise, unless previously authorized in writing by us, you may not use such services.

Unless you enter into an Area Development Agreement, you have no options, rights of first refusal or similar rights to open any additional Toppers Pizza restaurants, in the Protected Area, the Delivery Area or otherwise.

Area Development Agreement.

If you sign an Area Development Agreement, you will be granted a “Development Area.” There is no minimum size for your Development Area. The size of your Development Area will be determined based on population, geography, your experience and other criteria we determine in our discretion. However, the Development Area will typically not be smaller than the aggregate Protected Areas we would grant you under the Franchise Agreements to be signed during the term of your Area Development Agreement. You will be required to develop a certain number of restaurants in your Development Area. As long as you comply with your obligations under your Area Development Agreement and all Franchise Agreements, we will not operate or franchise any

other Toppers Pizza restaurants in the Development Area during the term of your Area Development Agreement. You may not relocate your Development Area.

We will determine the Development Area, the number of restaurants in the Development Area and the Development Schedule based on geography, population, your experience and such other criteria as we will reasonably determine. If you fail to comply with the Development Schedule, we may terminate your Area Development Agreement.

After you have identified a location in the Development Area for development of a restaurant, you will be required to submit to us an application containing information and documentation we require. At the time we review the proposed location, we will use our then-current standards, which may be different than the criteria we currently use. Once we receive the information and documentation required, we may request additional information as we deem necessary to make our determination with respect to the prospective location. If we do not accept the location in writing within 30 days after we receive all information and documentation requested, the location will be deemed rejected.

For each restaurant to be opened in the Development Area, you or an approved affiliate will sign our then-current form of Franchise Agreement, which may include materially different terms than in the form of Franchise Agreement attached as Exhibit F.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Either we or our affiliates or franchisees will have and retain the right to sell and distribute food and beverage products under the Toppers Pizza trademarks in non-traditional outlets of types different from your restaurant and at non-traditional venues that are not “stand-alone” restaurants, such as shopping malls, colleges/universities, convention centers, airports, hotels, sports facilities, theme parks, hospitals, transportation facilities, convenience stores, and other similar captive market locations and through any distribution channel, at wholesale or retail and/or by means of mail order catalogs, the Internet, cellular networks, direct mail advertising and/or other distribution methods. These non-traditional outlets may be located anywhere, even within the boundaries of your Development Area, Protected Area and Delivery Area. These non-traditional outlets and distribution channels may compete directly with you. You will not be compensated for sales through these non-traditional outlets and distribution channels.

Either we or our affiliates or franchisees will have the right to sell and deliver food and beverage products of any type and under any trademark, other than the Toppers Pizza trademarks at any location, even within your Development Area, Protected Area and Delivery Area. These businesses may compete directly with you. You will not be compensated for sales by and through these businesses.

If you complete your minimum development obligation before the expiration of your Area Development Agreement, you will have no additional rights, options, rights of first refusal or similar rights to open any additional Toppers Pizza restaurants in the Development Area or otherwise.

Item 13
TRADEMARKS

The following is a description of the principal Marks that we will license to you. These marks are registered on the Principal Register of the U.S. Patent and Trademark Office (“USPTO”):

Mark	Registration Number	Registration Date
TOPPERS PIZZA	2716893	May 20, 2003
	3400159	March 18, 2008

We and Holdings have filed all required affidavits and renewals with respect to these trademarks.

There are no effective determinations of the USPTO, of any state trademark administrator, or of any court, nor any pending material litigation, including infringement, opposition or cancellation proceedings that could materially affect your use of our Marks. We do not know of any superior rights or infringing uses that could materially affect your use of our Marks.

Under an Intellectual Property License Agreement dated January 4, 2016, Holdings has licensed to us the right to use and sublicense the Marks to Toppers Pizza franchisees. The term of the Intellectual Property License Agreement is for 99 years starting on January 4, 2016. Holdings may terminate the Intellectual Property License Agreement if we materially breach the terms of the agreement or cease to be an affiliate of Holdings. If we were ever to lose our rights under the Intellectual Property License Agreement to the Marks, Holdings must allow our existing franchisees to maintain their rights to use the Marks through the terms of their franchise agreements, including any renewal terms. Other than the Intellectual Property License Agreement, there are no agreements currently in effect which limit our right to use or license the use of any of the Marks in a manner that is material to the franchise.

You must follow our rules when you use our Marks. You cannot use a name or mark as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our name in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us.

You must notify us immediately when you learn about an infringement of or challenge to your use of our trademark. While we are not obligated to take any action against alleged infringers, we will take the action we think appropriate. Although we are not required to defend you against a claim against your use of our trademark, we will reimburse you for your liability and reasonable costs in connection with defending our trademark. To receive reimbursement you must have notified us immediately when you learned about the infringement or challenge. We will not, however, reimburse you for costs associated with changing your business identity or for lost profits or income resulting from a change in business identity.

You must modify or discontinue the use of a trademark if we modify or discontinue it. If this happens, we will reimburse you for your tangible costs of compliance (for example, changing signs). You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents that are material to the franchise. We have not filed any patent applications and we have no patents pending that are material to the franchise. As a franchisee, you do not receive the right to use any items covered by a patent.

You will receive the right to use, subject to our control, certain of our copyrighted materials, such as advertising materials and our Operations Manual. You will have the right to use the proprietary information in our Operations Manual and in other copyrighted materials we provide to you from time to time. The Operations Manual is described in Item 11. Although we have not registered our copyright in the Operations Manual or in any other copyrighted materials, we claim a copyright and the information is proprietary. Item 11 describes limitations on the use of the Operations Manual by you and your employees.

Under the Franchise Agreement, you will receive the right to use an Online Ordering System. The Online Ordering System is protected by copyright, trade secret, and other proprietary rights of ours, our licensors, and/or our third-party vendors. The Online Ordering System is described in Item 11. Item 11 also describes limitations on the use of the Online Ordering System by you and your employees.

Certain recipes, formulas and systems of operations used by us and our franchisees are proprietary trade secrets. We may require that your officers, directors, owners and managers sign non-disclosure agreements.

You must also promptly tell us when you learn about unauthorized use of any copyrighted or proprietary information. We are not obligated to take any action to protect or defend our copyrights, but will respond to this information as we think appropriate. We will indemnify you for losses brought by a third party concerning your use of this information.

We know of no copyright infringement that could materially affect your franchise or the Toppers Pizza System.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you operate a single restaurant, one of your principals with at least a 10% ownership interest in the franchise must personally manage and supervise the operation of your Toppers Pizza restaurant. This principal will be designated the “Managing Partner.” The Managing Partner must

have successfully completed our initial training program. The Managing Partner must devote his or her full time and best efforts to the management of the restaurant.

If you operate more than one restaurant, and as such the Managing Partner cannot devote his or her full time and best efforts exclusively to the operation of a single restaurant, then the Managing Partner must devote his or her full time and best efforts exclusively to the development and operation of all of your restaurants. In addition, you must appoint an experienced manager to manage each restaurant (a “Restaurant Manager”).

If you sign an Area Development Agreement, you must at all times faithfully, honestly and diligently perform your obligations throughout the entire Development Area. If you are a business entity, we require you to appoint an individual who owns at least 10% of the ownership interests in you and who we approve (the “Managing Partner”). The Managing Partner must devote, on a full-time basis, his or her efforts to the development, operation, promotion and enhancement of all restaurants in the Development Area.

To protect our confidential information, we may require you to have employees with access to our trade secrets sign non-disclosure agreements.

If you operate your restaurant or area development business through a business entity, all of the owners of the entity will be required to sign a personal guaranty in the form attached to the Franchise Agreement or Area Development Agreement. Each owner’s spouse must consent in writing to your execution of the guaranty and must acknowledge that the marital assets are at risk under the guaranty.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We must approve all goods and services that you offer for sale. You are required to offer certain goods and services, which will be specified in our Operations Manual and are subject to change. You are only authorized to sell goods and services approved by us. There is no limit on our right to make changes to the goods and services you must offer.

The Franchise Agreement requires you to offer courteous service and high-quality products in compliance with the Operations Manuals, system standards, and all applicable federal, state and local laws and regulations. Your restaurant may be used solely for food services permitted under the Operations Manual, and your restaurant may not be furnished, equipped or operated in any manner which would adversely reflect on the Toppers Pizza System or the goodwill associated with the System.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

Unless otherwise identified, references to section numbers in this Item 17 are references to section numbers in the Franchise Agreement. “ADA” refers to the Area Development Agreement. “PMA” refers to the Project Management Agreement. “POSSA” refers to the POS Subscription Agreement.

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise or Other Agreement	Summary
a. Length of franchise term	Section 3.1 ADA Section 4.A PMA Section 6.a	10 years from the date the Restaurant opens for business. Varies based on number of restaurants to be developed. The term continues until the first to occur of: (i) the date that we notify you that we have not approved your proposed site; (ii) the date you receive a final certificate of occupancy for the restaurant; (iii) on the last day for you to sign a franchise agreement; or (iv) on the expiration or termination of the Franchise Agreement that governs the ownership and operation of the restaurant at the site you have proposed.
b. Renewal or extension of the term	Section 3.2 ADA Section 4	You may renew if you are in good standing for up to 2 additional 5-year terms. No right to renew.
c. Requirements for Franchisee to renew or extend	Section 3.4 ADA	Perform obligations under Franchise Agreement, sign a new then current Franchise Agreement, obtain the rights to continue to occupy your restaurant’s space, remodel to current standards, sign a general release, be current with all payments, provide any necessary written notice to the landlord of your restaurant’s location to extend the term of the lease. When renewing, you may be asked to sign a Franchise Agreement with materially different terms and conditions than your original Franchise Agreement. No provision.

Provision	Section in Franchise or Other Agreement	Summary
d. Termination by Franchisee	Section 11.1 ADA PMA Section 6.b	You may terminate the Franchise Agreement if we materially breach the agreement and do not cure default after notice from you. Not applicable under the ADA. If we materially breach the agreement and do not correct such failure within 30 days after delivery of notice which identifies the breach.
e. Termination by Franchisor without cause	None	We may not terminate the Franchise Agreement or the ADA without cause.
f. Termination by Franchisor with cause	Section 11.2, 11.3 ADA Section 4.C PMA Section 6.b	We can terminate only if you or your affiliate defaults under the Franchise Agreement. If your Franchise Agreement is terminated, we may terminate your ADA. We can terminate only if you or your affiliate defaults under the ADA. If your ADA is terminated, we may terminate your Franchise Agreement. We may not terminate the PMA without cause.
g. “Cause” defined—curable defaults	Section 11.2, 11.6	You have 10 days to cure monetary defaults and failure to maintain required insurance; 72 hours to cure legal or regulatory violations; 30 days to cure operational defaults and other defaults not listed in (h) below (up to 180 days if caused by a Casualty Event); 15 days to cure quality assurance audits; and applicable cure period for monetary defaults owed to third parties. Limited Services: If you are in default of the Franchise Agreement, we may, at our option, rather than terminate the Franchise Agreement, elect to provide limited services (“Limited Services”) to you. Examples of Limited Services include withdrawing our approval of any website on which your restaurant is listed; suspending your access to Brand Development Fund services; suspending your access to the Online Ordering System; suspending your ability to attend training or conferences; suspending your access to site

Provision	Section in Franchise or Other Agreement	Summary
	ADA Section 4.C PMA Section 6.b	design and layout services; and/or limiting our on-site visits to your restaurant. Applicable cure period for monetary defaults to third parties; 30 days to cure operational defaults and other defaults not listed in (h) below 10 days to cure failure to pay us; 30 days to cure all other defaults
h. “Cause” defined— non-curable defaults	Section 11.2 ADA Section 4.C	Non-curable defaults under the Franchise Agreement include material misrepresentations or omissions; failure to receive our written acceptance of a location for the restaurant within 90 days after you sign the Franchise Agreement or acquire possession of a location for the restaurant within 180 days after you sign the Franchise Agreement; failure to open your restaurant within 180 days after you acquire possession of the restaurant location; the Managing Partner’s inability to complete initial training or New Operator Training; abandonment; conviction of a felony; dishonest or unethical conduct likely to adversely affect the restaurant or our goodwill; unapproved transfers; loss of the right to occupy the restaurant’s premises; unauthorized use or disclosure of the Operations Manual or other confidential information; failure to pay taxes; understating Gross Sales 3 or more times; understating Gross Sales by more than 5%; repeated defaults (even if cured); an assignment for the benefit of creditors; appointment of a trustee or receiver; bankruptcy or insolvency; failure to comply with anti-terrorism laws; failure to maintain healthy and safe conditions at the restaurant; failure to comply with other agreements with us or our affiliate and you do not correct such failure within the applicable cure period, if any; and unauthorized change in the identity of the Managing Partner. Non-curable defaults under the ADA include failure to meet the Development Schedule; material misrepresentations or omissions; conviction of a felony or other crime likely to reflect poorly on us or Toppers Pizza restaurants;

Provision	Section in Franchise or Other Agreement	Summary
		insolvency, or an assignment for the benefit of creditors; violations of non-competition covenants; unauthorized transfers; and failure to comply with other agreements with us or our affiliate and you do not correct such failure within the applicable cure period, if any
i. Franchisee's obligations on termination/non-renewal	Section 12.1 ADA Section 4.D	Close the business, pay us all amounts you owe, cease use of the Marks and confidential information, return the Operations Manual, assign phone numbers and internet accounts to us or our designee, de-identify the restaurant premises, and pay us lost-revenue damages if the Franchise Agreement is terminated by you without cause or by us because of your default. You will remain subject to all provisions of the ADA which survive termination, including post-termination covenants and the terms of any Franchise Agreements which have not also been terminated.
j. Assignment of contract by Franchisor	Section 9.1 ADA Section 6.A PMA Section 5	No restriction on our right to assign. We may assign to our affiliate.
k. "Transfer" by Franchisee—definition	Section 9.2 ADA Section 6.B PMA Section 5	Includes any transfer of your interest in or rights under the Franchise Agreement, a transfer of any ownership interest in you, or a transfer of substantially all the assets of the restaurant. Includes any transfer of your interest in or rights under the ADA or a transfer of any ownership interest. An assignment of the agreement.
l. Franchisor approval of transfer	Section 9.2 ADA Section 6.B PMA Section 5	We have the right to approve all transfers but will not unreasonably withhold approval. We have the right to approve all transfers. You may not assign the agreement without our consent, which we will not unreasonably withhold.

Provision	Section in Franchise or Other Agreement	Summary
m. Conditions for Franchisor's approval of transfer	Section 9.2.2	You have fully complied with all your obligations to us; the new franchisee qualifies, signs our current form of franchise agreement, and completes training; the landlord consents to the transfer; you and your owners agree to comply with all post-termination obligations; you sign a general release; we determine that the purchase price and payment terms of the transfer will not adversely affect the new franchisee's ability to operate the restaurant; if you finance the new franchisee's transfer, you subordinate your payments to amounts owed to us; you have cured any deficiencies to the restaurant and/or the new franchisee agrees to remodel the restaurant (which may require the new franchisee to escrow an amount to cover the costs of a remodel); payment of transfer fee.
	ADA Section 6.C	You transfer all restaurants developed under ADA, and the associated Franchise Agreements, the transferee assumes all your obligations under the ADA; you have paid all amounts owed to us; the transferee signs our then-current form of ADA; you or the transferee pays any transfer fee; you (and your owners if you are an entity) sign a general release of any and all claims against us; you agree to abide by the ADA's post-termination covenant not to compete; and you comply with all transfer requirements under each Franchise Agreement.
	PMA Section 5	Receipt of our written consent
n. Franchisor's right of first refusal to acquire franchisee's business	Section 9.4	We have the right, for 20-business days, to match any offer you receive for your business.
	ADA	No provision.

Provision	Section in Franchise or Other Agreement	Summary
o. Franchisor's option to purchase Franchisee's business	Section 12.3 ADA	We have the right for 30 days following the expiration or termination of the Franchise Agreement, to purchase all or any portion of the restaurant assets for fair market value and to assume the lease for the restaurant premises. We may deduct from the purchase price any amounts you owe us. No provision.
p. Death or disability of Franchisee	Section 9.4.2 ADA Section 6.E	Transfers to your heirs, personal representatives, or conservators because of your death or disability do not give rise to our right of first refusal but your heirs must pay a transfer fee and complete training within 3 months of taking ownership of your restaurant. Upon the death or permanent disability of you (or any owner of 50% or more ownership interest if you are an entity), you must assign the ADA to a third party approved by us. The assignment must be completed within 12 months after the death or permanent disability. The assignment must comply with the transfer conditions described in (m) above.
q. Non-competition covenants during the term of the franchise	Section 10.1 and 10.2 ADA Sections 5.A and 5.B	Neither you nor any owner of you may be involved in a business featuring the sale of pizzas for delivery, dine-in, carryout, or curbside pickup. No interference with our relationships with customers, vendors, or consultants.
r. Non-competition covenants after the franchise is terminated or expires	Section 10.1 ADA Section 5.C	Neither you nor any owner may be involved in a business featuring pizzas or other food products sold by Toppers Pizza restaurants for 2 years at the same location, within 10 miles of the restaurant, or within 5 miles of another Toppers Pizza restaurant. Neither you nor any owner may be involved in a business featuring pizzas or other food products sold by Toppers Pizza restaurants for 2 years

Provision	Section in Franchise or Other Agreement	Summary
		within the development area or within 10 miles of another Toppers Pizza restaurant.
s. Modification of the agreement	Sections 14.8 ADA Section 11.F, PMA Section 13, and POSSA Section 12(f)	No modifications except by written instrument signed by parties; Operations Manual subject to change. No modifications except by written instrument signed by parties.
t. Integration / merger clause	Section 14.8 and ADA Section 11.F PMA Section 13 POSSA Section 12(c)	Only the terms of the Franchise Agreement/ADA are binding (subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement/ADA may not be enforceable. No officer or employee or agent of ours has any authority to make any representation or promise not contained in the agreement. The agreement constitutes the entire agreement of the parties.
u. Dispute resolution by arbitration or mediation	Section 13.4, ADA Section 7.A, and PMA Section 11.a	We and you must arbitrate all disputes at a location in or within 50 miles of our then-current principal place of business (currently, Whitewater, Wisconsin) (subject to state law).
v. Choice of forum	Section 13.6, ADA Section 7.B, PMA Section 11.c, POSSA Section 12(h)	Litigation must be commenced in state or federal court nearest to where our corporate headquarters are then located (currently Whitewater, Wisconsin) (subject to state law).
w. Choice of law	Section 13.5, ADA Section 12.D, PMA Section 11.b, POSSA Section 12(h)	Wisconsin law applies, subject to state law.

Applicable state law may require additional disclosures related to the information in this disclosure document. These additional disclosures appear in Exhibit H.

Item 18

PUBLIC FIGURES

In April 2020, we entered into an Athlete Endorsement Agreement with Jonathan Taylor, who currently plays as a running back for the Indianapolis Colts in the National Football League. Under the Athlete Endorsement Agreement, Mr. Taylor has agreed to engage in certain endorsement activities to promote our products and franchise system. Mr. Taylor will own a minority ownership interest in our affiliate that owns and operates 4 Toppers Pizza restaurants in and around Madison, Wisconsin. During the first five years of the Athlete Endorsement Agreement, Mr. Taylor will receive periodic payments totaling a minimum of \$180,000. Mr. Taylor has no position or duties in our business structure and no involvement in our management or control. Mr. Taylor did not make any investment in us.

Other than as described above, 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 this Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

PART A – 2021 AVERAGE GROSS SALES ⁽¹⁾

The following tables contain historical Gross Sales information for the fiscal year ended January 2, 2022, for all restaurants (both affiliate-owned and franchised) that were open as of January 2, 2022, and that had been open and operating for at least the full fiscal year. As of January 2, 2022, there were 70 Toppers Pizza restaurants open and operating, 66 of which operated during the entire 2021 fiscal year. Of those 70 Toppers Pizza restaurants, 44 were franchised and 26 were affiliate owned. Two of the 44 franchised restaurants and two of the 26 affiliate-owned restaurants did not operate during the entire 2021 fiscal year, so those four restaurants were excluded from the results that we used to prepare the tables in this Part A. The 2021 fiscal year ran from December 28, 2020 to January 2, 2022. Four of the restaurants included in affiliate-owned restaurants were acquired from a franchisee in September 2021, but were managed and operated by the affiliate for three months prior to the acquisition.

(Note 2)	All Restaurants				
	No. of outlets in data set ⁽³⁾	Average Gross Sales ⁽⁴⁾	No. that Met or Exceeded the Average	High/Low Range of Gross Sales	Median
Open at least 13 periods	66	\$1,152,702	28 (42%)	\$2,148,744/\$592,794	\$1,099,007
Open at least 26 periods	64	\$1,164,583	25 (39%)	\$2,148,744/\$592,794	\$1,102,051

Open at least 39 periods	64	\$1,164,583	25 (39%)	\$2,148,744/\$592,794	\$1,102,051
Open at least 52 periods	60	\$1,187,284	26 (43%)	\$2,148,744/\$592,794	\$1,116,396
Open at least 65 periods	58	\$1,195,761	25 (43%)	\$2,148,744/\$592,794	\$1,116,396

(Note 2)	Affiliate-owned					Franchised				
	No. of outlets in data set ⁽³⁾	Average Gross Sales during the 2021 Period ⁽⁴⁾	No. that Met or Exceeded the Average	High/Low Range of Gross Sales	Median	No. of outlets in data set ⁽³⁾	Average Gross Sales during the 2021 Period ⁽⁴⁾	No. that Met or Exceeded the Average	High/Low Range of Gross Sales	Median
Open at least 13 periods	24	\$1,161,411	10 (42%)	\$2,000,727 / \$742,765	\$1,089,988	42	\$1,147,726	18 (43%)	\$2,148,744 / \$592,794	\$1,102,051
Open at least 26 periods	23	\$1,179,613	9 (39%)	\$2,000,727 / \$794,821	\$1,098,954	41	\$1,156,122	18 (44%)	\$2,148,744 / \$592,794	\$1,105,042
Open at least 39 periods	23	\$1,179,613	9 (39%)	\$2,000,727 / \$794,821	\$1,098,954	41	\$1,156,122	18 (44%)	\$2,148,744 / \$592,794	\$1,105,042
Open at least 52 periods	23	\$1,179,613	9 (39%)	\$2,000,727 / \$794,821	\$1,098,954	37	\$1,192,053	17 (46%)	\$2,148,744 / \$592,794	\$1,135,451
Open at least 65 periods	23	\$1,179,613	9 (39%)	\$2,000,727 / \$794,821	\$1,098,954	35	\$1,206,373	16 (46%)	\$2,148,744 / \$592,794	\$1,135,451

Notes:

1. Gross Sales are calculated in the same manner as you will calculate Gross Sales under the Franchise Agreement. “Gross Sales” means all sums or value received or receivable by you, directly or indirectly, in cash, exchange or barter, from or in connection with the operation of your restaurant, excluding monies collected for taxes chargeable to customers by law. Gross Sales include revenues generated from the sale of food, beverages, and other goods and products (including vending machines, games, slot machines, automated teller machines, amusement rides, and telephones, which shall in any event be subject to the our prior written approval), and from the rendering of services of any kind or nature, at or from your restaurant, or under, or in any way connected with the use of, the Marks, whether for cash, credit, or barter (the Gross Sales amount from any barter shall equal the fair market value of that barter). We include gift certificate, gift card or similar program payments in Gross Sales when the gift certificate, gift card, other instrument or applicable credit is redeemed. Gross Sales also include all insurance proceeds you receive for loss of business due to a casualty to or similar event at your restaurant. There shall be

deducted from Gross Sales for purposes of said computation (but only to the extent that they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged, and the amount of any reasonable, actual and verifiable refunds, rebates, over-rings, and allowances given to customers in good faith.

Approximately 75% of the Toppers Pizza restaurants shown in the tables in this Part A are located within the states of Minnesota and Wisconsin. Accordingly, the Gross Sales of these Toppers Pizza restaurants are impacted by the recognition and goodwill that Toppers Pizza restaurants benefit from awareness of the brand within those states and the Midwest more broadly. Although we believe Toppers Pizza restaurants have consumer appeal that will extend well beyond the Midwest, the concept has had only limited operating history outside of its core market of the Midwest.

2. This column represents the number of full fiscal years in which a given restaurant was open and operating as of January 2, 2022, with each fiscal year consisting of 13 periods, with each period typically 4 weeks long.

3. The column labeled “Number of Outlets in data set” reflects the number of restaurants that were open and operating as of January 2, 2022, for the specified minimum number of fiscal years shown in the first column.

4. We calculated “Average Gross Sales” by adding the Gross Sales of all restaurants in a given data set, and then dividing that sum by the number of restaurants in the data set.

PART B – 2021 PROFIT AND LOSS

The following tables contain profit and loss information for the fiscal year ended January 2, 2022, for 53 of the 66 (80%) Toppers Pizza restaurants that were open and in operation continuously during the entire 2021 fiscal year. Of those 53 Toppers Pizza restaurants, 33 were franchised and 20 were affiliate owned. We excluded from the results in this Part B the four affiliate-owned restaurants that were acquired from a franchisee in September 2021 as we do not have all of the information from those restaurants for the period prior to acquisition. Also excluded from the results in this Part B are nine franchised restaurants that did not provide complete reports of their profit and loss information.

	All Restaurants			
	Average ⁽⁵⁾	No. that Met or Exceeded the Average	High/Low Range	Median
Gross Sales ⁽¹⁾	\$1,185,269	24 (45%)	\$2,148,744 / \$592,794	\$1,106,296
Cost of Goods Sold ⁽²⁾	27.1%	25 (47%)	31.8% / 23.0%	27.4%
Cost of Labor ⁽³⁾	25.5%	29 (55%)	36.9% / 19.6%	24.9%
EBITDA ⁽⁴⁾	\$122,459	24 (45%)	\$432,160 / (\$42,091)	\$93,998

	Affiliate-owned				Franchised			
	Average ⁽⁵⁾	No. that Met or Exceeded the Average	High/Low Range	Median	Average ⁽⁵⁾	No. that Met or Exceeded the Average	High/Low Range	Median
Gross Sales ⁽¹⁾	\$1,173,477	9 (45%)	\$2,000,727 / \$742,765	\$1,106,494	\$1,192,416	16 (49%)	\$2,148,744 / \$592,794	\$1,106,296
Cost of Goods Sold ⁽²⁾	26.6%	10 (50%)	28.9% / 23.0%	26.5%	27.7%	12 (36%)	31.8% / 23.5%	28.4%
Cost of Labor ⁽³⁾	23.4%	10 (50%)	28.3% / 19.6%	23.5%	27.8%	17 (52%)	36.9% / 21.9%	27.0%
EBITDA ⁽⁴⁾	\$115,377	9 (45%)	\$351,794 / (\$42,091)	\$96,269	\$126,756	14 (42%)	\$432,160 / (\$16,170)	\$93,998

Notes:

1. “Gross Sales” has the meaning given to it in Part A of this Item 19.
2. Cost of Goods Sold means the percentage of revenue spent on all food, paper, cardboard, and beverage products used in creating final food and beverage products for customers.
3. Cost of Labor means the percent of revenue spent on employees’ actual wages and manager’s salary and does not include any labor taxes or benefits.
4. EBITDA means earnings before interest, taxes, depreciation, and amortization.
5. The average for each revenue, expense, and profit category is the sum of the revenue, expense or profit for each restaurant in a given data set divided by the number of restaurants in the data set.

* * * * *

Written substantiation for the financial performance representations will be made available to you on reasonable request. This analysis is intended to be used as a reference when you conduct due diligence before signing our Franchise Agreement. We recommend that you make your own independent investigation to determine whether or not Toppers Pizza franchise may be profitable, and that you consult with legal, accounting and other business advisors before signing our Franchise Agreement. No certified public accountant has audited these figures or expressed his or her opinion with regard to the content or form.

Some restaurants have sold this amount. Your individual results may differ. There is no assurance that you’ll sell as much.

Other than the preceding financial performance representation, Toppers Pizza LLC, does 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. 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 Toppers Pizza LLC, M. Scott Gittrich, at 333 West Center Street, Whitewater, WI 53190 (262) 473-6666, the Federal Trade Commission, and any appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
Systemwide Outlet Summary
For years 2019 to 2021⁽¹⁾

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2019	56	47	-9
	2020	47	47	0
	2021	47	44	-3
Company-Owned ⁽²⁾	2019	21	20	-1
	2020	20	20	0
	2021	20	26	6
Total Outlets	2019	77	67	-10
	2020	67	67	0
	2021	67	70	3

1/ The figures in this and all other tables in Item 20 are as of December 29, 2019, December 27, 2020, and January 2, 2022.

2/ Company-owned outlets are owned by affiliates.

TABLE NO. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For years 2019 to 2021

State	Year	Number of Transfers
Michigan	2019	0
	2020	0
	2021	1
Minnesota	2019	7
	2020	3
	2021	1
Wisconsin	2019	2
	2020	0
	2021	1
Total	2019	9
	2020	3

	2021	3
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TABLE NO. 3
Status of Franchised Outlets
For years 2019 to 2021

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of the Year
Colorado	2019	3	0	0	0	0	3	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Kansas	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Michigan	2019	2	0	0	0	0	1	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Minnesota	2019	16	0	0	0	0	3	13
	2020	13	0	0	0	0	0	13
	2021	13	0	0	0	0	0	13
Nebraska	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
North Carolina	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
South Carolina	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	1	0	0	0	0	2
South Dakota	2019	2	0	0	0	0	1	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Texas	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Virginia	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Wisconsin	2019	20	0	0	0	0	0	20
	2020	20	1	0	0	0	0	21
	2021	21	0	0	0	4	0	17
Wyoming	2019	2	0	0	0	0	1	1
	2020	1	0	0	0	0	1	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of the Year
	2021	0	0	0	0	0	0	0
TOTALS	2019	56	0	0	0	0	9	47
	2020	47	1	0	0	0	1	47
	2021	47	1	0	0	4	0	44

TABLE NO. 4
Status of Company-Owned Outlets
For years 2019 to 2021

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Indiana	2019	2	0	0	0	0	2
	2020	2	0	0	1	0	1
	2021	1	0	0	0	0	1
Kentucky	2019	1	0	0	1	0	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
Ohio	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Wisconsin	2019	17	0	0	0	0	17
	2020	17	1	0	0	0	18
	2021	18	2	4	0	0	24
Totals	2019	21	0	0	1	0	20
	2020	20	1	0	1	0	20
	2021	20	2	4	0	0	26

TABLE NO. 5
Projected Openings for Fiscal Year 2022
as of January 2, 2022

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
Illinois	1	1	0
Kansas	1	2	0
Minnesota	1	2	0
Ohio	0	0	1
Texas	1	2	0
Wisconsin	0	0	2
TOTAL	4	7	3

Exhibit B lists the names of all of our current franchisees and the addresses and telephone numbers of their stores as of January 2, 2022. Exhibit C lists the name, city and state, and business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

We are not aware of any trademark-specific franchisee organizations associated with the Toppers franchise system.

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

Item 21

FINANCIAL STATEMENTS

Attached as Exhibit E are our (i) audited financial statements for the fiscal years ending January 2, 2022, December 27, 2020, and December 29, 2019, and (ii) unaudited balance sheet and statement of revenue and expenses as of March 27, 2022.

Item 22

CONTRACTS

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

Exhibit F Franchise Agreement

Exhibit G	Area Development Agreement
Exhibit H	State Riders
Exhibit I	Project Management Agreement
Exhibit J	Toppers Subscription Agreement (Point of Sale Services)
Exhibit K	Representations and Acknowledgment Statement
Exhibit L	Agreement and Conditional Consent to Transfer
Exhibit M	Renewal Addendum

Item 23

RECEIPTS

Exhibit N contains detachable documents acknowledging your receipt of this Disclosure Document.

EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

CALIFORNIA

California Department of Financial
Protection & Innovation
1 (866) 275-2677

Los Angeles

320 West 4th Street
Suite 750
Los Angeles, California 90013
(213) 576-7505

Sacramento

2101 Arena Blvd
Sacramento, California 95834
(916) 445-7205

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 610-2093

San Francisco

One Sansome Street, Ste. 600
San Francisco, CA 94104
(415) 972-8559

HAWAII

(agent for service of process)

Commissioner of Securities of the State of
Hawaii
Department of Commerce and Consumer
Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2744

(for other matters)
Business Registration Division
Securities Compliance Branch
Department of Commerce
and Consumer Affairs
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2727

ILLINOIS

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

INDIANA

(state administrator)

Indiana Secretary of State
Securities Division, E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

(agent for service of process)

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

MARYLAND

(state administrator)

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(agent for service of process)

Maryland Securities Commissioner
at the Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

(state administrator)

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building
525 West Ottawa Street
Lansing, Michigan 48909
(517) 335-7622

(agent for service of process)

Michigan Department of Commerce,
Corporations, Securities & Commercial
Licensing Bureau
P.O. Box 30018
Lansing, Michigan 48909

MINNESOTA

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

NEW YORK

(state administrator)

Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236

(agent for service of process)

New York Secretary of State
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

NORTH DAKOTA

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

OREGON

Department of Business Services Division of
Financial Regulation
350 Winter Street, NE, Room 410
Salem, Oregon 97310-3881
(503) 378-4387

RHODE ISLAND

Department of Business Regulation
Division of Securities
John O. Pastore Complex Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9582

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid Street, Second Floor
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(state administrator)

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

(agent for service of process)

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

WASHINGTON

(state administrator)

Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

(agent for service of process)

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

WISCONSIN

(state administrator)

Securities and Franchise Registration
Wisconsin Department of Financial
Institutions
4022 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-1064

(agent for service of process)

Office of the Secretary
Wisconsin Department of Financial
Institutions
P.O. Box 8861
Madison, Wisconsin 53708-8861
(608) 261-9555

EXHIBIT B

CURRENT FRANCHISEES

TOPPERS PIZZA LLC
OPERATIONAL RESTAURANTS
as of January 2, 2022

Franchisee	Restaurant Address	City	State	ZIP	Phone No.
Renegade Pizza, LLC	1100 Mississippi Ave, Suite C	Lawrence	KS	66044	785-856-0058
Sam 1, LLC*	6027 Metcalf Ave, Suite A	Mission	KS	66202	913-262-7849
Birdies 2 Bogeys Corp	947 Wealthy St. SE	Grand Rapids	MI	49506	(616) 719-3300
Slice of Blaine, LLC	10950 Club West Parkway, Suite 130	Blaine	MN	55449	763-210-2227
Family Recipe, LLC	7821 Portland Ave S	Bloomington	MN	55420	952-746-3200
Dough-Luth LLC	1231 E. 9th Street	Duluth	MN	55805	218-525-4500
Family Recipe, LLC	1539 W. Larpenteur Ave.	Falcon Heights	MN	55113	(651) 646-7000
JWB Enterprise, LLC	20730 Holyoke Ave.	Lakeville	MN	55044	952-683-9599
Legends Pizza, LLC	1101 S. Front St	Mankato	MN	56001	507-386-8282
Family Recipe, LLC	2936 Lyndale Ave S	Minneapolis	MN	55408	612-822-7272
Family Recipe, LLC	4130 Berkshire Ln. N, Suite B	Plymouth	MN	55446	(763) 559-5676
Legends 3Sixty Pizza, LLC	187 16th Ave. SW Ste. 100	Rochester	MN	55902	(507) 258-4444
Legends 3Sixty Pizza, LLC	1217 Marion Road SE Ste. 700	Rochester	MN	55904	(507) 281-4545
Legends 3Sixty Pizza, LLC	202 6th Ave. S.	St. Cloud	MN	56301	(320) 774-2525
Family Recipe, LLC	1154 Grand Ave	St. Paul	MN	55105	(651) 221-9000
PJD Investments, LLC	129 E. Third St.	Winona	MN	55987	(507) 961-1100
Billamee Pizza, Inc.	9510-104 University City Blvd	Charlotte	NC	28213	704-548-8666
Billamee Pizza, Inc.	5033-F South Blvd	Charlotte	NC	28217	704-523-1669
SDRR, LLC*	1226 P Street, Suite 101	Lincoln	NE	68508	(402) 476-8677
SDRR Dodge, LLC*	7010 Dodge St., Suite 104	Omaha	NE	68132	(402) 553-1133
SDRR East, LLC*	741 N. 114th St.	Omaha	NE	68154	(402) 933-9733
FM Toppers, LLC	400 N Dobys Bridge Rd	Fort Mill	SC	29715	803-547-4100
FM Toppers, LLC	1177 Stonecrest Blvd	Tega Cay	SC	29708	803-650-6333
Bird Dog Pizza I, LLC	817 S. Minnesota Ave	Sioux Falls	SD	57104	(605) 275-8677
3358 Ventures, LLC	2911 W. Berry St.	Fort Worth	TX	76109	(817) 207-0051
Del Ray Pizza, LLC*	3827 Mount Vernon Ave	Alexandria	VA	22305	703-838-7773
Huntington Pizza LLC*	6676 Richmond Hwy	Alexandria	VA	22306	703-768-7849
Smooth Money, LLC*	109 E College Ave	Appleton	WI	54911	920-730-7070
Andy & Caro's, Inc.	475 Chippewa Mall Dr, Suite 305	Chippewa Falls	WI	54729	(715) 720-2800
Smooth Money of DePere, LLC*	486 Main Ave.	DePere	WI	54115	(920) 339-9393
Andy & Caro's, Inc.	2159 Eastridge Center	Eau Claire	WI	54701	715-833-1111
Andy & Caro's, Inc.	1616 N Clairemont	Eau Claire	WI	54703	715-552-1111
Smooth Money, LLC*	2042 E Main St, Suite 103	Green Bay	WI	54302	920-432-3232
Smooth Money of Iowa, LLC*	131 S Military Ave	Green Bay	WI	54303	(920) 498-9999

Franchisee	Restaurant Address	City	State	ZIP	Phone No.
J&R Ventures, LLC	6500 75th St, #200	Kenosha	WI	53142	262-694-4100
PJD Investments, LLC	325 West Ave N	LaCrosse	WI	54601	608-788-8899
Smooth Money of Iowa, LLC*	430 Third St.	Menasha	WI	54952	(920) 720-2121
Andy & Caro's, Inc.	406 Main St.	Menomonie	WI	54751	(715) 309-2800
PJD Investments, LLC	605 2nd Ave, Suite 150	Onalaska	WI	54650	(608) 779-7979
J&R Ventures, LLC	3841 E. Douglas Ave	Racine	WI	53402	262-456-2249
J&R Ventures, LLC	5502 Washington Ave, Suite 300	Racine	WI	53406	262-633-4444
J&R Ventures, LLC	1102 N 8th St.	Sheboygan	WI	53081	(920) 783-6655
3.14 Co LLC*	1214 Tower Ave, Suite A	Superior	WI	54880	715-718-2832
J&R Ventures, LLC	12132 W Capitol Dr, Suite N	Wauwatosa	WI	53222	414-466-7777

* Indicates a franchisee that is either an area developer or a subsidiary/affiliate of an area developer.

FRANCHISEES WITH FRANCHISE AGREEMENTS SIGNED BUT RESTAURANT NOT YET OPEN
as of January 2, 2022

Franchisee	Restaurant Address	City	State	ZIP	Phone or Email
Al-Numan, LLC	5572 Grand Ave, Unit 3	Gurnee	IL	60031	309-857-5583
Renegade Pizza, LLC*	2613 SW 21 st St.	Topeka	KS	66604	karl@topperskansas.com
Port City Pizza, LLC*	Tbd	tbd	MN	tbd	414-416-3884
3358 Ventures, LLC*	5329 Sycamore School Rd, Suite 109	Fort Worth	TX	76123	817-937-1475

* Indicates a franchisee that either directly or through an affiliate also operates a Toppers Pizza restaurant that was open and operating as of January 2, 2022.

EXHIBIT C

FRANCHISEES WHO HAVE LEFT THE SYSTEM

FRANCHISEES WHO HAVE LEFT THE SYSTEM
AS OF JANUARY 2, 2022
OR WHO HAVE NOT COMMUNICATED WITH US WITHIN 10 WEEKS OF
THE ISSUANCE DATE OF THE DISCLOSURE DOCUMENT

Franchisee	City	State	Last Known Phone No. or Email	Comments
Leder Food, LLC	Grand Rapids	MI	616-808-9015	Transferred 1 store
Northstar Pizza, LLC	Duluth	MN	262-473-9134	Transferred 1 in MN
Northstar Pizza, LLC	Superior	WI	262-473-9134	Transferred 1 in WI
Perfect Timing, LLC	Waukesha	WI	608-774-6537	Transferred 2 stores
FSM ZA Pizza, LLC	Franklin & S. Milwaukee	WI	608-774-6537	Transferred 2 stores

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

EXHIBIT D

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MANAGING A TOPPERS PIZZA

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EXHIBIT E

FINANCIAL STATEMENTS

UNAUDITED FINANCIALS

Toppers Pizza, LLC.
Balance Sheet
For the Period Ended March 27th, 2022

CURRENT ASSETS	
Cash and cash equivalents	739,669
Accounts receivable	630,990
Notes receivable related party	-
Inventories	-
Prepaid expenses	193,914
Total Current Assets	<u>1,564,573</u>
PROPERTY AND EQUIPMENT, NET	<u>466,240</u>
OTHER ASSETS	
Notes receivable	-
Due from affiliated companies	4,448,817
Notes receivable from related party	-
Total Other Assets	<u>4,448,817</u>
TOTAL ASSETS	<u><u>6,479,630</u></u>
CURRENT LIABILITIES	
Accounts payable	105,124
Accrued expenses	131,048
Accrued payroll	289,753
Gift card liability	26,254
Deferred franchise fees	279,707
Deferred revenues	247,253
Current maturities of long-term debt	17,806
Total current liabilities	<u>1,096,945</u>
LONG TERM LIABILITIES	
Long term debt	5,213
Deferred Franchise fees	146,042
Deferred Compensation	256,151
Total long-term liabilities	<u>407,406</u>
Total Liabilities	<u>1,504,351</u>
STOCKHOLDER'S EQUITY (DEFICIT)	
Members Equity	<u>4,975,279</u>
Total Stockholder's Equity (Deficit)	<u>4,975,279</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY (DEFICIT)	<u><u>6,479,630</u></u>

THESE FINANCIAL STATEMENTS WERE PREPARED WITHOUT AN AUDIT. INVESTORS IN OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS OPINION WITH REGARD TO THEIR CONTENTS OR FORM.

Toppers Pizza LLC.
Statement of Revenue and Expenses
For the Period Ended March 27th, 2022

	Actual	
	YTD	
<u>Revenue</u>		
Royalty	959,437	55.1%
Franchise Fees	32,262	1.9%
Distribution Income	252,816	14.5%
Other Income	175,397	10.1%
Technology Fee	320,357	18.4%
Total Revenue	1,740,269	100.0%
<u>Expenses</u>		
Labor	663,820	38.1%
Taxes and Benefits	201,578	11.6%
Rent	19,314	1.1%
Occupancy Costs	30,335	1.7%
Accounting and Legal	118,543	6.8%
Franchise Advertising	51,900	3.0%
Repairs and Maintenance	4,257	0.2%
Travel & Meals	29,788	1.7%
Supplies	11,116	0.6%
Franchise Incentives	5,152	0.3%
Technology	94,904	5.5%
Miscellaneous	23,104	1.3%
Total Expenses	1,253,811	72.0%
Net Operating Income	486,458	28.0%
(Gain) or Loss or Disposal	-	0.0%
Other Expenses	-	0.0%
Other income	(18,742)	-1.1%
EBITDA	505,200	29.0%
Interest Expense	302	0.0%
Tax Expense	-	
Depreciation and Amortization	55,190	3.2%
Net Income	449,708	25.8%

THESE FINANCIAL STATEMENTS WERE PREPARED WITHOUT AN AUDIT. INVESTORS IN OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS OPINION WITH REGARD TO THEIR CONTENTS OR FORM.

AUDITED FINANCIALS

TOPPERS PIZZA, LLC

Whitewater, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditor's Report

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019



Service / Strategy / Solutions

TOPPERS PIZZA, LLC

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INDEPENDENT AUDITOR'S REPORT

Members and Board of Directors
Toppers Pizza, LLC
Whitewater, Wisconsin

Opinion

We have audited the accompanying financial statements of Toppers Pizza, LLC (the Company), which comprise the balance sheets as of January 2, 2022 and December 27, 2020 and the related statements of operations, members' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of January 2, 2022 and December 27, 2020 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of Toppers Pizza, LLC as of December 29, 2019 were audited by other auditors whose report dated March 10, 2020, expressed an unmodified opinion on those statements.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Quandt Berndt & Company, LLC

Brookfield, Wisconsin
March 14, 2022

TOPPERS PIZZA, LLC

BALANCE SHEETS

January 2, 2022, December 27, 2020 and December 29, 2019

ASSETS

	2021	2020	2019
CURRENT ASSETS			
Cash and cash equivalents	\$ 851,021	\$ 621,291	173,352
Accounts receivable, net	770,332	308,753	126,899
Inventories, net	-	-	-
Advertising fund restricted cash	-	-	-
Notes receivable - current	16,283	59,437	592
Notes receivable from related party - current	-	184,118	175,260
Prepaid expenses	104,111	14,022	57,157
Total current assets	1,741,747	1,187,621	533,260
PROPERTY AND EQUIPMENT, NET	226,539	200,357	236,228
OTHER ASSETS			
Intangible asset, net	240,589	364,556	959,630
Notes receivable, net of current portion	-	-	-
Due from affiliated companies	4,537,618	3,007,286	1,974,487
Notes receivable from related party, net of current portion	-	844,955	1,028,320
Total other assets	4,778,207	4,216,797	3,962,437
TOTAL ASSETS	<u>\$ 6,746,493</u>	<u>\$ 5,604,775</u>	<u>\$ 4,731,925</u>

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 304,356	\$ 162,730	154,310
Accrued expenses	306,985	171,082	247,148
Accrued payroll	523,082	467,746	183,880
Advertising fund liability	-	-	-
Deferred revenues	412,930	395,558	367,491
Current maturities of long-term debt	17,805	17,066	16,389
Total current liabilities	1,565,158	1,214,182	969,218

LONG-TERM LIABILITIES

Long-term debt	9,447	26,601	48,343
Deferred revenues	146,042	140,260	221,927
Other liabilities	-	64,528	-
Total long-term liabilities	155,489	231,389	270,270
Total liabilities	1,720,647	1,445,571	1,239,488

EQUITY

Toppers Pizza Holdings, Inc., stockholder's equity:			
Common stock, no par value and no stated value per share, stated value \$1 per share	-	1,000	1,000
1,000 shares authorized; 1,000 shares issued; and 800 shares outstanding			
Additional paid-in capital	-	25,720	25,720
Retained earnings	-	4,146,484	3,479,717
less: Treasury stock, 200 shares at cost	-	(14,000)	(14,000)
Member's equity	5,025,846	-	-
Total equity	5,025,846	4,159,204	3,492,437

TOTAL LIABILITIES AND EQUITY	<u>\$ 6,746,493</u>	<u>\$ 5,604,775</u>	<u>\$ 4,731,925</u>
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See accompanying notes to financial statements.

TOPPERS PIZZA, LLC

STATEMENTS OF OPERATIONS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

	2021	% of revenue	2020	% of revenue	2019	% of revenue
FRANCHISE REVENUE	<u>\$ 9,595,442</u>	100%	<u>\$ 7,651,326</u>	100%	<u>6,915,104</u>	100%
GENERAL AND ADMINISTRATIVE EXPENSES						
Salaries and wages	2,915,618	30.4	2,525,625	33.0	2,196,506	31.8
Payroll related	203,063	2.1	175,651	2.3	164,917	2.4
Occupancy costs	81,725	0.9	60,000	0.8	59,100	0.9
Advertising	3,061,193	31.9	2,146,383	28.1	2,055,359	29.7
Insurance	166,897	1.7	140,894	1.8	116,487	1.7
Professional fees	438,713	4.6	297,340	3.9	262,822	3.8
Other operating expenses	<u>325,313</u>	3.4	<u>385,932</u>	5.0	<u>184,459</u>	2.7
Total general and administrative expenses	<u>7,192,522</u>	75.0	<u>5,731,825</u>	74.9	<u>5,039,650</u>	73.0
Operating income before depreciation and amortization	2,402,920	25.0	1,919,501	25.1	1,875,454	27.1
DEPRECIATION AND AMORTIZATION	<u>404,055</u>	4.2	<u>760,693</u>	9.9	<u>705,893</u>	10.2
Operating income	1,998,865	20.8	1,158,808	15.1	1,169,561	16.9
OTHER INCOME (EXPENSE)						
Interest expense	(2,352)	(0.0)	(3,021)	(0.0)	(17,260)	(0.2)
Interest income	26,443	0.3	57,667	0.8	65,083	0.9
Gain (loss) on disposal of property	-	-	(1,009)	(0.0)	8,546	0.1
Gain on forgiveness of PPP loan	-	-	515,600	6.7	-	-
Other income (expense)	<u>(350,970)</u>	(3.7)	<u>10,748</u>	0.1	<u>36,080</u>	0.5
Net other income (expense)	<u>(326,879)</u>	(3.4)	<u>579,985</u>	7.6	<u>92,449</u>	1.3
NET INCOME	<u><u>\$ 1,671,986</u></u>	17.4	<u><u>\$ 1,738,793</u></u>	22.7	<u><u>\$ 1,262,010</u></u>	18.2

See accompanying notes to financial statements.

TOPPERS PIZZA, LLC

STATEMENTS OF MEMBERS' EQUITY

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

	Common Stock	Additional paid-in capital	Retained earnings	Treasury Stock	Total stockholder's equity	Total member's equity
BALANCES, DECEMBER 31, 2018	\$ 1,000	\$ 25,720	\$ 3,226,158	\$ (14,000)	\$ 3,238,878	\$ -
Cumulative adjustment for adopting ASU 2014-09 ASC Topic 606			(482,440)		(482,440)	-
Net income	-	-	1,262,010	-	1,262,010	-
Distributions	-	-	(526,011)	-	(526,011)	-
BALANCES, DECEMBER 30, 2019	\$ 1,000	\$ 25,720	\$ 3,479,717	\$ (14,000)	\$ 3,492,437	\$ -
Net income	-	-	1,738,793	-	1,738,793	-
Distributions	-	-	(1,072,026)	-	(1,072,026)	-
BALANCES, DECEMBER 27, 2020	\$ 1,000	\$ 25,720	\$ 4,146,484	\$ (14,000)	\$ 4,159,204	\$ -
Change to limited liability corporation	\$ (1,000)	\$ (25,720)	\$ (4,146,484)	\$ 14,000	(4,159,204)	4,159,204
Net income	-	-	-	-	-	1,671,986
Member contributions	-	-	-	-	-	2,500,000
Distributions	-	-	-	-	-	(3,305,344)
BALANCES, January 2, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,025,846</u>

See accompanying notes to financial statements.

TOPPERS PIZZA, LLC
STATEMENTS OF CASH FLOWS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 1,671,986	\$ 1,738,793	\$ 1,262,010
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation and amortization	404,055	760,693	705,893
Bad debt expense	-	-	35,505
Gain on forgiveness of PPP loan	-	(515,600)	
(Gain) loss on disposal of property and equipment	-	1,009	(8,546)
Changes in assets and liabilities:			
Accounts receivable	(461,579)	(181,854)	(20,287)
Inventories	-		2,175
Prepaid expenses	-	-	(31,386)
Accounts payable	141,626	8,420	(438,255)
Accrued expenses	45,814	(32,931)	36,154
Accrued payroll	55,336	283,866	10,165
Deferred revenues	23,154	(53,600)	(294,279)
Other liabilities	(64,528)	64,528	-
Net cash flows provided by operating activities	1,815,864	2,073,324	1,259,149
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures	(305,513)	(130,000)	(140,240)
Issuance of notes receivable	(16,283)	(85,740)	(593)
Collections on notes receivable	59,437	26,896	4,126
Collections on notes receivable from related party	1,029,073	174,507	166,593
Increase in due from affiliated companies	(1,530,332)	(1,032,799)	(668,607)
Net cash flows used in investing activities	(763,618)	(1,047,136)	(638,721)
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal payments on long-term debt	(17,172)	(21,823)	(17,937)
PPP loan proceeds	-	515,600	-
Member contributions	2,500,000	-	-
Distributions to stockholder	(3,305,344)	(1,072,026)	(526,011)
Net cash flows used in financing activities	(822,516)	(578,249)	(543,948)
Net change in cash and cash equivalents	229,730	447,939	76,480
Cash and cash equivalents-beginning of year	621,291	173,352	96,872
Cash and cash equivalents-end of year	<u>\$ 851,021</u>	<u>\$ 621,291</u>	<u>\$ 173,352</u>
SUPPLEMENTAL CASH FLOW INFORMATION DISCLOSURES			
Cash paid for interest	\$ -	\$ -	\$ 17,260
NONCASH INVESTING AND FINANCING ACTIVITIES			
Note receivable written-off to bad debt expense	\$ -		\$ 35,505
Cancellation of accounts payable related to intangible asset	\$ -	\$ -	\$ 38,455
Adjustment to increase deferred revenue and decrease equity as a result of adopting ASC Topic 606	\$ -	\$ -	\$ 482,440
Forgiveness of PPP loan	\$ -	\$ 515,600	\$ -

See accompanying notes to financial statements.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 1 - Summary of Significant Accounting Policies

Nature of Operations

Toppers Pizza, Inc. converted from a corporation to a limited liability company effective October 7, 2021. Toppers Pizza, LLC (the company) enters into franchise agreements for the use of its trade name, "Toppers Pizza". The company's royalties are based on a percentage of each franchisee's gross receipts.

Fiscal Year

The company uses a 52/53 week year for financial reporting and income tax purposes. The years ended January 2, 2022, December 27, 2020 and December 30, 2019 all consisted of 52 weeks. Within the body of the financial statements, years ended January 2, 2022, December 27, 2020 and December 30, 2019 will be referred to as 2021, 2020, and 2019, respectively.

Cash and Cash Equivalents

The company defines cash and cash equivalents as highly liquid, short-term investments with a maturity at the date of acquisition of three months or less.

Estimates

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

Accounts Receivable and Notes Receivable

On a periodic basis, the company evaluates its accounts and notes receivable and establishes an allowance for doubtful accounts, based on a history of past write-offs and collections. Accounts receivable have been adjusted for all known uncollectible accounts. No allowance for doubtful accounts was deemed necessary.

The company charges interest on past due franchisee accounts. A receivable is considered past due after 30 days. At that time communication regarding account status with the customer is increased.

Property and Equipment

Property and equipment are stated at cost. Major expenditures for property and equipment are capitalized. Maintenance, repairs, and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Property and equipment are depreciated using the straight-line method over their estimated useful lives.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 1 - Summary of Significant Accounting Policies (cont.)

Capitalized Software Development Costs

The company developed a point-of-sale external-use software that it hosts and sells to its franchisees. The company accounts for the capitalized software development costs in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 985-20, *Costs of Software to Be Sold, Leased or Marketed*. Software development costs incurred in conjunction with product development are charged to research and development expense until technological feasibility is established. Thereafter, until the product is released for sale, software development costs are capitalized and reported at the net realizable value of the related product. Upon product release, the amortization of software development costs is determined annually as the greater of the amount computed using the ratio of current gross revenues for the products to their total of current and anticipated future gross revenues or the straight-line method over the estimated economic life of the products, expected to be three years. See Note 5 for additional information related to software development costs.

Impairment of Long-Lived Assets

In accordance with FASB *Accounting for the Impairment or Disposal of Long-Lived Assets*, the company reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

Amounts Due From Affiliated Companies

In accordance with FASB accounting for impairment of a loan to creditors, the company evaluates the carrying values of amounts due from affiliated companies on an individual creditor basis. On an annual basis, management reviews its amounts due from affiliated companies for recoverability when events or circumstances, including the nonreceipt of current amounts due, significant or continued deteriorations of the financial condition of the creditor, and significant adverse changes in general economic conditions indicate that the carrying amounts of the amount due from the affiliated company may not be recoverable. If necessary, an impairment is measured as the amount by which the carrying amount exceeds the discounted cash flows expected to be received or, if foreclosure is probable, the fair value of the collateral securing the amount due from the affiliated company.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 1 - Summary of Significant Accounting Policies (cont.)

Revenue Recognition

Franchise Agreements and Area Development Agreements

When an individual franchise is sold, the company grants the franchisee a license to own and operate a franchised restaurant. As part of this license, the company agrees to provide certain services to the franchisee. Generally these services include assistance in site selection, training personnel, implementation of an accounting system, design of a quality control program, and marketing. In addition, the company offers exclusive franchise rights, to a negotiated market area, through an area development agreement. There are no separate area development fees, however, the franchisee is required to prepay a portion of the initial franchise fees related to the future restaurants included in the area development agreement.

When a franchise agreement is executed, the company, as a franchisor, charges an initial franchise fee for use of the franchise license. Once the store is operational, the company receives an ongoing franchise royalty fee, technology fee, and advertising fund fee, which are based on a percentage of franchisee's weekly sales. The company also recognizes administrative fees for services related to the franchisees' advertising and online ordering activity. The company also recognizes revenue from vendor rebates, which are received based on product purchases made by the franchisees. Following is a summary of the revenue from all of the above sources:

	2021	2020	2019
Initial franchise fees	\$ 91,834	110,416	369,680
Vendor rebates	984,564	797,511	744,919
Technology fees	1,257,081	922,615	702,244
Advertising fund fees (Note 10)	2,487,177	1,781,425	1,586,075
Administration fees	685,726	563,911	546,871
Ongoing franchise royalties	4,089,060	3,475,448	2,965,315
Total	<u>\$ 9,595,442</u>	<u>\$ 7,651,326</u>	<u>\$ 6,915,104</u>

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 1 - Summary of Significant Accounting Policies (cont.)

Revenue Recognition Policies

Upon adoption of the new standard, the company modified their revenue recognition policy related to the initial franchise fee. The company determined the performance obligation of the initial franchise fee is the use and benefit of the franchise license, which occurs over the period the franchised restaurant is in operation, not when the restaurant opens. The company may provide pre-opening services to franchisees, however, the company has determined these services do not contain separate and distinct performance obligations from the franchise right; thus, a portion of the franchise fee has not been allocated to these services.

The company has determined the revenue recognition period for the initial franchise fee begins when the restaurant commences operation. As a result, the company continues to defer the initial franchise fee until the restaurant commences operation, and then recognizes the initial franchise fee evenly over the average life of the franchisee, which the company has determined to be eight years as of January 2, 2022, December 27, 2020, and December 29, 2019.

Since ongoing franchise royalty fees, technology fees, and advertising fund fees are based on actual restaurant sales, the fees will fluctuate on a weekly basis, and are considered variable consideration. The new revenue standard requires this variable consideration to be estimated. However, there is an exception to this requirement for sales-based royalties related to licenses of intellectual property. As such, royalty fees, technology fees, and advertising fund fees will continue to be recognized when franchisee sales occur, and there is no change as a result of adopting the new standard.

The company's accounting policy for vendor rebates, technology fees, and administrative fees did not change as a result of adopting the new standard. The company modified how revenue is reported for advertising fund contributions (see Note 10).

Advertising

The company expenses advertising costs as incurred. Advertising expenses incurred for the years ended January 2, 2022, December 27, 2020 and December 30, 2019 were \$3,003,716, \$2,146,283, and \$389,117, respectively. (See Note 10)

Income Taxes

The company, with the consent of its members, has elected to be taxed under the section of federal and state income tax law which provides that, in lieu of corporate income taxes, the members separately account for their pro rata shares of the company's items of income, deductions, losses and credits. As a result of this election, no income taxes have been recognized in the accompanying financial statements.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 2 - Notes Receivable

Notes receivable consists of the following at January 2, 2022, December 27, 2020 and December 30, 2019:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
From franchisee, date May 8, 2020 with an initial principal balance of \$25,184 and a fixed interest rate of 0.00% per annum beginning September 6, 2020. Repayment of the note is 26 weekly payments of \$969.	\$ -	\$ 8,717	\$ -
From franchisee, date July 27, 2020 with an initial principal balance of \$30,000 and a fixed interest rate of 5.00% per annum beginning October 15, 2020. Repayment of the note is 12 monthly payments of \$2,568, including interest.	-	22,640	-
From franchisee, date September 14, 2020 with an initial principal balance of \$30,557 and a fixed interest rate of 6.00% per annum beginning December 1, 2020. Repayment of the note is 12 monthly payments of \$2,630, including interest.	-	28,080	-
Other various notes receivable due in less than one year.	<u>16,283</u>		<u>592</u>
Totals	16,283	59,437	592
Less: current portion	<u>(16,283)</u>	<u>(59,437)</u>	<u>(592)</u>
Long-term portion	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 3 - Notes Receivable from Related Party

As described in Note 11 of these financial statements, the company is owned by Toppers Pizza Holdings, LLC. The company has notes receivable from the sole shareholder of Toppers Pizza Holdings, LLC which consists of the following at January 2, 2022, December 27, 2020 and December 30, 2019:

	2021	2020	2019
\$500,000 note receivable, dated December 29, 2013, interest at 4.75% and is due December 31, 2023. The note will be repaid in monthly principal and interest installments of \$5,242.	\$ -	\$ 181,261	\$ 233,097
\$450,000 note receivable, dated December 29, 2015, interest at 4.75% and is due December 29, 2025. The note will be repaid in annual principal and interest installments of \$57,572.	-	248,936	292,609
\$546,283 note receivable, dated December 29, 2016, interest at 4.75% and is due December 15, 2026. The note will be repaid in annual principal and interest installments of \$69,768.	-	356,971	407,389
\$323,816 note receivable, dated December 29, 2017, interest at 4.75% and is due December 15, 2027. The note will be repaid in annual principal and interest installments of \$41,428.	-	241,905	270,485
Totals	-	1,029,073	1,203,580
Less: current portion	-	(184,118)	(175,260)
Long-term portion	\$ -	\$ 844,955	\$ 1,028,320

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 4 - Property and Equipment

The major categories of property and equipment at January 2, 2022, December 27, 2020 and December 30, 2019 are summarized as follows:

	Depreciable lives	2021	2020	2019
Leasehold improvements	5-15 yrs. *	\$ 333,832	\$ 319,282	\$ 319,283
Office equipment	5-10 yrs.	267,617	216,655	321,433
Vehicles	5-7 yrs.	23,997	23,997	23,997
Property and equipment, at cost		625,446	559,934	664,713
less: Accumulated depreciation		(398,907)	(359,577)	(428,485)
Net property and equipment		<u>\$ 226,539</u>	<u>\$ 200,357</u>	<u>\$ 236,228</u>

* The shorter of the lease term or the assets useful life.

Depreciation expense was \$40,374, \$35,905, and \$51,418 for the years ended January 2, 2022, December 27, 2020 and December 30, 2019, respectively.

NOTE 5 - Intangible Asset

Software Development Costs

Capitalized software development costs are amortized on an annual basis based on the greater of: 1) the ratio that current gross revenues for a product bear to the total of current and anticipated future gross revenues for that product or 2) the straight-line method over the remaining estimated economic life of the product.

The software development was placed in service at the end of April 2018. Software development costs as of January 2, 2022, December 27, 2020 and December 30, 2019 are summarized as follows:

	Amortizable life	2021	2020	2019
Software development costs	3 years	\$ 2,415,223	\$ 2,175,223	\$ 2,045,223
Less: accumulated amortization		(2,174,634)	(1,810,667)	(1,085,593)
Net software development costs		<u>\$ 240,589</u>	<u>\$ 364,556</u>	<u>\$ 959,630</u>

Amortization expense for software development costs was \$364,724, \$725,074 and \$653,718 for the years ended January 2, 2022, December 27, 2020 and December 30, 2019, respectively.

Future annual expected amortization expense is \$142,811, \$80,000 and \$17,779 for the fiscal years 2022, 2023, and 2024, respectively.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 6 - Long-Term Debt

Long-term debt consists of the following at January 2, 2022, December 27, 2020 and December 30, 2019:

	2021	2020	2019
To bank, guaranteed by US Small Business Administration, dated July 17, 2013, for \$133,704. The total proceeds from this note were utilized by the company and one of its related parties. Interest only payments are due for 18 months and then the loan is payable in monthly installments of \$1,246, including interest at prime plus 1.00%, with a final payment due August 17, 2023. The interest rate at January 2, 2022 was 4.25%. Collateralized by all of the company's assets and the stockholder's personal guarantee.*	\$ 28,766	\$ 45,938	\$ 62,674
To bank, guaranteed by US Small Business Administration, dated March 3, 2011, for \$23,905. The total proceeds from this note were utilized by the company and one of its related parties. Monthly installments are \$308, including interest at prime plus 1.00%. The balance was paid off during the year ended December 31, 2020.	-	-	5,087
Total	\$ 28,766	\$ 45,938	\$ 67,761
less: Debt issuance costs	(1,514)	(2,271)	(3,029)
less: Current maturities	(17,805)	(17,066)	(16,389)
Long-term portion	\$ 9,447	\$ 26,601	\$ 48,343

*The notes shown above were borrowed jointly by the company and a related party, Pizza People, LLC. The total amounts available under the two loans were \$1,988,000 and \$1,067,200, respectively. Total monthly payments due on the amounts borrowed by the company and the related party are \$24,193 and \$12,514, respectively. The total combined outstanding principal balances, which represents the company's maximum exposure, as of January 2, 2022 is \$429,960.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 6 - Long-Term Debt (cont.)

Future minimum annual principal payment requirements on the company's long-term debt as of January 2, 2022 are as follows:

2022	17,805
2023	10,961
	<u>\$ 28,766</u>

The Company received a Paycheck Protection Program (PPP) loan in the amount of \$515,600 from the Small Business Administration (SBA) on April 6, 2020. The loan was authorized as part of the CARES Act, which allowed for forgiveness of the loan if certain criteria regarding use of the loan proceeds are met. The Company received formal forgiveness of the full PPP loan principal amount from the SBA on December 7, 2020. The Company recorded a gain on the loan forgiveness within other income for the year ended December 27, 2020.

Long-term debt interest charged to expense was \$2,352, 3,021, and \$17,260 for the years ended January 2, 2022, December 27, 2020 and December 30, 2019, respectively.

Debt Issuance Costs

In accordance with FASB accounting for the presentation of debt issuance costs, the company presents long-term debt issuance costs as a direct reduction of its long-term debt. The company amortizes long-term debt issuance costs to amortization expense using the straight-line method over the term of the associated debt.

Debt issuance costs details as of January 2, 2022, December 27, 2020 and December 30, 2019 are as follows:

	2021	2020	2019
Debt issuance costs	\$ 7,572	\$ 7,572	\$ 7,572
less: Accumulated amortization	(6,058)	(5,301)	(4,543)
Net debt issuance costs	<u>\$ 1,514</u>	<u>\$ 2,271</u>	<u>\$ 3,029</u>

Amortization expense on debt issuance costs was \$757, \$758, and \$757 years ended January 2, 2022, December 27, 2020 and December 30, 2019.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 7 - Operating Leases

As shown in Note 9, the company leases office space from a related party under a lease that expires May 2031. The following is a schedule of future minimum annual lease payments to be paid under the related party operating lease as of January 2, 2022:

2022	\$ 60,000
2023	60,000
2024	60,000
2025	60,000
2026	60,000
Thereafter	<u>265,000</u>
	<u>\$ 565,000</u>

Operating lease expense was \$81,725, \$60,000, and \$59,100 for the years ended January 2, 2022, December 27, 2020 and December 30, 2019, respectively.

NOTE 8 - Concentrations and Commitments

Cash Balance

Interest bearing cash balances are insured up to \$250,000 per bank by the Federal Deposit Insurance Corporation (FDIC). The company maintains its cash balances at various financial institutions, which at times may exceed federally insured limits. However, the company has not experienced any losses in such accounts and believes it is not exposed to significant risk .

Cheese Purchases

To protect against fluctuations in the commodity price of cheese, the company has established monthly cheese purchase commitment contracts, with a local vendor, for the first three months of 2022. These contracts establish a fixed price per pound, up to the contracted pounds of cheese. The committed pounds of cheese range from 100,000 to 200,000 pounds per month. As of January 2, 2022, the company was committed to purchase 300,000 pounds of cheese in 2021 for \$530,000.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 9 - Related Party Transactions

The company has several transactions with entities affiliated to the company through common ownership. The company receives franchise revenue and a management fee from Pizza People, LLC. and JT23 Pizza, LLC, which operate several Toppers Pizza franchises. The company pays rental expense to Toppers Properties, LLC, which owns the office space the company occupies. See Note 11 of these financial statements for additional information regarding related parties.

The following is a summary of significant transactions with affiliates during 2021, 2020, and 2019 and balances as of January 2, 2022, December 27, 2020 and December 30, 2019:

	2021	2020	2019
<u>Transactions with Toppers Properties, LLC</u>			
<i>Expenses</i>			
Rental expense	\$ 81,725	\$ 60,000	\$ 59,100
<i>Assets</i>			
Due from affiliated companies	\$ 209,471	\$ 192,900	\$ 189,700
<u>Transactions with Pizza People, LLC</u>			
<i>Revenues</i>			
Royalty income	\$ 1,226,935	\$ 976,883	\$ 954,761
Technology fee income	311,683	193,272	186,928
Advertising fund fee income	672,863	446,161	433,981
Management fee income	138,021	259,559	262,952
Total revenues	\$ 2,349,502	\$ 1,875,875	\$ 1,838,622
<i>Assets</i>			
Accounts receivable	\$ 39,701	\$ 38,800	\$ 6,724
Due from affiliated companies	4,273,985	2,786,224	1,512,489
Total assets	\$ 4,313,686	\$ 2,825,024	\$ 1,519,213
<u>Transactions with JT23 Pizza, LLC</u>			
<i>Revenues</i>			
Royalty income	\$ 232,238	\$ 98,525	\$ -
Technology fee income	61,256	17,022	-
Advertising fund fee income	126,485	44,786	-
Management fee income	-	12,000	-
Total revenues	\$ 419,979	\$ 172,333	\$ -
<i>Assets</i>			
Accounts receivable	\$ 6,877	\$ 8,374	\$ -
Due from affiliated companies	54,162	28,162	-
Total assets	\$ 61,039	\$ 36,536	\$ -

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 9 - Related Party Transactions (cont.)

The following is a continued summary of significant transactions with affiliates during 2021, 2020, and 2019 and balances as of January 2, 2022, December 27, 2020 and December 30, 2019:

	2021	2020	2019
<u>Transactions with P.P Cincinnati, LLC</u>			
<i>Revenues</i>			
Royalty income	\$ -	\$ 61,605	\$ 77,345
Technology fee income	-	9,341	14,395
Advertising fund fee income	-	28,002	41,088
Management fee income	-	13,000	13,000
Total revenues	<u>\$ -</u>	<u>\$ 111,948</u>	<u>\$ 145,828</u>
<i>Assets</i>			
Due from affiliated companies	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,299</u>

See Note 10 for additional information regarding related party transactions through the company's Advertising Fund.

As of January 2, 2022, December 27, 2020 and December 30, 2019, the annual activities related to the net due (to) from affiliated companies are as follows:

	2021	2020	2019
Due from affiliated companies, net beginning of year	\$ 3,007,286	\$ 1,974,487	\$ 1,305,880
Advances	2,267,612	1,829,740	1,963,562
Payments received	<u>(720,710)</u>	<u>(796,941)</u>	<u>(1,294,955)</u>
Due from affiliated companies, net - end of year	<u>\$ 4,554,188</u>	<u>\$ 3,007,286</u>	<u>\$ 1,974,487</u>

NOTE 10 - Advertising Fund

The company has the right to collect an advertising fee as a percentage of gross sales, not to exceed 5.0%, from each franchisee as a result of their franchise agreement. The advertising fee was 3.3% for the year ended January 2, 2022 and 2.5% for the years ended December 27, 2020 and December 29, 2019. The company is the administrator of the advertising fund (ad fund). The ad fund develops, initiates and executes marketing programs as described under the company's Franchise Disclosure Document (FDD). The ad fund is not a separate legal entity.

TOPPERS PIZZA, LLC

NOTES TO FINANCIAL STATEMENTS

As of and for the years ended January 2, 2022, December 27, 2020 and December 30, 2019

NOTE 11 - Variable Interest Entities

The company follows FASB guidance on the accounting for Variable Interest Entities (VIEs). FASB issued ASU No. 2018-17, *Targeted Improvements to Related Party Guidance for Variable Interest Entities*, which allows a private company to elect to not apply previous VIE guidance to legal entities under common control (including common control leasing arrangements) if both the parent and the legal entity being evaluated for consolidation are not public business entities. This alternative provides an accounting policy election that a private company must apply to all current and future legal entities under common control that meet the criteria for applying this alternative. As permitted by the standard, the company has not consolidated its VIEs (Toppers Pizza Holdings, LLC.; Toppers Properties LLC; Pizza People, LLC; and JT23 Pizza, LLC) with the company.

NOTE 12 - Retirement Plan

During 2006, Toppers Pizza, LLC. established a 401(k) retirement plan for substantially all full-time employees. Employees who are at least 21 years old, have worked at least one year, and average 1,000 hours or more per year are eligible to participate in the plan. Company contributions to the 401(k) plan, which are made at the discretion of management, totaled \$99,095, \$86,639, and \$82,710 for the years ended January 2, 2022, December 27, 2020 and December 30, 2019, respectively.

NOTE 13 - New Accounting Standards

Leases (Topic 842)

During February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). ASU No. 2016-02 requires lessees to recognize the assets and liabilities that arise from leases on the balance sheet. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. During 2018, the FASB issued amendments to Topic 842, which provide entities with an additional (and optional) transition method at the adoption date and recognizes a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption and also provides lessors with a practical expedient, by class of underlying asset, to not separate non-lease components from the associated lease component and, instead, to account for those components as a single component; and which address sales and other similar taxes collected from lessees, certain lessor costs, and the recognition of variable payments for contracts with lease and non-lease components. Topic 842 (as amended) is effective for annual periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The company is currently assessing the effect that Topic 842 (as amended) will have on its results of operations, financial position and cash flows.

NOTE 14 - Subsequent Events

The company has evaluated all subsequent events through March 14, 2022, the date that the financial statements were available to be issued, for events requiring recording or disclosure in the company's financial statements. There were no subsequent events, occurring outside the normal course of business, noted during this time period.

EXHIBIT F

FRANCHISE AGREEMENT

TOPPERS PIZZA LLC
FRANCHISE AGREEMENT

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Exhibit A	Franchisee Ownership and Details
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Exhibit C	Lease Addendum
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Exhibit F	Search Area
Exhibit G	Electronic Funds Transfer Authorization Agreement

TOPPERS PIZZA LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “Agreement”) is entered into and made effective as of the date of the Company’s signature on the signature page (the “Effective Date”), by and between TOPPERS PIZZA LLC, a Wisconsin limited liability company (the company) and _____, a _____ (“Franchisee”).

RECITALS

A. The Company has developed a system (the “System”) for the establishment, development, and operation of pizza restaurants (the “Restaurants”) operating under trademarks, service marks, logos, and other commercial symbols, including without limitation, the Toppers Pizza® trademarks (the “Trademarks”). The System emphasizes convenience for on-premises consumption, carry-out, and delivery of pizza, breadsticks, and other pizza-related products and services approved by the Company, all prepared in accordance with specified recipes and procedures, Proprietary Products, Confidential Information, and/or special packaging and marketing techniques. The Restaurants feature certain distinctive features, accessories and color schemes, special recipes and menu items (including proprietary products and ingredients), uniform systems, procedures, methods, standards, specifications, inventory lists, marketing and advertising programs, operating methods, financial control concepts, training methods and teaching techniques.

B. Franchisee desires to obtain a franchise and license to use the Company’s System and Trademarks in conjunction with the operation of one (1) “Toppers Pizza” restaurant (the “Restaurant”), and the Company desires to grant to Franchisee a franchise and license in accordance with the terms and conditions of this Agreement, and the Operations Manual (as defined below) pertaining to the franchise.

AGREEMENT

NOW, THEREFORE, the parties, in consideration of the promises, undertakings, and commitments set forth in this Agreement, agree as follows:

1. GRANT OF FRANCHISE AND LICENSE

1.1 Grant of Franchise and License.

1.1.1 The Company hereby grants to Franchisee and Franchisee hereby accepts, a license to use and display the Trademarks, and the right to use the System, in connection with the operation of one (1) Restaurant at, and only at, the Location described below upon the terms and subject to the provisions of this Agreement and all ancillary documents thereto, during the Term of this Agreement.

1.1.2 The Company’s grant of a franchise and license to use the Company’s System and Trademarks is conditioned upon: (i) the Company’s written acknowledgment that the Restaurant conforms in all material respects to the System, (ii) the Company’s

written acknowledgment that Franchisee has completed the training specified in Sections 8.1 and 8.2 below, to the satisfaction of the Company, and (iii) the Company's written approval of all product suppliers and product specifications described in Section 7.1 below.

1.2 Corporation, Limited Liability Company, or Partnership. If Franchisee is at any time a corporation, limited liability company, or partnership (each, an "Entity"), Franchisee agrees and represents that: Franchisee will have the authority to execute, deliver, and perform its obligations under this Agreement and all related agreements and are duly organized or formed and are and will, throughout this Agreement's Term, remain validly existing and in good standing under the laws of the state of Franchisee's incorporation or formation;

1.2.2 Franchisee's organizational documents, operating agreement, or partnership agreement, as applicable, will recite that this Agreement restricts the issuance and transfer of any ownership interests in Franchisee, and all certificates and other documents representing ownership interests in Franchisee will bear a legend referring to this Agreement's restrictions;

1.2.3 Exhibit A to this Agreement completely and accurately describes all of Franchisee's owners and their interests in Franchisee as of the Effective Date;

1.2.4 Each of Franchisee's direct and indirect owners during this Agreement's Term and their spouses will execute a guaranty in the form Company prescribes undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between Franchisee and Company. Company's current form of guaranty is attached hereto as Exhibit E. Company confirms that a spouse who signs Exhibit E solely in his or her capacity as a spouse (and not as an owner) is signing that agreement merely to acknowledge and consent to the execution of the guaranty by his or her spouse and to bind the assets of the marital estate as described therein and for no other purpose (including, without limitation, to bind the spouse's own separate property). Subject to Company's rights and Franchisee's obligations under Section 9, Franchisee and its owners agree to sign and deliver to Company a revised Exhibit A to reflect any permitted changes in the information that Exhibit A now contains;

1.2.5 Franchisee must identify on Exhibit A one of its owners who is a natural person with at least 10% ownership interest and voting power in Franchisee and who will have the authority of a chief executive officer (the "Managing Partner"). Franchisee agrees to deliver to the Company a revised Exhibit A to accurately identify the Managing Partner should the identity of that person change during the Term of this Agreement as permitted hereunder; *provided, however*, Franchisee must obtain Company's prior written consent to change the identity of the Managing Partner, and failure to obtain the Company's prior written consent will be deemed a default of this Agreement giving rise to the Company's ability to terminate this Agreement immediately upon notice. Notwithstanding the foregoing, if the Restaurant has not yet opened for business, and the Managing Partner is unable to continue to serve as Managing Partner, the Company reserves the right to terminate this Agreement immediately upon notice.

1.2.6 The Managing Partner is authorized, on Franchisee's behalf, to deal with Company in all matters whatsoever which may arise with regard to this Agreement. Any decision made by the Managing Partner will be final and binding upon Franchisee, and Company will be entitled to rely solely upon the decision of the Managing Partner in any such dealings without the necessity of any discussions with any other party named in this Agreement. Company will not be held liable for any actions taken by Franchisee, based upon any decision or actions of the Managing Partner.

1.3 Minimum Liquidity and Government Programs. Franchisee will, at all times, maintain sufficient working capital reserves as necessary and appropriate to comply with Franchisee's obligations under this Agreement. On the Company's request, Franchisee will provide the Company with evidence of working capital availability. The Company reserves the right, from time to time, to establish certain levels of working capital reserves, and Franchisee will comply with such requirements. The Company may from time to time designate the maximum amount of debt that Restaurants may service, and Franchisee will comply with such limits. In addition, Franchisee agrees to apply for and diligently pursue any government-issued, government-sponsored, or governmental-guaranteed grants, non-recourse loans, and/or bailouts for which Franchisee qualifies and that are made available to small businesses as an economic stimulus.

2. FRANCHISED RESTAURANT

2.1 Franchised Restaurant.

2.1.1 The Restaurant shall be located within the search area identified on Exhibit F (the "Search Area") at a location selected by Franchisee and accepted by the Company, in the Company's sole discretion, provided that the location must be at least one (1) mile from the boundary edge of the Search Area. Franchisee agrees to use Company's designated real estate broker to locate a site for the Restaurant. The location of the Restaurant selected by Franchisee and accepted by the Company is referred to in this Agreement as the "Location." When the Location has been selected, the address of the Location will be added to and made a part of this Agreement as Exhibit D.

2.1.2 Following the execution of this Agreement, Franchisee shall select a proposed Location in the Search Area that meets the Company's then-current standards and specifications, as determined by the Company in the Company's sole subjective discretion, provided however, Franchisee shall not enter into any lease or purchase agreement for that proposed Location unless Franchisee has first (i) notified the Company in writing of the proposed Location and provided the Company with all information the Company may request concerning the proposed Location, and (ii) received the Company's written acceptance of the proposed Location, which Franchisee must obtain within 90 days after the Effective Date (the "Location Acceptance Deadline").

Franchisee shall acquire possession of a Location acceptable to the Company by signing a purchase agreement or approved lease within 180 days after the Effective Date (the "Location Acquisition Deadline"). If Franchisee fails to so purchase or lease the Location on or before the Location Acquisition Deadline, the Company shall have the right to terminate this Agreement in accordance with the provisions of Section 11.

Franchisee acknowledges and agrees that, if the Company recommends or gives Franchisee information regarding a location for the Restaurant, such recommendation or information is not a representation or warranty of any kind, express or implied, of the location's suitability for a Toppers Pizza restaurant or any other purpose. The Company's recommendation indicates only that the Company believes that the location meets its then-acceptable criteria which have been established for the Company's own purposes and are not intended to be relied on by Franchisee as an indicator of likely success. Applying criteria that have appeared effective with other locations and premises might not accurately reflect the potential for all locations, and demographic or other factors included in or excluded from the Company's criteria could change, even after the Company's acceptance of the Location or Franchisee's development of the Restaurant, altering the potential of a location and premises. The uncertainty and instability of these criteria are beyond the Company's control, and the Company is not responsible if a location and premises it recommends fail to meet Franchisee's expectations. Franchisee acknowledges and agrees that its acceptance of the franchise and selection of the Location are based on its own independent investigation of the location's suitability for the Location.

2.1.3 Location. If the Location is leased to Franchisee:

2.1.3.1 The lease shall be subject to the Company's prior acceptance. A true and correct copy of the proposed lease shall be delivered to the Company prior to Franchisee's execution thereof. If the proposed lease is not acceptable to the Company, Franchisee must either re-negotiate the proposed lease or negotiate a new lease for an alternate proposed Location. Following acceptance by the Company, and execution by Franchisee, Franchisee shall promptly deliver to the Company a fully executed copy of Franchisee's lease.

2.1.3.2 Franchisee shall duly and timely perform all of the terms, conditions, covenants and obligations imposed upon Franchisee under the lease.

2.1.3.3 As a condition of its acceptance of any proposed lease but not by way of limitation, the Company requires that the Lease Addendum attached hereto as Exhibit C, be (i) executed by Franchisee and the Location's landlord, and (ii) attached to and made a part of the lease.

2.1.3.4 The lease shall provide such other lease terms as the Company deems necessary for the benefit of the Company and the System.

2.2 Territorial Rights.

2.2.1 The license granted to Franchisee under this Agreement is nonexclusive and the Company expressly reserves the exclusive, unrestricted right, in its sole and absolute discretion, directly and indirectly, through its employees, affiliates, representatives, franchisees, assigns, agents and others:

2.2.1.1 to own or operate, and to franchise or license to others (which may include its affiliates and joint ventures in which the Company or its affiliates are

participants) the right to own or operate “Toppers Pizza” Restaurants, and restaurants operating under names other than “Toppers Pizza,” at any location, and of any type or category whatsoever, *provided, however*, in no event will the Company operate, or franchise or license others to operate, a “Toppers Pizza” Restaurant located within the Protected Area. Unless otherwise indicated on Exhibit D (or if Exhibit D is left blank), for the purposes of this Agreement, the “Protected Area” is that area within a circle having the Location at its center and a radius of one-half (0.5) mile, provided there are at least thirty thousand (30,000) households located within such area (as measured by a mutually acceptable third party) or, if there are fewer than thirty thousand (30,000) households in such area as of the Effective Date, then the radius of the circle shall be extended by one-eighth mile increments until there are either (i) thirty thousand (30,000) households in the area, or the area has a radius of one (1) mile. Franchisee acknowledges and agrees that in no event will the Protected Area exceed the boundaries of the Search Area;

2.2.1.2 to produce, license, distribute and market “Toppers Pizza” brand named products, including food and beverage products, clothing, souvenirs and novelty items, through any outlet whether or not operating under the “Toppers Pizza” name, including grocery stores and convenience stores (regardless of their proximity to the Location of the Restaurant opened pursuant to this Agreement), and through any distribution channel, at wholesale or retail, and/or by means of mail order catalogs, the Internet, direct mail advertising, and other distribution methods, and at a Special Venue Restaurant. A “Special Venue Restaurant” is (1) any kiosk, mobile facility or similar location or type of operation which, because of its inherent operational limitations, is required to offer a limited menu or have a materially different operating format as compared to a traditional Toppers Pizza Restaurant, (2) any location in which foodservice is or may be provided by a master concessionaire, and (3) any location which is situated within or as part of a larger venue or facility and, as a result, is likely to draw the predominance of its customers from those persons who are using or attending events in the larger venue or facility (for example, shopping malls, colleges/universities, convention centers, airports, hotels, sports facilities, theme parks, hospitals, transportation facilities, convenience stores, and other similar captive market locations);

2.2.1.3 to acquire, or be acquired by, (whether through acquisition of assets or ownership interests, regardless of the form of transaction), a business providing products and services similar to those provided at Restaurants, even if such business operates, franchises and/or licenses competitive businesses in the Protected Area; and

2.2.1.4 to engage in all other activities not expressly prohibited by this Agreement.

2.2.2 The Company will establish a delivery area for Franchisee (the “Delivery Area”) outside of which Franchisee may not offer delivery service. Franchisee will at all times during approved hours of operation offer delivery service to all customers located within the Delivery Area. The Company shall have the right to prescribe from time to time

adjustments, modifications, and changes to the boundaries of the Delivery Area to account for, among other things, changing market conditions, population changes and other relevant considerations, including but not limited to the existence of Special Venue Restaurants. Franchisee acknowledges that the Delivery Area may be different than the Protected Area.

2.2.3 Without limiting any other provisions of this Agreement, the Company, affiliates of the Company, entities under common ownership with the Company or franchisees or licensees of the Company may own and operate other food service or dining facilities, or deliver food and beverage products under any mark other than the “Toppers Pizza” trademark, at any location or in any area, including, but not limited to the Delivery Area and the Protected Area.

2.3 Construction, Renovation, and Opening.

2.3.1 After Franchisee signs a lease for or closes its acquisition of the Location, Franchisee shall, at Franchisee’s sole cost and expense, begin the construction, and equipping of the Restaurant at the Location in accordance with the Company’s standards then in effect for new “Toppers Pizza” restaurants. Subject to the conditions of this Agreement, Franchisee must open the Restaurant within 180 days after Franchisee signs a lease or acquires the Location (the “Opening Deadline”).

Notwithstanding the foregoing, Franchisee may not open the Restaurant until:

2.3.1.1 the Company notifies Franchisee in writing that the Restaurant meets the Company’s standards and specifications (although the Company’s acceptance is not a representation or warranty, express or implied, that the Restaurant complies with any engineering, licensing, environmental, labor, health, building, fire, sanitation, occupational, landlord’s, insurance, safety, tax, governmental, or other statutes, laws, ordinances, rules, regulations, requirements, or recommendations, nor is the Company’s acceptance a waiver of the Company’s right to require continuing compliance with the Company’s requirements, standards, or policies);

2.3.1.2 Franchisee (or its owners), the Restaurant Manager, and the Managing Partner, satisfactorily complete the Investor-Owner Training and/or Initial Training and New Operator Training (if applicable) (described in Sections 8.1 and 8.2);

2.3.1.3 Franchisee pays the Initial Fee (described in Section 4.1) and all other amounts then due to the Company;

2.3.1.4 Franchisee obtains all required insurance policies (as described in Section 7.5);

2.3.1.5 Franchisee obtains all required supplies and opening inventory for the Restaurant;

2.3.1.6 Franchisee obtains all customary contractors' sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services; and

2.3.1.7 Franchisee meets all regulatory requirements, including all state and local professional regulations.

The date that the Restaurant first opens for business shall be referred to herein as the "Opening Date."

2.3.2 Prior to the renovation or construction of the Restaurant and Location, the Company shall provide Franchisee with copies of the Company's specifications for the design and layout of the Restaurant and required fixtures, equipment, furnishings, decor, and signs. Franchisee shall, in all respects, comply with all of Company's specifications for the design and layout of the Restaurant and required fixtures, equipment, furnishings, decor, and signs. Franchisee shall employ architects and general contractors of its own selection, and at its sole cost and expense, to prepare such architectural, engineering and construction drawings and site plans, and to obtain all permits and approvals, required to construct, remodel, renovate, and/or equip the Restaurant and Location. All such plans shall be submitted to the Company for its prior review and acceptance before Franchisee's commencement of construction. If the Company accepts Franchisee's plans, Franchisee shall start construction in accordance with the provisions of this Section 2.3.2. If the Company does not accept Franchisee's plans, Franchisee must revise its plans and re-submit the revised plans to comply for acceptance. When completed, the Restaurant and Location shall in all respect comply with the Company's specifications for the Restaurant.

2.3.3 The Company shall have the right at all times to inspect and examine the Location and any fixtures, signs, furnishings and equipment for the purpose of insuring compliance with the Company's standards and specifications.

2.3.4 If the Restaurant represents Franchisee's (or its affiliate's) first Toppers Pizza restaurant to be developed, Franchisee shall be required to enter into a project management agreement with the Company pursuant to which the Company will provide certain project management assistance in connection with the construction of the Restaurant as more fully described in the project management agreement.

2.3.5 If Franchisee fails to meet the Opening Deadline and wishes to extend the deadline to have the Restaurant open and operating, the Company may, in its sole discretion, grant Franchisee a one-time, six-month extension to have the Restaurant open and operating (the "Opening Extension"), which extension will expire automatically on the date that is six months after the Opening Deadline (the "Extended Opening Deadline"). In exchange for the Company's grant of the Opening Extension, Franchisee agrees, prior to the Opening Deadline, to pay the Company a nonrefundable extension fee of Five Thousand Dollars (\$5,000) ("Extension Fee"). Notwithstanding the foregoing, nothing contained in this Section 2.3.5 shall be deemed a waiver of the Company's right to terminate this Agreement if Franchisee fails to meet the Opening Deadline.

2.4 Maintaining and Remodeling of Restaurant.

2.4.1 Maintenance. Franchisee agrees to maintain the condition and appearance of the Restaurant consistent with the image of “Toppers Pizza” Restaurants as attractive, clean, and efficiently operated restaurants, offering high-quality food products and beverages, efficient and courteous service, and pleasant ambiance. Franchisee agrees to accomplish such maintenance of the Restaurant, and such modifications and additions to its layout, decor and general theme, as is required from time to time to maintain such condition, appearance, efficient operation, ambiance and overall image, including without limitation, replacement of worn out or obsolete fixtures, equipment, furniture, signs and utensils, repair of the interior and exterior of the Restaurant and appurtenant parking areas (if any), and periodic cleaning and redecorating. Such maintenance shall not be deemed to constitute remodeling, as set forth below. If at any time in the Company’s reasonable judgment, the Company determines that the general state of repair, appearance or cleanliness of the Restaurant (including parking areas) or its fixtures, equipment, furniture, signs or utensils do not meet the Company’s standards therefor, Franchisee shall promptly correct such deficiency.

In the event the Restaurant is damaged or destroyed by fire or any other casualty, Franchisee, within thirty (30) days thereof, shall initiate such repairs or reconstruction, and thereafter in good faith and with due diligence continue (until completion) such repairs or reconstruction, in order to restore the Restaurant to its original condition prior to such casualty. If, in the Company’s reasonable judgment, the damage or destruction is of such a nature or to such extent that it is feasible for Franchisee to repair or reconstruct the Restaurant in conformance with the then-current “Toppers Pizza” decor specifications, the Company may require Franchisee, by giving written notice thereof, repair or reconstruct the premises of the Restaurant in conformance with the then-current System decor specifications.

2.4.2 Remodel. Within six (6) months of receipt of written notice from the Company and prior to any renewal or extension of the Term of this Agreement, Franchisee shall, at Franchisee’s sole cost and expense, refurbish, remodel and improve the Restaurant and Franchisee’s building design, trade dress, color schemes, and presentation of Trademarks to conform with the Company’s then-current System Standards (defined in Section 7.3) and specifications for Restaurants. Such a remodeling may include extensive structural changes to the Restaurant fixtures and improvements as well as such other changes as the Company may direct, and Franchisee shall undertake such a program promptly upon notice from the Company. If Franchisee plans to enter into a Renewal Franchise Agreement as provided for in Section 3.2, Franchisee shall complete the remodeling contemplated in this Section 2.4.2 before the expiration of the Term under this Agreement and before the commencement of the renewal term under the Renewal Franchise Agreement.

2.4.3 Equipment. In addition to Franchisee’s obligations under Sections 2.4.1 and 2.4.2, Franchisee shall, at all times during the Term, renovate, refurbish, remodel, or replace, at Franchisee’s expense, the real and personal property and equipment used in operating the Restaurant when reasonably required by the Company in order to comply

with the image, standards of operation, and performance capability the Company establishes from time to time. If the Company changes its image or standards of operation, the Company shall give Franchisee a reasonable period of time within which to comply with such changes.

2.5 Relocation. If during the Term of this Agreement, Franchisee desires to relocate the Restaurant, then any such relocation shall be in accordance with the provisions of this Agreement.

2.5.1 Franchisee shall give the Company written notice of Franchisee's desire to relocate the Location. Said written notice will include a relocation review fee of \$1,500 and a comprehensive written explanation as to why Franchisee desires to relocate the Location. Within thirty (30) days after the Company's receipt of said written notice the Company shall notify Franchisee that (i) the Company is rejecting Franchisee's request to relocate Franchisee's Location, in which event Franchisee's Location will not change, or (ii) the Company will allow Franchisee to relocate, but only on the condition that Franchisee and the Company jointly agree on a new Location for the Restaurant. If Franchisee does not receive the Company's written acceptance within such thirty (30) day period, then the relocation is deemed not accepted.

2.5.2 If the Company and Franchisee agree that Franchisee may try to relocate the Restaurant, any such relocation shall generally be within the Protected Area. If the Company and Franchisee are able to identify a new Location for the Restaurant, the Company and Franchisee may adjust the Protected Area and the Delivery Area for that Location, provided however, no such adjustment will infringe on the Protected Area or Delivery Area of another Toppers Pizza Restaurant.

2.5.3 If the Restaurant is relocated under this Section 2.5, then this Agreement shall be amended by Franchisee and the Company to reflect the new Location and the new Protected Area and the Delivery Area.

3. TERM OF FRANCHISE AGREEMENT

3.1 Term. Unless sooner terminated in accordance with the provisions of this Agreement, the term of this Agreement shall commence upon the Effective Date and shall expire ten (10) years from the Opening Date (the "Term").

3.2 Renewal.

3.2.1 Subject to Section 3.4, Franchisee shall have the opportunity, at the expiration of the Term, to enter into a new franchise agreement in the form then being offered to prospective "Toppers Pizza" franchisees in the state in which the Restaurant is located (the "Renewal Franchise Agreement"), which may contain provisions that differ materially from any and all of those contained in this Agreement, for two additional five (5) year terms. Except as specifically provided in this Section 3.2, neither party has renewal rights or options, nor any expectation of renewal or option.

3.2.2 There will be no renewal fees if Franchisee decides to renew at the expiration of the Term of this Agreement.

3.3 Form and Manner of Renewal. If Franchisee desires to exercise its right to enter into the Renewal Franchise Agreement (the “Renewal Right”), it shall do so in the following manner:

3.3.1 Not less than nine (9) months nor more than twelve (12) months prior to the expiration of the Term, Franchisee shall, in writing, notify the Company of Franchisee’s intent to exercise its Renewal Right and request from the Company a copy of its then-current Franchise Disclosure Document (including its then-current franchise agreement).

3.3.2 Franchisee shall execute the then-current form of franchise agreement and return same to the Company within thirty (30) days of receipt of such agreement from the Company.

3.3.3 If Franchisee shall fail to perform any of the acts, or deliver any of the notices required pursuant to the provisions of Sections 3.3.1 and 3.3.2 above, in a timely fashion, such failure shall be deemed an election by Franchisee not to exercise its right and option to enter into a Renewal Franchise Agreement, and such failure shall cause Franchisee’s said right and option to automatically lapse and expire.

3.4 Conditions Precedent to Renewal. Franchisee’s right to enter into one or more Renewal Franchise Agreement(s), in accordance with the provisions of Section 3.3, is conditioned upon Franchisee’s fulfillment of each and all of the following conditions precedent:

3.4.1 At the time Franchisee notifies the Company of its election to renew pursuant to Section 3.3.1 above and at all times from such notification to the time of the commencement of the term of the Renewal Franchise Agreement, Franchisee shall have fully performed all of its obligations under this Agreement, the Operations Manual and under all other agreements which may during said period be in effect between Franchisee (or any of its affiliates) and the Company (or any of its affiliates).

3.4.2 Franchisee shall have not committed two (2) or more breaches of this Agreement during any twenty-four (24) month period during the Term of this Agreement, for which the Company shall have delivered notices of default, whether or not such defaults were cured.

3.4.3 Franchisee shall have obtained the right to continue to occupy the Restaurant following the expiration of the Term hereof.

3.4.4 Without limiting the provisions of Section 3.4.1, prior to the first day of any renewal term granted under Section 3.2, Franchisee shall have completed its remodeling of the Restaurant in accordance with the provisions of Section 2.4.2.

3.4.5 Franchisee and its owners agree to sign general releases, in a form satisfactory to the Company, of any and all claims against the Company, its affiliates, and

the Company's and its affiliates' owners, officers, directors, employees, agents, successors, and assigns.

3.4.6 Franchisee must be in compliance with all monetary obligations to Company, its affiliates, and to all vendors, suppliers, lessors, and governmental and taxing authorities as of the end of the Term.

3.4.7 Unless the Company has previously granted written consent to Franchisee to relocate the Location of the Restaurant, before any applicable deadlines set forth in the lease for the Location, Franchisee has delivered written notice to the landlord of the Location of Franchisee's intention to renew the term of the lease for a term of at least as long as the contemplated renewal term.

4. PAYMENTS BY FRANCHISEE

4.1 Initial Franchise Fee.

4.1.1 Franchisee shall pay to the Company the sum of Thirty Thousand Dollars (\$30,000) as an initial franchise fee (the "Initial Fee") upon the execution of this Agreement. Except as provided in Section 8.2.3, the Initial Fee is not refundable in whole or in part. The Initial Fee shall be deemed fully earned upon the execution of this Agreement.

4.1.2 The Initial Fee will be reduced to: (a) Twenty Thousand Dollars (\$20,000) for an applicant who is an existing franchisee then operating one (1) or two (2) Toppers Pizza restaurants; (b) Fifteen Thousand Dollars (\$15,000) for an applicant who is an existing franchisee then operating three (3) or four (4) Toppers Pizza restaurants; and (c) Ten Thousand Dollars (\$10,000) for an applicant who is an existing franchisee then operating five (5) or more Toppers Pizza restaurants.

4.1.3 If Franchisee has executed this Agreement in connection with a transfer of an existing franchisee's Restaurant to Franchisee, no Initial Fee shall be payable, however, the transferor or Franchisee must pay the Company the transfer fee required under the transferor's franchise agreement.

4.2 Continuing Royalty. Franchisee shall pay to the Company a continuing royalty (the "Continuing Royalty") equal to five and one-half percent (5.5%) of Gross Sales in accordance with Section 4.8 below.

4.3 Brand Development Fund Fee. Franchisee shall pay to the Company, concurrently with the submission of Franchisee's Continuing Royalty payment as described in Section 4.2 above, an "Brand Development Fund Fee" in an amount currently equal to three and three-tenths percent (3.3%) of Franchisee's Gross Sales but subject to the Company's right to increase as described in Section 6.7, which shall be contributed to the Company's Brand Development Fund (as described in Section 6.6).

4.4 Technology Fee. Franchisee shall pay the Company a weekly “Technology Fee” in an amount currently equal to two percent (2%) of Franchisee’s Online Gross Sales for the immediately preceding week. At any time, upon notice to Franchisee, the Company may increase the amount of the Technology Fee; *provided, however*, in no event shall the Technology Fee exceed two and one-half percent (2.5%) of Franchisee’s Online Gross Sales for the immediately preceding week. For purposes of this Agreement, “Online Gross Sales” shall mean Gross Sales derived from orders placed via the Online Ordering System (defined in Section 7.10).

4.5 Other Payments. In addition to all other payments provided herein, Franchisee shall pay to the Company, its subsidiaries, affiliates, and designees, and all suppliers to whom the Company has guaranteed Franchisee’s performance or payment, as applicable, promptly when due:

4.5.1 The amount of all sales taxes, use taxes, personal property taxes, and similar taxes, imposed upon Franchisee and required to be collected or paid by the Company on account of goods or services furnished by Franchisee by sale, lease, or otherwise, or on account of Royalties or Initial Fees collected by the Company from Franchisee, except as prohibited by applicable law.

4.5.2 All amounts advanced by the Company or which the Company has paid, or for which the Company has become obligated to pay on behalf of Franchisee for any reason whatsoever.

4.5.3 All sums due on account of the purchase of products or services by Franchisee.

4.6 Gross Sales. The term “Gross Sales” as used in this Agreement means all sums or value received or receivable by Franchisee, directly or indirectly, in cash, exchange or barter, from or in connection with the operation of the Restaurant, excluding monies collected for taxes chargeable to customers by law. Gross Sales shall include, without limitation, revenues generated from the sale of food, beverages, and other goods and products (including vending machines, games, slot machines, automated teller machines, amusement rides, and telephones, which shall in any event be subject to the Company’s prior written approval), and from the rendering of services of any kind or nature, at or from the Restaurant, or under, or in any way connected with the use of, the Trademarks, whether for cash, credit, or barter (the Gross Sales amount from any barter shall equal the fair market value of that barter). Company includes gift certificate, gift card or similar program payments in Gross Sales when the gift certificate, gift card, other instrument or applicable credit is redeemed. Gross Sales also include all insurance proceeds Franchisee receives for loss of business due to a casualty to or similar event at the Restaurant. There shall be deducted from Gross Sales for purposes of said computation (but only to the extent that they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged, and the amount of any reasonable, actual and verifiable refunds, rebates, over-rings, and allowances given to customers in good faith.

4.7 Reporting.

4.7.1 The Company reserves the right to require Franchisee, by the Tuesday of each week during the Term of this Agreement, to submit a weekly sales summary, on a form prescribed by the Company, reporting all Gross Sales for each day of the preceding week, together with such additional financial and operational information as the Company may from time to time request. For purposes of this Agreement, a “week” begins on Monday and ends on Sunday.

4.7.2 By the fourth Wednesday after the close of each four-week period, Franchisee shall submit to the Company financial statements for that four-week period, including a balance sheet and profit and loss statement prepared in the form and manner prescribed by the Company and in accordance with generally accepted accounting principles, which shall be certified by Franchisee to be accurate and complete. For purposes of this Agreement, the “four-week periods” begin and end on the dates established by the Company in the Operations Manual.

4.7.3 Within forty-five (45) days following the end of each calendar year, Franchisee shall submit to the Company an unaudited annual financial statement prepared in accordance with generally accepted accounting principles, and in such form and manner prescribed by the Company, which shall be certified by Franchisee to be accurate and complete.

4.7.4 On the Company’s request, Franchisee shall promptly provide: sales tax reports, computerized or hand-calculated weekly summaries, and “exceptions” reports for any reporting period(s) required by the Company, by internet, facsimile or by other method requested by the Company; and other information and financial reports as Company reasonably requests regarding Franchisee and the Restaurant.

4.8 Payments.

4.8.1 By Friday of each week, Franchisee shall pay the Company the full amount of:

4.8.1.1 the Continuing Royalty due to the Company for the preceding week; and

4.8.1.2 the Brand Development Fund Fee due to the Company for the preceding week; and

4.8.1.3 Cooperative Advertising Fees (as defined in Section 6.3.2) for the preceding week; and

4.8.1.4 the Technology Fee for the preceding week.

4.8.2 Payments pursuant to this Section 4.8 will be automatically withdrawn by the Company from Franchisee’s account by electronic funds transfer on Friday of each week based on the information provided in Section 4.7.1. If the Gross Sales calculated

under Section 4.7.2 exceed the Gross Sales previously calculated under Section 4.7.1, the Continuing Royalty, the Brand Development Fund Fee and all other fees calculated based on Gross Sales shall be re-calculated based on the information provided under Section 4.7.2, and the difference between the payment amounts previously made by Franchisee pursuant to Section 4.7.1 and the payment amounts calculated under Section 4.7.2 will be automatically withdrawn by the Company from Franchisee's account by electronic funds transfer. To facilitate the electronic withdrawals provided for in this Section 4.8.2 and elsewhere in this Agreement, in conjunction with the execution of this Agreement, Franchisee and the Company shall execute an electronic funds transfer form with a pre-signed withdrawal authorization (the "EFT Authorization") that will allow the Company to directly withdraw from one or more accounts designated by Franchisee all amounts due from Franchisee to the Company under or by reason of this Agreement. (The Company's current form of EFT Authorization is attached as Exhibit G hereto. The Company reserves the right to change this form at any time and Franchisee may be required to sign such new version of the form.)

4.8.3 Without limiting the provisions of Section 4.8.2 above, Franchisee shall pay any and all amounts due to the Company from Franchisee by electronic funds transfer. Franchisee hereby authorizes the Company to withdraw amounts owed by Franchisee to the Company for whatever reason, from Franchisee's account(s) by electronic funds transfer. The Company may require Franchisee to pay any amounts due under this Agreement by means other than the EFT Authorization (*e.g.*, by check) whenever the Company deems appropriate, and Franchisee agrees to comply with the Company's payment instructions. All amounts payable by Franchisee to Company must be in United States Dollars.

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

4.10 Interest on Late Payments. If Franchisee fails to pay to the Company the entire amount of Franchisee's Continuing Royalties, Brand Development Fund Fee, Technology Fee, or any other sums owed to the Company, promptly when due, Franchisee shall pay to the Company, in addition to all other amounts which are due but unpaid, interest on the unpaid amounts, from the due date thereof, at the rate of eighteen percent (18%) per year, or the highest rate allowable under applicable law, whichever is less.

4.11 Audit Expenses.

4.11.1 If the Company should cause an audit to be made and the Gross Sales as shown by Franchisee's records for any four-week reporting period should be found to be understated by more than one-half of one percent (0.5%), (i) Franchisee shall pay to the Company all amounts shown to be due but unpaid plus an amount equal to five percent (5%) of the understated amount, (ii) Franchisee shall be responsible for and shall immediately pay to the Company the cost of such audit (otherwise, the cost of such audit

shall be paid by the Company), and (iii) from and after the date of the audit, Franchisee will be required to submit annual audited financial statements to Company. If the audit shows that Gross Sales have been understated by one-half of one percent (0.5%) or less, then Franchisee shall pay the Company only the understated amount.

4.11.2 If the Company should cause an audit to be made and the Gross Sales as shown by Franchisee's records for any four-week reporting period should be found to be understated by more than five percent (5%) then, in addition to its rights under Section 4.11.1, the Company may terminate this Agreement. If audits show that Gross Sales as shown by Franchisee's records have been understated by more than one-half of one percent (½%) on more than three occasions in a thirty-six (36) month period, then the Company may terminate this Agreement.

4.12 Insufficient Funds. If any payment made by Franchisee under this Agreement is not funded by Franchisee's financial institution because of "insufficient funds," then in addition to the interest due under Section 4.10, Franchisee shall pay the Company an insufficient funds fee in the amount of Fifty Dollars (\$50) or the highest rate allowable under applicable law, whichever is lower.

5. TRADEMARKS

5.1 Non-ownership of Trademarks. No term or condition in this Agreement shall give Franchisee any right, title or interest in or to any of the Trademarks, except a mere privilege and license during the Term of this Agreement, to display and use the same according to the terms and conditions contained in this Agreement.

5.2 Use of Trademarks.

5.2.1 Subject to Section 5.7, Franchisee agrees that the Restaurant herein licensed and franchised shall be named "Toppers Pizza" without any suffix or prefix attached thereto and that Franchisee shall use and display such of the Company's Trademarks and such signs, advertising and slogans as the Company may from time to time prescribe or approve. If Franchisee maintains an office separate from the Restaurant, the Company may, in the Company's reasonable discretion, consent to Franchisee's use of the Trademarks in the signage for Franchisee's office.

5.2.2 Upon expiration or sooner termination of this Agreement, the Company may, if Franchisee does not do so, execute in Franchisee's name and on Franchisee's behalf, any and all documents necessary in the Company's judgment to end and cause the discontinuance of Franchisee's use of the Trademarks and the Company is hereby irrevocably appointed and designated as Franchisee's attorney-in-fact so to do.

5.3 Non-Use of Trade Name. If Franchisee is an Entity, it shall not use the Company's Trademarks, or the Company's trade name, the words "Toppers Pizza" or any words or symbols which are confusingly similar to the Trademarks, as all or part of Franchisee's name.

5.4 Use of Other Trademarks. Franchisee shall not display the trademark, service mark, trade name, insignia or logotype of any other person or Entity in connection with the operation of the Restaurant without the express prior written consent of the Company, which may be withheld in its sole subjective discretion.

5.5 Defense of Trademarks. If Franchisee receives notice, or is informed, of any claim, suit or demand against Franchisee on account of any alleged infringement, unfair competition, or similar matter on account of its use of the Trademarks in accordance with the terms of this Agreement, Franchisee shall promptly notify the Company of any such claim, suit or demand. Thereupon, the Company shall take such action as it may deem necessary and appropriate to protect and defend Franchisee against any such claim by any third party and shall indemnify Franchisee against any loss, costs or expenses incurred in connection with the defense of infringement claims by third parties arising from Franchisee's use of the Trademarks in accordance with the terms of this Agreement. The Company shall not, however, indemnify against, pay, or reimburse any loss, cost or expense related to any change in Franchisee's business identity, including, but not limited to, consequential economic losses arising from restrictions on the use of the Company's trademarks. Franchisee shall not settle or compromise any such claim by a third party without the prior written consent of the Company. The Company shall have the sole right to defend, compromise or settle any such claim, in its discretion, at the Company's sole cost and expense, using attorneys of its own choosing, and Franchisee agrees to cooperate fully with the Company in connection with the defense of any such claim. Franchisee may participate at its own expense in such defense or settlement, but the Company's decisions with regard thereto shall be final.

5.6 Prosecution of Infringers. If Franchisee receives notice or is informed or learns that any third party, which it believes to be unauthorized to use the Trademarks, is using the Trademarks or any variant thereof, Franchisee shall promptly notify the Company of the facts relating to such alleged infringing use. Thereupon, the Company shall, in its sole discretion, determine whether or not it wishes to take any action against such third person on account of such alleged infringement of the Trademarks. Franchisee shall have no right to make any demand against any such alleged infringer or to prosecute any claim of any kind or nature whatsoever against such alleged infringer for or on account of such infringement.

5.7 Modification of Trademarks. From time to time, in the Operations Manual, in directives or bulletins supplemental thereto, or otherwise in writing, the Company may add, delete, change, or modify any or all of the Trademarks. Franchisee shall use, or cease using, as may be applicable, the Trademarks, including but not limited to, any such modified or additional trade names, trademarks, service marks, logotypes and commercial symbols, in strict accordance with the procedures, policies, rules and regulations contained in the Operations Manual or in written directives issued by the Company to Franchisee, as though they were specifically set forth in this Agreement.

5.8 Acts in Derogation of the Trademarks. Franchisee agrees that the Trademarks are the exclusive property of the Company and Franchisee now asserts no claim and will hereafter assert no claim to any goodwill, reputation or ownership thereof by virtue of Franchisee's licensed and/or franchised use thereof. Franchisee agrees that it will not do or permit any act or thing to be done in derogation of any of the rights of the Company in connection with the same, either during

the Term of this Agreement or thereafter, and that it will use the Trademarks only for the uses and in the manner licensed and/or franchised hereunder and as herein provided.

Franchisee further agrees not to (and to use its best efforts to cause its current and former shareholders, members, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, affiliates, successors and assigns not to) disparage or otherwise speak or write negatively, directly or indirectly, of the Company, its affiliates, any of the Company's or its affiliates' owners, directors, officers, employees, representatives or affiliates, the Toppers Pizza brand, the System, any Toppers Pizza restaurant, any business using the Trademarks, or take any action which would subject the Toppers Pizza brand to ridicule, scandal, reproach, scorn, or indignity, which would negatively impact the goodwill of the Company or the Toppers Pizza brand, or would constitute an act of moral turpitude.

5.9 Assumed Name Registration. If Franchisee is required to do so by any statute or ordinance, Franchisee shall promptly upon the execution of this Agreement file with applicable government agencies or offices, a notice of its intent to conduct its business under the name "Toppers Pizza." Promptly upon the expiration or termination of this Agreement for any reason whatsoever, Franchisee shall promptly execute and file such documents as may be necessary to revoke or terminate such assumed name registration, and if Franchisee fails to promptly execute and file such documents as may be necessary to effectively revoke and terminate such assumed name registration, Franchisee hereby irrevocably appoints the Company as its attorney-in-fact to do so for and on behalf of Franchisee.

5.10 Website. Franchisee shall not establish or maintain a website or any other electronic communication or Internet site ("Website") using any domain name containing any of the Company's Trademarks or any domain name using any mark that is similar to any of the Trademarks, unless Franchisee has first obtained the Company's written consent. Franchisee shall not promote or advertise the Toppers Pizza System, any of the Toppers Pizza trademarks or the Restaurant on the Internet or on any other computer network without the Company's prior written consent. Before listing the Location on any Website, Franchisee shall secure the Company's prior written consent as to the Website, any links between said Website and any other Website, and any material to be placed on any Website. Franchisee acknowledges and agrees that the Company's right to approve all materials is necessitated by the fact that those materials will include and be linked to the Company's trademarks. Any use of the Company's trademarks on the World Wide Web, the Internet or any other computer network must conform in all respects to the Company's requirements.

The Company has the right to withhold its consent, in its sole discretion, and at any time withdraw any prior consents or modify its requirements. If at any time Franchisee desires to change any material or links that the Company has approved, all modifications must also be approved in writing by the Company.

If the Company approves Franchisee's Website, Franchisee may not (without a legal license or other legal right) post on its Website(s) any material in which any third party has any direct or indirect ownership interest, including video clips, photographs, sound bites, copyrighted text, trademarks, or service marks, or any other text or image in which any third party may claim intellectual property ownership interests. Franchisee's Website must link to a privacy policy that

complies with all applicable laws and any other terms and conditions that the Company may prescribe. Franchisee must also incorporate on its Website(s) any other information the Company requires in the manner the Company considers necessary to protect the Company's trademarks.

Upon expiration or termination of this Agreement, Franchisee must irrevocably assign and transfer to the Company (or its designees) any and all interests Franchisee may have in any Website or domain name owned, maintained or operated by Franchisee in connection with the Restaurant and delete any references to the Company trademarks from any Website(s) that Franchisee continues to own, maintain or operate.

5.11 Social Media and Online Presence. Franchisee must comply with the standards developed by the Company for the System, in the manner directed by the Company in the Operations Manual or otherwise in writing, with regard to the authorization to use, and use of, blogs, common social networks (including Facebook®, Snapchat®, and Instagram®), professional networks (including LinkedIn®), live blogging tools (including Twitter®), virtual worlds, file , audio and video sharing sites, email addresses, usernames, and other similar social networking media or tools or online presence ("Online Presence") that in any way references the Trademarks or involves the System, Restaurants, or Franchisee's business. These policies may, for instance, allow the Company to maintain administrative privileges over any Online Presence associated with Franchisee's Restaurant (for instance, by acting as the administrator of Facebook's "Locations" functionality or any similar "parent-child" functionality for any other site on which Franchisee has an Online Presence). The Company shall own the rights to each such Online Presence. At the Company's request, Franchisee shall take whatever action (including signing assignments or other documents) the Company requests to evidence the Company's ownership of such Online Presence or to help the Company obtain exclusive rights in such Online Presence.

6. ADVERTISING AND PROMOTION

6.1 General. Franchisee shall conduct all local advertising and promotion in accordance with such provisions with respect to format, content and media as are from time to time contained in the Operations Manual or in any bulletins or other communications generated by the Company. The Company reserves the right to require prior written approval of advertising material used by Franchisee.

6.2 Local Advertising.

6.2.1 During a period commencing thirty (30) days before and ending sixty (60) to one hundred eighty (180) days after the Opening Date, Franchisee shall expend between \$8,000 to \$11,000 for a Market Introduction Program, pursuant to a market introduction template prepared by the Company. The Company will determine the exact amount of the required expenditure under the Market Introduction Program, and the Company shall approve Franchisee's Market Introduction Program, which approval will not be unreasonably withheld, conditioned or delayed.

6.2.2 In addition to the Brand Development Fund Fees required to be paid by Franchisee pursuant to Section 4.3, Franchisee shall expend an amount not less than three and seven-tenths percent (3.7%) of its Gross Sales during each annual period for local

advertising relating to Franchisee's Restaurant (the "Local Advertising Expenditure") but subject to the Company's right to increase as described in Section 6.7; *provided, however*, for the first annual period commencing on the Opening Date, Franchisee shall expend no less than \$65,000 (the "First Year Local Ad Spend Amount"), even if such figure exceeds three and seven-tenths percent (3.7%) of its Gross Sales for such period. To the extent the aggregate annual amount of Franchisee's Brand Development Fund Fee and Local Advertising Expenditure is less than the First Year Local Ad Spend Amount, Franchisee shall expend an amount toward local advertising such that the sum of the Brand Development Fund Fee plus the amount expended on local advertising equals the First Year Local Ad Spend Amount.

6.2.3 If you fail to meet your minimum Local Advertising Expenditure requirement during an annual period, we may require you to pay the difference between the amount you were required to spend and your actual Local Advertising Expenditures to the Brand Development Fund, within three months of the end of the annual period.

6.3 Cooperative Advertising Program.

6.3.1 The Company has the right at any time, and from time to time, in its sole discretion, to create a cooperative advertising program (each a "Cooperative Advertising Program") among the Restaurants (both franchised and the Company-affiliated Restaurants) located in a marketing area to be determined by the Company (each an "Advertising Region"). The Advertising Region may be local, regional, or national as determined by the Company. The Company shall, in its sole discretion, establish an incorporated or unincorporated association made up of the owners of the Restaurants in one or more such Advertising Region to administer the Cooperative Advertising Program for that Advertising Region (each an "Association"). Each Association shall spend the funds provided pursuant to Section 6.3.2 to effectuate the Cooperative Advertising Program in the Advertising Region(s). If and when the Company creates an Advertising Region for the region in which the Restaurant is located, Franchisee shall become a member of and participate in the Association for the Advertising Region in accordance with the terms of this Agreement and the organizational documents prepared by the Company for that Association. The size and content of each Association and Advertising Region, when and if established by the Company, shall be binding upon Franchisee and the owners of all other "Toppers Pizza" franchisees similarly situated who are required by the terms of their franchise agreements to so participate. The Company shall have the right, in its sole discretion, to change, dissolve, or merge any Association or Advertising Region. If, at the time of Franchisee's execution of this Agreement, an Advertising Region and/or Association has been established for the region in which Franchisee's Restaurant is to be located, Franchisee shall, upon execution of this Agreement, become a member of and participate in the Association for that Advertising Region, and Franchisee shall make the payments required under Section 6.3.2 with respect to that Association.

6.3.2 Franchisee shall contribute to any Association in which it is a member such amounts required by the documents governing the Association ("Cooperative Advertising Fees"); *provided, however*, Franchisee will not be required to contribute more than the amount specified in Section 6.7 unless the members of the Association agree to a higher

amount pursuant to the organizational documents of the Association or a supermajority of active franchisees in the System agree to a higher amount.

6.3.3 Cooperative Advertising Fees paid by Franchisee to any Association in which it is a member shall be credited against Franchisee's Local Advertising Expenditure obligation set forth in Section 6.2.

6.4 Telephone Numbers, Directory Advertising and Online Directories. Franchisee shall at its sole expense (in addition to required expenditures for local advertising, Cooperative Advertising, and Brand Development Fund contributions) subscribe for and maintain throughout the Term, or such lesser period designated by the Company, one or more unlisted telephone numbers which shall be used to process credit card approvals, and to communicate with the Company's personnel. In addition, throughout the Term, or such lesser period designated by the Company, Franchisee shall at its sole expense subscribe for and maintain throughout the Term, one or more listed telephone numbers which shall be used to receive orders from customers, and cause such number(s) to be listed for the Restaurant in the white pages and yellow pages of such telephone directory or directories as the Company may designate or approve, which service Franchisee's Territory and adjacent or nearby areas. Franchisee must also list Franchisee's Restaurant with the online directories and consumer review websites that Company periodically prescribes (such as Yelp® and Google®).

6.5 Promotional Campaigns. From time to time during the Term of this Agreement, the Company may establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation promote particular products or marketing themes. Franchisee agrees to participate in such promotional campaigns upon such terms and conditions as the Company may establish. Franchisee acknowledges and agrees that in addition to funds expended from the Brand Development Fund, such participation may require Franchisee to purchase point-of-sale advertising material, posters, flyers, product displays and other promotional material, or to offer goods and services for sale at discounted prices that may be set by the Company. Nothing herein shall be construed to require Franchisee to charge any prices for the good and services offered at Franchisee's Restaurant other than those determined by Franchisee in its sole and absolute discretion.

6.6 Brand Development Fund.

6.6.1 The Company shall administratively segregate on its books and records all Brand Development Fund Fees received from Franchisee and all other franchisees of the Company. Nothing herein shall be deemed to create a trust fund, and the Company may commingle Brand Development Fund Fees with its general operating funds and expend such sums in the manner herein provided. Certain Franchisees of the Company may not be required by the terms of their agreements to contribute to the Brand Development Fund. For each Restaurant that the Company or any of its affiliate operates, the Company or such affiliate will similarly allocate to the Brand Development Fund the amount that would be required to be contributed to the Brand Development Fund if it were a franchised Restaurant.

6.6.2 If less than the total of all contributions and allocations to the Brand Development Fund are expended during any fiscal year, such excess may be accumulated for use during subsequent years. If the Company advances money to the Brand Development Fund, the Company will be entitled to reimbursement for such advances.

6.6.3 Brand Development Fund revenues and allocations will be expended for national, regional, or local advertising, public relations or promotional campaigns or programs designed to study, market, support, promote or enhance the image, identity or patronage of franchised and the Company-affiliated “Toppers Pizza” Restaurants. Such expenditures may include, without limitation (i) to conduct marketing studies, and to produce and purchase advertising art, commercials, musical jingles, print advertisements, point-of-sale materials, media advertising, outdoor advertising art, vehicle decals, and direct mail pamphlets and literature; (ii) to implement a gift certificate program, a loyalty program or other marketing programs designed to encourage the use of System Restaurants, (iii) to collect customer data, implement a mystery shopper program, implement a customer survey program or other programs designed to study, track and support the image and use of System Restaurants, (iv) for social networking sites or other Internet-based marketing programs; (v) to operate and acquire promotional vehicles; (vi) to promote the sale of promotional merchandise, (vii) for other marketing or advertising programs designed to encourage use of some or all System Restaurants, (viii) developing and maintaining application software designed to run on computers and similar devices, including tablets, smartphones and other mobile devices, as well as any evolutions or “next generations” of any such devices, and (ix) for payments to the Company or its affiliates, for internal expenses incurred in connection with the operation of its marketing/advertising department(s), if any, and the administration of the Brand Development Fund. The Brand Development Fund is not used to sell additional franchises. The Company shall determine, in its final and subjective discretion, exercised in good faith, the cost, media, content, format, style, timing, allocation and all other matters relating to such advertising, public relations and promotional campaigns. The purpose of the Brand Development Fund is to maximize recognition of the Trademarks and patronage of Restaurants. The Company cannot ensure that Brand Development Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Development Fund contributions by contributors operating in that geographic area or that any contributor benefits directly or in proportion to its Brand Development Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing. The Company may make copies of advertising materials available to Franchisee with or without additional reasonable charge, as determined by the Company. Any additional advertising shall be at the sole cost and expense of Franchisee.

6.6.4 Upon written request, the Company shall furnish to Franchisee within one hundred twenty (120) days after the end of each calendar year, an unaudited report for the preceding year containing the calculations of the amount which the Company actually expended during such calendar year and the amount remaining which shall be carried over for use during the following year(s). If the Brand Development Fund is terminated, the Company will (at its option) either spend the remaining Brand Development Fund assets in accordance with this Section 6.6 or distribute the unspent assets to contributors

(including the Company and its affiliates, if applicable) then contributing to the Brand Development Fund in proportion to their contributions during the preceding twelve (12) month period.

6.7 Required Advertising and Promotional Cap. At any time, upon notice to Franchisee, the Company has the right to increase the amount of (i) Brand Development Fund Fees Franchisee must contribute to the Brand Development Fund, (ii) the Local Advertising Expenditures Franchisee must make, and (iii) Cooperative Advertising Fees; provided, that in no event will Franchisee be required to contribute to all of the foregoing advertising vehicles, in the aggregate, more than seven percent (7%) of the Restaurant's Gross Sales annually (the "Advertising Cap") unless (a) the members of an Association in which Franchisee is a member agree to a higher amount or (b) a supermajority of active franchisees in the System agree to an Advertising Cap in excess of seven percent (7%).

In this Agreement, "a supermajority of active franchisees in the System" means not less than eighty percent (80%) of all franchisees who are then current in their obligations to the Company, as determined in the Company's discretion, with each franchisee entitled to one (1) vote per Restaurant owned by such franchisee. In the event of any tie vote, the Company shall cast an additional tie-breaking vote. The Company and its affiliates will not otherwise have a vote in determining whether to increase the Advertising Cap. The Company's tally of the vote of franchisees shall be final and binding on the System and will not be subject to review.

7. OPERATION OF THE BUSINESS

7.1 Products for Use and for Sale.

7.1.1 Proprietary Products. The Company may, in its sole subjective discretion exercised in good faith, require that Franchisee purchase and use at the Restaurant certain "Proprietary Products," such as toppings, cheeses, mixes, seasonings, flavorings and sauces, which are manufactured in accordance with the Company's proprietary recipes, specifications or formulas. Franchisee must purchase Proprietary Products from the Company or the Company's designees. The Company shall not be obligated to reveal such recipes, specifications or formulas of such Proprietary Products to Franchisee, non-designated suppliers, or any other third parties.

7.1.2 Authorized Products and Services. The Company may designate certain service providers (including providers of accounting, architectural and design services), computer hardware, software or support services, food products, ingredients, condiments, beverages, fixtures, lighting, millwork, furnishings, equipment, uniforms, supplies, menus, packaging, forms or other products, equipment and services as "Authorized Products and Services." Franchisee must purchase and use Authorized Products and Services at the Restaurant. Franchisee may purchase Authorized Products and Services from (i) the Company, (ii) suppliers designated by the Company, or (iii) suppliers selected by Franchisee and approved by the Company in writing, in advance. The Company may approve a single distributor or other supplier for any Authorized Products and Services (which may be the Company or its affiliates) and may approve a distributor or other supplier only as to certain Authorized Products and Services. The Company may

concentrate purchases with one or more distributors or suppliers to obtain lower prices and/or the best advertising support and/or services for any group of Toppers Restaurants franchised or operated by the Company.

7.1.3 Approval of Alternate Suppliers of Authorized Products and Services. If Franchisee would like the Company to consider approving a supplier that is not then approved by the Company, Franchisee must submit its request in writing before purchasing any items or services from that supplier. The Company will not be obligated to respond to Franchisee's request, and any actions the Company takes in response to Franchisee's request will be at the Company discretion, including the assessment of a fee to compensate the Company for the time and resources the Company spends in evaluating the proposed supplier. The Company may, with or without cause, revoke its approval of any supplier at any time. Franchisee acknowledges that the Company is likely to reject Franchisee's request for a new supplier without conducting any investigation if the Company already has designated a supplier for the equipment, products, services, supplies, or materials proposed to be offered by the new supplier.

7.1.4 Relationship Between Franchisee and Suppliers. Any contract (and its prices, terms and conditions) between Franchisee and a designated supplier shall be strictly between the supplier and Franchisee, and the Company shall not be deemed to be a seller, distributor, title-holder or warrantor of any products or services purchased by Franchisee. THE COMPANY DISCLAIMS ALL WARRANTIES CONCERNING PROPRIETARY PRODUCTS OR AUTHORIZED PRODUCTS AND SERVICES, INCLUDING, WITHOUT LIMITATION, AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AVAILABILITY, QUALITY, PRICING OR IMPLIED WARRANTY IN TORT. Franchisee acknowledges that the Company's development and provision of a list of suppliers, and all modification and additions thereto, is solely for the purpose of establishing part of the compliance program for System Standards. The Company, its affiliates and their representatives, agents and contractors shall not be liable to Franchisee, its employees, customers or others by reason of the development, provision or enforcement of supplier lists.

7.1.5 Franchisee acknowledges and agrees that the Company may receive fees, commissions, field-of-use royalties, certain promotional funds, or other consideration from designated suppliers, manufacturers, distributors or brokers. Some such fees, commissions, royalties, funds or other consideration may be based on their revenues (from sales, lease payments, licenses fees and the like) from Toppers Pizza franchisees, including Franchisee, whether the result of the designation of such suppliers as designated suppliers, or otherwise.

7.1.6 Franchisee (1) will offer and sell from the Restaurant all of the products and services that the Company periodically specifies, which may include in the future, but not be limited to, submarine sandwiches; (2) will not offer or sell at the Restaurant, the Location, or any other location any products or services the Company has not authorized; and (3) will discontinue selling and offering for sale any products or services that the Company at any time disapproves.

7.1.6.1 The Company may, from time to time, require Franchisee to test market products and/or services in connection with the operation of the Restaurant. Franchisee agrees to cooperate with the Company in connection with the conduct of such test marketing programs and agrees to comply with the Company's rules and regulations established from time to time in connection herewith.

7.1.6.2 Franchisee agrees to participate in all "limited time offering" promotions, as well as any other promotions, implemented by the Company from time to time.

7.2 Commitment of Time.

7.2.1 If Franchisee and its affiliates owns only one Restaurant, then Franchisee (or the Managing Partner if Franchisee is an Entity) shall devote his or her full time and best efforts exclusively to the operation of the Restaurant. It is understood and agreed by the parties hereto that the Restaurant shall be operated during such minimum hours and days established by the Company in the Operations Manual.

7.2.2 If a Franchisee operates more than one Restaurant, and as such Franchisee (or the Managing Partner if Franchisee is an Entity) cannot devote his or her full time and best efforts exclusively to the operation of a single Restaurant, then the Managing Partner will devote his or her full time and best efforts exclusively to the development and operation of all of Franchisee's Restaurants. In addition, Franchisee shall appoint an experienced manager to manage each Restaurant (the "Restaurant Manager"). Franchisee will cause the Restaurant Manager to devote his or her full time and best efforts exclusively to the management and operation of the Restaurant. It is understood and agreed by the parties hereto that the Restaurant shall be operated during such minimum hours and days established by the Company in the Operations Manual.

7.3 Operations Manual.

7.3.1 The Company shall maintain online in an electronic format on a restricted website, intranet, or via other electronic means (including by sending to Franchisee via e-mail) one or more manuals, bulletins, supplements, or other written or video materials (collectively referred to herein as the "Operations Manual") containing the Company's mandatory procedures, policies, rules and regulations for the operation of the Restaurant ("System Standards"), and information on suggested procedures and Franchisee's other obligations under this Agreement. The Company reserves the right to loan Franchisee a hard copy of the Operations Manual, in which case, Franchisee agrees to keep the Operations Manual in a secure place on the Restaurant premises.

7.3.2 The Company shall have the right to delete from, add to, change, amend, revise or modify the Operations Manual at any time and from time to time by the addition, deletion, change or other modification to the provisions thereof. Franchisee agrees to monitor and access the website, intranet, and/or its e-mail account for any such modifications to the Operations Manual. Modifications in the Operations Manual shall become effective upon posting to the website/intranet or e-mailing to Franchisee. The

Operations Manual, as modified from time to time as provided herein, shall be deemed to mean the Operations Manual kept current by amendments from time to time. Upon the expiration or termination of this Agreement for any reason whatsoever, Franchisee shall immediately return any hard copy of the Operations Manual in Franchisee's possession to the Company. Franchisee shall not, without the Company's express written consent, make, or cause or allow to be made, any copies or reproductions of all or any portion of the Operations Manual or of any bulletins, brochures or other proprietary information provided by the Company.

7.4 Compliance with System Standards. Franchisee acknowledges that the Company is entering into this Agreement in reliance on the fact that Franchisee is a skilled and experienced food service provider and will conduct its business at the Restaurant in a first-class manner as to merchandise, appearance of facilities and staff, service and management. Franchisee at all times shall carry a full and complete stock of food, beverages, and related products offered for sale at competitive prices and shall maintain an adequate staff for the service of its customers. Franchisee shall employ its best judgment, efforts and abilities to operate the business conducted by it in the Restaurant in such manner as to enhance the reputation and attractiveness of the Restaurant. Franchisee agrees to accept at the Restaurant such credit and debit cards, other payment systems, and currencies as Company periodically designates as required. Franchisee further agrees at all times to operate and maintain the Restaurant according to each and every System Standard, as the Company periodically modifies and supplements them. Though the Company retains the right to establish and periodically modify System Standards, which Franchisee has agreed to maintain in the operation of the Restaurant, Franchisee retains the right and sole responsibility for the day-to-day management and operation of the Restaurant and the implementation and maintenance of System Standards at the Restaurant. The Company's periodic modification of System Standards, which may accommodate regional or local variations, may obligate Franchisee to invest additional capital in the Restaurant and incur higher operating costs.

7.5 Insurance.

7.5.1 Franchisee shall procure and maintain in full force and effect during the Term and any extensions of this Agreement, at Franchisee's expense, an insurance policy or policies protecting Franchisee and the Company, and their respective officers, directors, and employees, against any loss, liability, personal injury, death, property damage, or expense whatsoever from fire, lightning, theft, vandalism, malicious mischief, and the perils included in the extended coverage endorsement, arising or occurring upon or in connection with the Restaurant, or by reason of the construction, operation, or occupancy of the Restaurant as the Company may reasonably require for its own and Franchisee's protection.

The Company and any affiliates or parent companies it designates shall be named, using a form of endorsement that the Company has approved, an additional insured as its or their interest may appear in such policy or policies.

All insurance policies must be issued by an insurance carrier rated A- or better by A.M. Best Company, Inc., or meeting such other rating or criteria the Company may establish from time to time.

7.5.2 Such policy or policies shall be written by an insurance company satisfactory to the Company in accordance with standards and specifications set forth in the Company's Operating Manuals or otherwise in writing, and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified for all franchisees from time to time by the Company in its Operating Manuals or otherwise in writing) the following:

7.5.2.1 comprehensive general liability insurance, providing product liability coverage, business interruption coverage, and personal injury coverage in the amount of One Million Dollars (\$1,000,000) per occurrence for bodily and personal injury and death, and Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence for property damage;

7.5.2.2 automobile liability insurance (including, but not limited to, owned automobiles, titled or leased in Franchisee's name and the name of Franchisee's owners and used at any time, whether principally or occasionally in the business, hired and non-owned coverage) in the amount of One Million Dollars (\$1,000,000) per occurrence for bodily and personal injury and death, and Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence for property damage;

7.5.2.3 workers' compensation and employer's liability insurance;

7.5.2.4 fire, vandalism, and extended coverage insurance with primary and excess limits of not less than the full replacement value of the Restaurant and its furniture, fixtures and equipment, excluding, however, the building in which the Restaurant is located unless owned by Franchisee;

7.5.2.5 employment practices liability insurance (EPLI) in the amount of \$100,000 per occurrence; and

7.5.2.6 such other insurance as may be required by the statute or rule of the jurisdiction in which the Restaurant is located and operated.

7.5.3 No later than two (2) days before the date on which any construction of the Restaurant is commenced and on each policy renewal date thereafter, Franchisee shall submit evidence of satisfactory insurance and proof of payment therefor to the Company, together with certificates of all policies and policy amendments. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least ten (10) days' prior notice to the Company.

7.5.4 No requirement for insurance contained herein shall constitute advice or a guarantee by the Company that only such policies, in such amounts, are necessary to protect Franchisee from losses in connection with the Restaurant, or an undertaking or representation by the Company that such insurance may be obtained by Franchisee, or by the Company that it will insure Franchisee against any or all insurable risks or loss which may or can arise out of or in connection with operation of the Restaurant. It is Franchisee's

obligation to obtain insurance coverage for the Restaurant that it deems appropriate, based on Franchisee's own independent investigation.

7.5.5 If Franchisee for any reason, fails to procure or maintain the insurance required by this Agreement, the Company shall have the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge the same to Franchisee, which charges, together with a reasonable fee for the Company's expenses in so acting, shall be payable by Franchisee immediately upon notice.

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

7.5.7 Franchisee may obtain, on its own behalf, and at its own cost and expense, such insurance as it may desire in addition to that obtained on Franchisee's behalf by the Company, or as may be required herein.

7.6 Books and Records.

7.6.1 Franchisee covenants and agrees that it shall keep and maintain during the Term of this Agreement full, complete and true records of all revenues and all expenditures in the form and manner as specified or directed by the Company in its Operations Manual or otherwise in writing. All financial records must be kept by Franchisee for a minimum of five (5) years or such longer period as may be prescribed by law.

7.6.2 Franchisee shall, from time to time, deliver to the Company such reports and information as the Company shall reasonably require. All such requirements shall be specified in the Operations Manual.

7.6.3 Franchisee shall keep and preserve all data or records of orders and sales for a period of three (3) years or such longer period as may be prescribed by the Internal Revenue Code, or any rules or regulations promulgated pursuant thereto, or any applicable state law, rule or regulation.

7.6.4 From time to time the Company may make one or more routine inquiries to TransUnion or other qualified credit reporting service to obtain information on the then-current credit ratings of Franchisee or the Managing Partner.

7.6.5 Franchisee agrees that during the first year of operation of the Restaurant it will engage the third party Company designates for accounting services.

7.7 Inspection.

7.7.1 The Company or its designee may inspect the Restaurant and the operations thereof to determine compliance with the operations and other standards contained herein and in the Operations Manual. Franchisee shall cooperate fully with the Company in

connection with any such inspections. Such rights of inspection may be exercised at any time and without prior notice and shall include, but not be limited to, the right to:

7.7.1.1 Visually inspect and observe the Location and Restaurant;

7.7.1.2 Observe and videotape the operation of the Restaurant for such consecutive or intermittent period as the Company deems appropriate;

7.7.1.3 Remove samples of any food and beverage products, supplies, consumables or other products for testing or analysis;

7.7.1.4 Interview personnel and guests of the Restaurant;

7.7.1.5 Inspect and copy any books, records, and documents relating to the operation of the Restaurant including all accounting and employee records and books of account

7.7.1.6 Inspect the Computer System (defined in Section 7.10), including hardware, software, security, configurations, connectivity and data access; and

7.7.1.7 Demand from Franchisee's vendors from time to time, and Franchisee hereby irrevocably authorizes and instructs Franchisee's vendors to supply to the Company upon its said demand, information regarding any failure by Franchisee to meet its obligations to such vendor as and when due.

7.7.2 The Company shall notify Franchisee in writing of any deficiencies which are disclosed by such inspections and may notify Franchisee of problems which are brought to the Company's attention, *provided, however*, the failure to provide any such notice shall not be deemed a waiver by the Company to provide a subsequent notice. Any such notice may be delivered by e-mail.

7.7.3 The Company shall bear the cost of all inspections; *provided, however*, if Franchisee fails an inspection, Franchisee's restaurant will be re-inspected, and the Company reserves the right to deduct by EFT Authorization from Franchisee's account the greater of \$500 or the cost of the re-inspection (or any subsequent re-inspections).

7.7.4 If Franchisee shall fail to maintain the standards of quality or service established by the Company, the Company shall have the right to assign to the Restaurant such person or persons as it deems necessary for the training of Franchisee's employees to insure that standards of quality and service are maintained. Franchisee shall pay to the Company, the Company's then-current fee for each such person so assigned to such Restaurant, plus all travel and living expenses.

7.8 Compliance with Laws. Franchisee shall operate the Restaurant in strict compliance with all applicable laws, rules and regulations of all governmental and quasi-governmental authorities with jurisdiction over the Restaurant, shall comply with all applicable wage, hour, and other laws and regulations of the federal, state or local governments (including any and all licensing requirements), and shall prepare, file and retain all necessary tax returns, and

pay promptly all taxes imposed upon Franchisee or upon Franchisee's Restaurant or property. If the applicable tax law of the state where the Restaurant is located requires the Company to pay any income or other taxes in respect of payments Franchisee makes to the Company under this Agreement, Franchisee will gross up the amount due to ensure that the amount the Company actually receives is the same amount the Company would have received had the Company not been required to make such tax payments. Franchisee shall timely file all fictitious business name statements and similar submissions required by any law, rule or regulation of any federal, state, or local government in connection with Franchisee's use of the Company's Trademarks. Franchisee shall immediately deliver to the Company copies of all notices or other communications received from any governmental or quasi-governmental authority regarding any alleged violation of law, or any investigation of any possible violation of law.

7.9 Pricing. The Company may periodically set a maximum or minimum price that Franchisee may charge for products and services offered by the Restaurant. If the Company imposes a maximum price for any product or service, Franchisee may not charge more for the product or service than the maximum price the Company imposes. If the Company imposes a minimum price for any product or service, Franchisee may not charge less for such product or service than the minimum price the Company imposes. For any product or service for which the Company does not impose a maximum or minimum price, the Company may require Franchisee to comply with an advertising policy adopted by the Company which will prohibit Franchisee from advertising any price for a product or service that is different than the Company's suggested retail price. Although Franchisee must comply with any advertising policy the Company adopts, Franchisee will not be prohibited from selling any product or service at a price above or below the suggested retail price unless the Company imposes a maximum price or minimum price for such product or service.

7.10 Restaurant Technology.

7.10.1 Computer System. The Company shall have the right to specify or require that certain brands, types, makes, and/or models of communication facilities, computer systems and hardware be used by Franchisee, including without limitation (i) back office and point-of-sale systems, data, audio, and video systems, (ii) printers, facsimile equipment, and other peripheral hardware or devices, (iii) archival back-up systems, (iv) Internet access mode and speed, (v) methods and means of encryption, (vi) kiosks, menu boards (which may include nutritional information), and other hardware associated with ordering systems or systems used for the marketing, promotion or operation of the Toppers Pizza System or Franchisee's Toppers Pizza Restaurant, (vii) media upon which Franchisee shall record data and (viii) physical, electronic, and other security systems (collectively, the "Computer System"). Franchisee shall purchase or lease, install and maintain the Computer System at its sole expense; Franchisee agrees to maintain the Computer System in compliance with the Company's specifications. Franchisee agrees, at its own expense, to keep the Computer System in good maintenance and repair and install such additions, changes, modifications, substitutions, and/or replacements to the Computer System as the Company directs from time to time in writing. Franchisee acknowledges that the cost of obtaining and/or updating the Computer System may not be fully

amortizable over the remaining Term of this Agreement, but nevertheless Franchisee agrees to incur such costs.

7.10.2 Online and Web-based Ordering. The Company has established an online ordering system for the Toppers Pizza System (the “Online Ordering System”). The Online Ordering System is an online ordering system that is used to promote, receive, price and transmit over the Internet, via third party applications, or by certain other means as may be developed from time to time, orders for food and other products placed by Toppers Pizza customers originating from web browsers over the Internet, from third party applications via hand held devices, or from other web or digital sources, to be filled by Toppers Pizza restaurants. Franchisee’s use of the Online Ordering System is a mandatory component of the System. Accordingly, Franchisee shall take no action whatsoever to suspend, disable, compromise, or terminate Franchisee’s use of the Online Ordering System during the Term. The Company may require Franchisee to use the services of third-party food delivery services, online ordering services, or other food aggregation services (such as UberEats®, GrubHub®, and DoorDash®), which may be processed through the Online Ordering System at Company’s election. Otherwise, unless previously authorized in writing by the Company, Franchisee may not use such services.

7.10.2.1 Grant of License. Subject to the provisions of this Agreement, the Company shall grant to Franchisee a non-exclusive, non-transferable, limited license to use the Online Ordering System to receive orders placed by Toppers Pizza customers. Franchisee shall use the Online Ordering System in compliance with this Agreement and the Operations Manual, and only in connection with the operation of Franchisee’s Restaurant. Franchisee shall be responsible for setting its prices and tax rates in the Online Ordering System, subject to Company’s right under Section 7.9 of this Agreement to set a maximum or minimum price. Franchisee also shall be responsible for all hardware costs, Internet access costs, third party software costs (as determined solely by the Company) and/or other technology costs required or convenient for the use and operation of the Online Ordering System. Franchisee’s license to use the Online Ordering System shall terminate simultaneously and automatically upon termination or expiration of this Agreement.

7.10.2.2 Additional Restrictions on Use. Franchisee shall not (i) copy or in any way duplicate the Online Ordering System, (ii) use or attempt to use the Online Ordering System for any purposes other than as specifically provided for in this Agreement, (iii) market, license, distribute, sublicense or otherwise commercially exploit the Online Ordering System or sell, lend, rent, license, give, assign or otherwise transfer or dispose of the Online Ordering System, (iv) permit the use of the Online Ordering System by others or operate the Online Ordering System for third parties (e.g., as a service bureau or data processing service), (v) modify or translate the Online Ordering System or Documentation into any other computer or human language, or (vi) disassemble, reverse-engineer or decompile the Online Ordering System or otherwise attempt to discover any portion of the source code or trade secrets related to the Online Ordering System.

7.10.2.3 Upgrades. The Company may provide Franchisee with upgrades to the Online Ordering System as such upgrades become available, whether said upgrades are provided by the Company or by third parties (“Mandatory Online Ordering System Upgrades”). Franchisee agrees to license, purchase, implement and utilize any Mandatory Online Ordering System Upgrades. If required by Company, Franchisee shall pay all costs and fees associated with or related to any Mandatory Online Ordering System Upgrades.

7.10.2.4 The Company may develop, design, integrate, modify, amend and change the Online Ordering System. The Company may require Franchisee to license, purchase, implement and utilize any modifications to the Online Ordering System. The Company may cease to license the Online Ordering System to Franchisee and require Franchisee to obtain an online ordering system from an approved vendor (which may be the Company’s affiliate) at Franchisee’s cost.

7.10.2.5 Maintenance and Third-Party Services. The Company may approve a third-party vendor to provide maintenance and support (“Maintenance”), and services such as consulting, installation, and training (“Third-Party Services”) for the Online Ordering System. If the Company does so, the Company may require Franchisee to engage such third-party vendor at Franchisee’s cost.

7.10.2.6 Warranty. THE COMPANY MAKES NO EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ONLINE ORDERING SYSTEM OR ITS CONDITION, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE OR USE BY FRANCHISEE. THE COMPANY FURNISHES THE ABOVE WARRANTIES IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Franchisee acknowledges, however, that: (i) the Online Ordering System may experience periods of downtime or unavailability; (ii) the Company makes no assurances, guarantees, representations or warranties regarding its uptime or availability; and (iii) the Company shall not be liable for any such downtime or unavailability.

7.10.3 Required System. The Company shall have the right, but not the obligation, to develop or have developed for it, or to designate (i) an integrated computer suite of software, either third-party and/or proprietary, that includes, but is not limited to an Online Ordering System, as described in Section 7.10.2, a point-of-sale system, and any software required or convenient for the marketing, promotion or operation of the Toppers Pizza System or Franchisee’s Toppers Pizza Restaurant, that Franchisee shall install at its expense (the “Required System”); (ii) additions, updates, supplements, modifications or enhancements to the Required System, which Franchisee shall install at its expense; and (iii) the database file structure of the Computer System. The Required System may include, without limitation, management, financial control, or such other systems or technologies as the Company shall elect in its sole discretion from time to time. Franchisee shall purchase or license, at Franchisee’s expense, the Required System. Franchisee will enter

into any license or use agreement established with respect to the Required System from time to time by the Company, or such other document, instrument, agreement or form as may be required from time to time by the Company for Franchisee's use or license of the Required System. Franchisee shall install all such additions, changes, modifications, substitutions, and/or replacements to the Required System as the Company directs from time to time. The Company may in the future elect to discontinue, redesign or offer substitute computer software for all or part of the Required System, which Franchisee shall license, install and implement at Franchisee's sole expense. The Company reserves the right to charge fees for the Required System and/or updates and enhancements, and to change the fees from time to time.

7.10.4 Support Services. As required from time to time by the Company, Franchisee must enter into support agreements with specified third party vendors. Franchisee shall be required to purchase any computer and software support services that may be developed by the Company from time to time to the extent generally made available to the Company's franchisees by the Company.

7.10.5 Internet Access; E-Mail. At all times during the Term of this Agreement, Franchisee shall, at Franchisee's expense, maintain (i) access to the Internet for the Restaurant through an established and reliable Internet access provider at such mode and speed specified by the Company, and (ii) an e-mail address to be used as a means of communication and transmission of documents and information between Franchisee and the Company. Franchisee will review its e-mail daily and respond to e-mail within one business day of receipt.

7.10.6 Intranet. The Company may develop an intranet network, or similar system, through which the Company and its franchisees can communicate by e-mail or similar electronic means. Franchisee shall use the Company's intranet in strict compliance with standards, protocols and restrictions set forth in the Operations Manual. Franchisee shall not transmit any confidential information, documents or data over the Internet without first encrypting the transmission using the encryption program adopted by the Company for the Company's intranet site. Franchisee shall not make any derogatory, defamatory or libelous statements in any transmission made through the Company's intranet site or by any other means.

7.10.7 Company's Access to Information. The Company shall have the right at any and all times to remotely retrieve, use, add or modify such data and information from Franchisee's Computer System, the Online Ordering System and/or Required System that the Company deems necessary or desirable. Franchisee agrees and acknowledges that the Company accepts data without independent review or verification, and that the Company has no duty to so. Acceptance of data by the Company from Franchisee is not and shall not be deemed to be approval of the data, including, without limitation, approval of customer addresses as being within Franchisee's Delivery Area.

7.10.8 Data. The Company may specify in the Operations Manual (or elsewhere in writing) the information that Franchisee shall collect and maintain on its Computer System at each Restaurant, and Franchisee shall provide to the Company such reports as

the Company may request from time to time from the data so collected and maintained. All data provided by Franchisee, whether uploaded to the Company's system from Franchisee's system and/or downloaded from Franchisee's system to the Company's system, is and will be owned exclusively by the Company, and the Company will have the right to use such data in any manner that the Company deems appropriate without compensation to Franchisee. In addition, all other data created or collected by Franchisee in connection with its Restaurant(s), or in connection with Franchisee's operation of the Restaurant(s) (including but not limited to consumer and transaction data), is and shall be owned exclusively by the Company during the Term of, and following termination or expiration of, this Agreement. Copies and/or originals of such data must be provided to the Company upon the Company's request. The Company hereby licenses use of such data back to Franchisee, at no additional cost, solely for the Term of this Agreement and solely for Franchisee's use in connection with the establishment and operation of the Restaurant pursuant to this Agreement.

7.10.9 Privacy. Franchisee must implement all administrative, physical and technical safeguards necessary to protect any information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, credit card information, government-issued identification numbers and credit report information ("Personal Information") in accordance with applicable law and industry best practices. It is entirely Franchisee's responsibility (even if the Company provides Franchisee with any assistance or guidance in that regard) to confirm that the safeguards Franchisee uses to protect Personal Information comply with all applicable laws and industry best practices related to the collection, access use, storage, correction, deletion, and disclosure of Personal Information. Franchisee agrees to comply with any requests to correct or delete Personal Information, whether requested by the Company or directly by the applicable customer, as required by applicable law. If Franchisee becomes aware of a suspected or actual breach of security or unauthorized access involving Personal Information, Franchisee will notify the Company immediately and specify the extent to which Personal Information was compromised or disclosed. Franchisee also agrees to follow Company's instructions regarding curative actions and public statements relating to the breach.

7.10.10 Changes in Technology. Franchisee acknowledges and agrees that changes in technology occur quickly and are often unforeseeable. To provide for inevitable but unpredictable changes to technology, Franchisee agrees that the Company shall have the absolute right to establish, in writing, new standards for the implementation of technology, related to the Computer System, the Online Ordering System and/or the Required System, and that Franchisee shall abide by the new standards as if this Section were periodically revised by the Company to account or provide for unpredictable changes to technology. Additionally, the Company reserves the right to develop or contract with third parties to develop centralized or technology-based methods of taking, processing, routing and/or delivering food orders in addition to the methods and technology currently used by Toppers Pizza restaurants (the "Alternate Order Systems"). The Alternate Order Systems may become mandatory at any time during the Term of this Agreement. In such case and as deemed necessary by the Company, Franchisee agrees, at its sole expense to (i) license,

purchase or lease and install new or replacement equipment, hardware and/or software, (ii) implement and use the Alternate Order Systems, (iii) participate in any training for the Alternate Order Systems and/or (iv) enter into any licensing, participation or other agreements with the Company or third parties. The Company shall be the sole owner of all direct and related rights and assets of the Alternate Ordering Systems, including software and hardware, intellectual property and all data generated by the Alternate Ordering Systems, excluding any hardware purchased directly by Franchisee for the purpose of utilizing the Alternate Ordering Systems.

7.11 Confidential Information. The Company and its affiliates possess (and may continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable law (the “Confidential Information”), relating to developing and operating Restaurants, whether or not marked confidential, including (without limitation):

7.11.1 site selection criteria;

7.11.2 training and operations materials and manuals, including, without limitation, recipes and the Operations Manual;

7.11.3 the System Standards and other methods, formats, specifications, standards, systems, procedures, techniques, sales and marketing techniques, knowledge, and experience used in developing, promoting and operating Restaurants;

7.11.4 market research, promotional, marketing and advertising programs for Restaurants;

7.11.5 knowledge of specifications for, and suppliers of, the Proprietary Products, the Authorized Products and Services, assets used in the operation of Restaurants and other products and supplies;

7.11.6 any computer software or similar technology which is proprietary to the Company, the Company’s affiliates, or the System, including, without limitation, the Online Ordering System, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;

7.11.7 knowledge of the operating results and financial performance of Restaurants, other than Franchisee’s Restaurant; and

7.11.8 customer data.

All Confidential Information furnished to Franchisee by the Company or on its behalf, whether orally or by means of written material (i) shall be deemed proprietary, (ii) shall be held by Franchisee in strict confidence, (iii) shall not be copied, disclosed or revealed to or shared with any other person except to Franchisee’s employees or contractors who have a need to know such Confidential Information for purposes of this Agreement and who are under a duty of confidentiality no less restrictive than Franchisee’s obligations hereunder, or to individuals or entities specifically authorized by the Company in advance, and (iv) shall not be used in connection

with any other business or capacity. Franchisee will not acquire any interest in Confidential Information other than the right to use it as the Company specifies in operating the Restaurant during this Agreement's Term. Franchisee agrees to protect the Confidential Information from unauthorized use, access or disclosure in the same manner as Franchisee protects its own confidential or proprietary information of a similar nature and with no less than reasonable care. With respect to any proprietary software that the Company may license to Franchisee, Franchisee shall not disassemble, reverse-engineer, or decompile such proprietary software or otherwise attempt to discover any portion of the source code or trade secrets related to such proprietary software. With respect to any proprietary recipes, Franchisee shall not disclose to any third party or attempt to discover or otherwise reverse-engineer the constituent ingredients of such recipes. The Company may require Franchisee to have its employees and contractors execute individual undertakings and shall have the right to regulate the form of and to be a party to or third-party beneficiary under any such agreements.

Franchisee acknowledges and agrees that, as between the Company and Franchisee, the Company is the sole owner of all right, title, and interest in and to the System and any Confidential Information. All improvements, developments, derivative works, enhancements, or modifications to the System and any Confidential Information (collectively, "Innovations") made or created by Franchisee, Franchisee's employees or Franchisee's contractors, whether developed separately or in conjunction with the Company, shall be owned solely by the Company. Franchisee represents, warrants, and covenants that its employees and contractors are bound by written agreements assigning all rights in and to any Innovations developed or created by them to Franchisee. To the extent that Franchisee, its employees or its contractors are deemed to have any interest in such Innovations, Franchisee hereby agrees to assign, and does hereby assign, all right, title and interest in and to such Innovations to the Company. To that end, Franchisee shall execute, verify, and deliver such documents (including, without limitation, assignments) and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining, and enforcing such ownership rights in and to the Innovations, and the assignment thereof. If the Company is unable for any reason, after reasonable effort, to secure Franchisee's signature on any document needed in connection with the actions specified in this Section 7.11, Franchisee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Franchisee's agent and attorney-in-fact, which appointment is coupled with an interest and is irrevocable, to act for and on Franchisee's behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section 7.11 with the same legal force and effect as if executed by Franchisee. Franchisee's obligation to assist the Company with respect to such ownership rights shall continue beyond the expiration or termination of this Agreement.

7.12 Additional Printed Materials. Franchisee shall display at the Restaurant such additional printed material as the Company shall from time to time require, including, but not limited to, Franchise menus, menu boards, food preparation posters, nutritional information, sales material, systems advertising material, and other marketing material (collectively, "Printed Materials"). The Company shall have the right to order and have shipped to the Restaurant such Printed Materials on Franchisee's behalf and invoice Franchisee (or debit Franchisee's account via EFT Authorization) for such Printed Materials and their associated delivery fees.

7.13 “Operated By” Sign. Franchisee shall display, at a location and in a manner acceptable to the Company, a sign indicating that the Restaurant is operated as a franchise by Franchisee under a franchise agreement with the Company.

7.14 Participation in Gift Card and Loyalty Programs. Franchisee shall participate in gift card and loyalty programs and shall accept gift cards and loyalty cards (whether physical cards or mobile applications) as implemented by the Company from time to time.

7.15 Authorization to Disclose Information. Franchisee understands and agrees that the Company may disclose to any third party, including, without limitation, current Toppers franchisees, any information and documents relevant to the Restaurant, including but not limited to, copies of this Agreement, as amended from time to time, the lease for the Restaurant’s premises, and sales data and financial statements for the Restaurant.

8. OTHER SERVICES OF THE COMPANY

8.1 Investor-Owner Training

8.1.1 Subject to Section 8.6, the Company will provide investor-owner training (“Investor-Owner Training”) for Franchisee (or, if Franchisee is an Entity, all of its direct and indirect owners) and the Restaurant Manager (if applicable). Each trainee must complete the Investor-Owner Training program to the Company’s satisfaction before the Opening Date.

8.1.2 Unless otherwise agreed by the parties, Investor-Owner Training consists of up to two (2) weeks of training at the Company’s corporate offices, at another “Toppers Pizza” Restaurant, or at another place designated by the Company.

8.1.3 If Franchisee is, at any time, an Entity, and a new direct or indirect owner obtains an interest in Franchisee, such new owner must attend Investor-Owner Training in accordance with the provisions of Section 8.1.1. If the Company retrain any person who fails to complete Investor-Owner Training to the Company’s satisfaction, or if it trains any additional owners after the Investor-Owner Training provided pursuant to Section 8.1.1, such training shall be scheduled according to the availability of the Company’s personnel, and Franchisee shall pay the Company’s then-current training fees, plus all travel and living expenses.

8.1.4 With respect to the Investor-Owner Training, Franchisee shall pay all transportation costs, food, lodging and similar costs incurred in connection with attendance at such courses. The Company shall pay no compensation for any services performed by trainee(s) in connection with such training programs.

8.2 Initial Training

8.2.1 Subject to Section 8.6, the Company will provide initial training (“Initial Training”) in the Company’s System and methods of operation for up to two (2) people, including the Managing Partner and the Restaurant Manager (if applicable). If the

Company trains more than two (2) individuals, Franchisee shall pay the Company's then-current training fees for each such individual in excess of two (2), plus all travel and living expenses. In addition to the Initial Training, the individual who will have direct operational responsibility for the first Restaurant (either the Managing Partner or the Restaurant Manager) Franchisee owns is required to invest an additional 100 hours working in operations at a Toppers Pizza location. The exact location will be determined by the Company. The individual will not be paid for this time, and Franchisee is responsible for paying any associated travel and living expenses. Each individual who plans to attend Initial Training will be required to complete home-based, self-paced study and testing to the Company's satisfaction before participating in Initial Training.

8.2.2 Subject to Section 8.2.3, Initial Training shall consist of up to thirty (30) days of training at the Company's corporate offices, at another "Toppers Pizza" Restaurant, or at another place designated by the Company. The Managing Partner and Restaurant Manager (if applicable) must complete Initial Training to the Company's satisfaction prior to operating the Restaurant. Franchisee acknowledges the Company's superior skill and knowledge with respect to the management of Toppers Pizza restaurants, and Franchisee agrees that the Company, in its sole subjective judgment, exercised in good faith, will determine whether an individual has satisfactorily completed Initial Training.

8.2.3 If, in our discretion, Franchisee and/or its owners have insufficient prior experience in operating a restaurant, then, in addition to the Initial Training described in Sections 8.2.1 and 8.2.2, the Managing Partner and the Restaurant Manager (if applicable) (and any other individuals required by the Company) must attend and satisfactorily complete any additional training required by the Company ("New Operator Training"). New Operator Training shall be held at a time and place to be determined by the Company, in its discretion, in connection with Initial Training. Franchisee shall pay all transportation costs, food, lodging and similar costs incurred in connection with attendance at New Operator Training. If the Company determines that any attendee of New Operator Training is unable to complete New Operator Training to the Company's satisfaction, the Company may terminate this Agreement upon delivery of written notice to Franchisee. Upon such termination, the Company will refund Franchisee \$10,000 of the Initial Fee paid pursuant to Section 4.1, as long as Franchisee and its owners sign and deliver to the Company general releases, in a form satisfactory to the Company, of any and all claims against the Company, its affiliates, and the Company's and its affiliates' owners, officers, directors, employees, agents, successors, and assigns.

8.2.4 If the Company retrain any person who fails to complete Initial Training to the Company's satisfaction, or if it trains any additional managers, or other personnel after the Initial Training provided pursuant to Section 8.2, such remedial training shall be scheduled according to the availability of the Company's personnel, and Franchisee shall pay the Company's then-current training fees, plus all travel and living expenses.

8.3 Opening Support and On-Site Training

8.3.1 Subject to the following limitations, the Company will provide seven (7) to thirty-five (35) days of additional on-site training, marketing, and opening support at

Franchisee's Restaurant (which shall be provided by one or more of the Company's trainers) before, during and immediately after the opening of the Restaurant ("Opening Support"). If Franchisee (or its affiliate) already operates a Toppers Pizza Restaurant, Opening Support shall be reduced to seven (7) to twenty-one (21) days of on-site training, and if Franchisee (or its affiliate) already operates three (3) or more Toppers Pizza Restaurants, the Company has no obligation to provide Opening Support. The Company may require Franchisee to reimburse the Company for all transportation costs, food, lodging and similar costs incurred by the Company and its personnel in connection with such Opening Support.

8.3.2 The Company may, from time to time, at its discretion, cause its field representatives to visit the Restaurant for the purpose of rendering advice and consultation or on-site training, with respect to the Restaurant, its operation and performance, and compliance by Franchisee with the Operations Manual. If provided at Franchisee's request or because the Company determines, in its discretion, that such training is necessary, the Company may require Franchisee to pay such on-site training charges as may be then in effect, and to reimburse the Company for all transportation costs, food, lodging and similar costs incurred by the Company and its personnel in connection with such on-site training. Notwithstanding any assistance provided by the Company, it will be Franchisee's sole responsibility to ensure that all new employees and current employees are trained to perform their duties properly, at Franchisee's expense, according to specifications, standards, and procedures provided in the Operations Manual.

8.4 Mandatory and Optional Supplementary Training

8.4.1 The Company may, from time to time, at its discretion, make available to Franchisee, the Managing Partner, the Restaurant Manager, or another designated employee of any of them, supplementary training courses or programs during the Term of this Agreement held on a national or regional basis at locations selected by the Company to instruct Franchisee, the Managing Partner, or the Restaurant Manager with regard to new procedures or programs. Such supplementary training may relate, by way of illustration, to cooking techniques, new recipes, marketing, bookkeeping, accounting and general operating procedures, and the establishment, development and improvement of computer systems. The Company shall designate such supplementary training courses or programs as either mandatory or optional. If a supplementary training program is designated as mandatory, Franchisee, the Managing Partner, the Restaurant Manager or other designated employee, as determined by the Company, must attend such training program. Except for travel and living expenses, the Company shall not charge Franchisee for mandatory supplementary training courses. If a supplementary training program is designated optional, the Company may, in its discretion, establish charges applicable to all franchisees similarly situated, for optional supplementary training courses. The time and place of both mandatory and optional supplementary training courses shall be at the Company's sole discretion. The Company may designate a third party to conduct such mandatory and optional supplementary training courses.

8.4.2 With respect to both mandatory and optional supplementary training courses, Franchisee shall pay all transportation costs, food, lodging and similar costs

incurred in connection with attendance at such courses. The Company shall pay no compensation for any services performed by trainee(s) in connection with such supplementary training programs.

8.5 Reporting Forms. The Company will furnish to Franchisee the standard reporting forms and charts of accounts that are required to be used by Franchisee.

8.6 Training for Fourth and Subsequent Restaurants. Notwithstanding any provision in this Agreement to the contrary, if this Agreement is the fourth (4th) or subsequent franchise agreement that Franchisee (or its affiliates) has signed to own and operate a Toppers Pizza restaurant, Company will not be obligated to provide Investor-Owner Training, Initial Training, New Operator Training, or Opening Support.

8.7 Virtual Training and Meetings. Notwithstanding any provision in this Section 8 to the contrary, the Company may provide any training, seminars, conferences, or other meetings using online means (such as through a video-conferencing service). In addition, the Company will not be required to send any of its personnel to the Restaurant to provide any training, assistance, or services if the Company determines it is unsafe to do so. Such determination by the Company will not relieve Franchisee from its obligations under this Agreement, including Franchisee's obligation to pay monies owed to the Company, and will not serve as a basis for Franchisee's termination of this Agreement.

9. ASSIGNMENT AND RIGHT OF FIRST REFUSAL

9.1 Assignment by the Company. The Company shall have the right to (a) change its ownership and (b) assign this Agreement, and all of its rights and privileges hereunder, to any other person or entity without Franchisee's prior consent; provided that, in respect to any assignment resulting in the subsequent performance by the assignee of the functions of the Company, the assignee shall expressly assume and agree to perform all such obligations.

9.2 Assignment by Franchisee.

9.2.1 This Agreement has been entered into by the Company in reliance upon and in consideration of the singular personal skill, qualifications and trust and confidence reposed in Franchisee or, in the case of Franchisee which is an Entity, the principal officers, managers or partners thereof who will actively and substantially participate in the ownership and operation of the Restaurant. Accordingly, none of the following may be transferred without the Company's prior written approval: (i) this Agreement (or any interest in this Agreement); (ii) the Restaurant (or any right to receive all or a portion of the Restaurant's profits or losses or capital appreciation related to the Restaurant); (iii) substantially all of the assets of the Restaurant; (iv) any ownership interest in Franchisee (regardless of its size); or (v) any ownership interest in any of Franchisee's owners (if such owners are legal entities) (each of the foregoing, an "Assignment").

In addition to the foregoing, if Franchisee is an Entity, each of the following shall be deemed to be an Assignment of this Agreement: (i) the transfer of any ownership interest or voting power of Franchisee, whether in one or more transactions, by operation of law or

otherwise; (ii) the issuance of any securities by Franchisee which itself or in combination with any other transaction(s) results in the shareholders, members or partners existing as of the Effective Date, as applicable, owning less of the outstanding shares, membership interests or voting power of Franchisee as such shareholders, members, or partners owned on the Effective Date; (iii) if Franchisee is a partnership, the withdrawal, death or legal incapacity of a general partner or limited partner owning any percentage of the voting power, property, profits or losses, or partnership interests of the Partnership (each of which is referred to hereinafter as a “Partnership Right”), or the admission of any additional general partner or the transfer by any general partner of any of its Partnership Rights in the partnership; (iv) the death or legal incapacity of any shareholder, member or partner owning any percentage of the capital stock, voting power, or Partnership Rights of Franchisee; and (v) any merger, stock redemption, consolidation, reorganization or recapitalization involving Franchisee, or the amendment of the articles, bylaws or operating agreement of Franchisee. Any of the foregoing transfers made without the Company’s approval is a breach of this Agreement and has no effect. Notwithstanding the foregoing, Assignments among Franchisee’s current owners of ownership interests in Franchisee will require prior notice to the Company but will not require the Company’s consent so long as such assignment does not result in a change in the Managing Partner or change in control of Franchisee. For purposes of the preceding sentence, “control” means the right and power to direct or cause the direction of Franchisee’s management and policies.

If Franchisee intends to list the Restaurant or its rights under this Agreement for Assignment with any broker or agent, Franchisee shall do so only after obtaining the Company’s written approval of the broker or agent and of the listing agreement. Franchisee may not use or authorize the use of any Mark in advertising the Assignment nor may Franchisee use or authorize the use of, and no third party shall on Franchisee’s behalf use, any written materials to advertise or promote the Assignment without the Company’s prior written approval of such materials.

9.2.2 Should the Company not elect to exercise its said right of first refusal, or should such right of first refusal be inapplicable, as herein provided, the Company will not unreasonably withhold its consent to such Assignment provided that all of the following conditions are met before or concurrently with the effective date of the Assignment:

9.2.2.1 the assignee (or the principal officers, shareholders, directors, members and general partners, as applicable, of an assignee which is an Entity) demonstrates that it has the skills, qualifications and economic resources necessary, in the Company’s judgment, to own and operate the Restaurant contemplated by this Agreement, and by all other agreements between the Company and such assignee, and all agreements proposed to be assigned to such assignee;

9.2.2.2 the assignee shall have completed the Company’s Investor-Owner Training, Initial Training, and New Operator Training (if applicable) programs to the Company’s satisfaction or is deemed qualified by virtue of their experience, exercised in good faith;

9.2.2.3 Franchisee shall have fully complied with all of its obligations to the Company, whether under this Agreement or any other agreement, arrangement or understanding with the Company;

9.2.2.4 the assignee shall execute the Company's then-current form of franchise agreement then being offered to prospective franchisees of the Company (except that the assignee shall not be obligated to pay the Initial Fee);

9.2.2.5 the assignor shall assign to the assignee the lease or sublease for the Restaurant and all other agreements relating to the Restaurant;

9.2.2.6 the lessor, if any, of the Location shall have consented to the assignment of the Location lease;

9.2.2.7 all individuals and entities who will be direct or indirect owners of Franchisee following the Assignment must execute or have executed a guaranty in the form the Company prescribes;

9.2.2.8 Franchisee and its owners expressly agree in writing to comply with the non-competition covenants set forth in Section 10 and with all other post-termination obligations contained in this Agreement;

9.2.2.9 Franchisee (and Franchisee's transferring owners) sign a general release, in a form satisfactory to the Company, of any and all claims against the Company and its owners, officers, directors, employees, and agents;

9.2.2.10 the Company has determined that the purchase price and payment terms will not adversely affect the transferee's operation of the Restaurant;

9.2.2.11 if Franchisee or its owners finance any part of the purchase price, Franchisee and/or its owners agree that all of the assignee's obligations under promissory notes, agreements, or security interests reserved in the Restaurant are subordinate to the assignee's obligation to pay Continuing Royalties, Brand Development Fund Fees, Technology Fees, and other amounts due to the Company, its affiliates, and third-party vendors related to the operation of the Restaurant and otherwise to comply with this Agreement;

9.2.2.12 (a) Franchisee has corrected any existing deficiencies of the Restaurant of which the Company has notified Franchisee on a punch list or in other communications, and/or (b) the assignee agrees (if the Assignment is of this Agreement) to upgrade, remodel, and refurbish the Restaurant in accordance with the Company's then-current requirements and specifications for Restaurants within the time period the Company specifies following the effective date of the Assignment (the Company will advise the assignee before the effective date of the Assignment of the specific actions that it must take and the time period within which such actions must be taken). The Company may also require the assignee to

escrow an amount the Company approves for payment of the required upgrade, remodel or refurbishment; and

9.2.2.13 Franchisee shall pay to the Company a transfer fee equal to Ten Thousand Dollars (\$10,000), which will be reduced to Five Thousand Dollars (\$5,000) if the proposed assignee (or its affiliate) owns and operates a Toppers Pizza restaurant at the time of the Assignment; *provided, further*, that if Franchisee owns multiple Toppers Pizza restaurants and the proposed Assignment involves the transfer of multiple Toppers Pizza restaurants to the same proposed assignee (or its affiliates), then the transfer fee will equal Ten Thousand Dollars (\$10,000) each for the first two Toppers Pizza Restaurants and Five Thousand Dollars (\$5,000) for each additional Toppers Pizza restaurant involved in the Assignment; *provided, however*, if the proposed Assignment is to or among owners of Franchisee or to or among the immediate family members of Franchisee, or an owner of Franchisee, Franchisee shall not be required to pay the transfer fee contemplated by this subsection; *provided, however*, that Franchisee reimburse the Company for any direct costs the Company incurs in connection with documenting and processing such Assignment, including the Company's reasonable legal fees.

9.2.3 Franchisee shall not in any event have the right to pledge, encumber, hypothecate or otherwise give any third party a security interest in this Agreement in any manner whatsoever without the express prior written permission of the Company, which permission may be withheld for any reason whatsoever in the Company's sole subjective judgment. Franchisee shall in no event make, or attempt to make, any Assignment to any person or entity which operates, franchises or licenses any restaurant which features the sale of pizza or other food products featured by "Toppers Pizza" restaurants, excluding the Company or another franchisee of the Company.

9.3 Franchisee Information. The Company shall have the right, but not the obligation, to furnish any prospective assignee with copies of all financial statements which have been furnished by Franchisee to the Company in accordance with this Agreement. The Company shall also have the right to advise any prospective assignee of any uncured breaches or defaults by assignor under this Agreement, or any other agreement relating to the Restaurant proposed to be assigned, transferred, or sold. The Company's approval of such proposed transaction shall not, however, be deemed a representation or guarantee by the Company that the terms and conditions of the proposed transaction are economically sound or that, if the transaction is consummated, the assignee will be capable of successfully conducting the Restaurant and no inference to such effect shall be made from such approval.

9.4 Right of First Refusal.

9.4.1 Except as otherwise specified in Section 9.4.2, if Franchisee (or any of its owners) at any time wishes to enter into an Assignment in a transaction that otherwise would be allowed under Section 9.2 above, Franchisee (or its owners) agree that such proposed Assignment shall be subject to the Company's right of first refusal with respect thereto. The Company's said right of first refusal shall be exercised in the following manner:

9.4.1.1 Franchisee shall deliver to the Company a complete copy of a fully executed Agreement, together with all exhibits thereto, and setting forth all of the terms and conditions of the proposed Assignment. Additionally, Franchisee shall deliver to the Company all available information concerning the proposed assignee, including but not limited to, information concerning the employment history, financial condition, credit history, skill and qualifications of the proposed assignee and, in the case of an assignee which is an Entity, of its members, partners and shareholders, as applicable.

9.4.1.2 Within twenty (20) business days after the Company's receipt of such notice (or if the Company shall request additional information, within twenty (20) business days after receipt of such additional information), the Company may either consent or withhold its consent to such Assignment, in accordance with Section 9.2, or, at its option, accept the Assignment to itself or to its nominee upon the terms and conditions specified in the notice. The Company may substitute an equivalent sum of cash for any consideration other than cash specified in said notice.

9.4.1.3 If the Company shall elect not to exercise its said right of first refusal and shall consent to such Assignment, Franchisee shall, subject to the provisions of Section 9.2, be free to complete the Assignment to such proposed assignee on the terms and conditions specified in said notice. If, however, the Company elects not to exercise its said right of first refusal and the terms shall be materially changed, or if more than ninety (90) days shall pass without such Assignment occurring, such changed terms or lapse of time shall be deemed a new proposal and the Company shall again have such right of first refusal with respect thereto.

9.4.2 Notwithstanding anything herein to the contrary, in the event of Assignment occurring by reason of the death or legal incapacity of (i) Franchisee, if an individual, or (ii) a stockholder or member owning fifty percent (50%) or more of the capital stock or voting power of Franchisee, if a corporation or limited liability company, or (iii) a (x) a general partner, or (y) a limited partner owning fifty percent (50%) or greater interest in any of the Partnership Rights of Franchisee, if a Partnership; the transfer of Franchisee's interest in this Agreement or the transfer of such stockholder's or partner's voting power, stock or Partnership Interest to his heirs, personal representatives or conservators, as applicable, shall require the Company's written consent (which shall not be unreasonably withheld), but shall not give rise to the Company's right of first refusal hereunder, although such right shall apply as to any proposed transfer or Assignment by such heirs, personal representatives or conservators. In the event of an assignment by reason of the provisions of this Section 9.4.2, the assignee-franchisee shall pay the \$10,000 transfer fee set forth in Section 9.2.2.13 and commence new franchisee training within ninety (90) days after taking said assignment.

10. NON-COMPETITION

10.1 General.

10.1.1 Subject to the exceptions, if any, explicitly set forth in Exhibit B that is attached to and made a part of this Agreement, during the Term of this Agreement, neither Franchisee, nor any officer, director, shareholder, member or general partner of Franchisee, shall directly or indirectly, own, operate, advise, be employed by, be lessor for the premises of, or have any financial interest in any business (excluding Toppers Pizza restaurants operated under franchise agreements with Company) that features the sale of pizzas for delivery, dine-in, carryout, or curbside pickup. This restriction shall not apply to ownership of publicly held companies, provided that Franchisee, its officers, directors, shareholders, members or general partners, hold no more than one-tenth of one percent (0.1%) interest in any publicly held company engaged in the sale of pizzas or other food products featured by “Toppers Pizza” restaurants or the delivery of any prepared foods.

10.1.2 To the extent permitted by applicable law, during the two (2) year period after the expiration or termination hereof, for any reason, neither Franchisee, nor any officer, director, shareholder, member or general partner of a Franchisee which is an Entity, shall, either directly or indirectly, own, operate, advise, be employed by, be lessor for the premises or, or have any interest in any business that features the sale of pizzas or other food products featured by “Toppers Pizza” restaurants, (i) at the Location, (ii) within a ten (10) mile radius of the Location, or (iii) within a five (5) mile radius of any then-existing “Toppers Pizza” Restaurant, without the Company’s prior written consent.

10.1.3 The parties have attempted in Sections 10.1.1 and 10.1.2 above to limit Franchisee’s right to compete only to the extent necessary to protect the Company from unfair competition. The parties hereby expressly agree that if the scope or enforceability of Section 10.1.1 or 10.1.2 is disputed at any time by Franchisee, a court or arbitrator, as the case may be, may modify either or both of such provisions to the extent that it deems necessary to make such provision(s) enforceable under applicable law. In addition, the Company reserves the right unilaterally to reduce the scope of either, or both, of those provisions without Franchisee’s consent, at any time or times, effective immediately upon notice to Franchisee.

10.2 Non-Interference. Franchisee further agrees that, during the Term of this Agreement, Franchisee, Franchisee’s owners, and Franchisee’s or Franchisee’s owners’ immediate family members will not solicit, interfere, or attempt to interfere with the Company or the Company’s affiliates’ relationships with any customers, vendors, or consultants.

11. DEFAULT AND TERMINATION

11.1 Termination by Franchisee. If Franchisee and its owners are fully complying with this Agreement and the Company materially fails to comply with this Agreement and does not correct the failure within 30 days after Franchisee delivers written notice of the material failure to the Company or if the Company cannot correct the failure within 30 days and it fails to give Franchisee within 30 days after Franchisee’s notice reasonable evidence of the Company’s effort

to correct the failure within a reasonable time, Franchisee may terminate this Agreement effective an additional 30 days after Franchisee delivers to the Company written notice of termination. Franchisee's termination of this Agreement other than according to this Section 11.1 will be deemed a termination without cause and a breach of this Agreement.

11.2 Termination by the Company The Company may terminate this Agreement, effective upon delivery of written notice of termination to Franchisee, if:

11.2.1 Franchisee (or any of its owners) has made or makes any material misrepresentation or omission in acquiring the franchise or operating its Restaurant;

11.2.2 Franchisee fails to receive the Company's written acceptance of a Location on or before the Location Acceptance Deadline or fails to sign a lease or purchase document for an acceptable location for the Restaurant on or before the Location Acquisition Deadline (as defined in Section 2.1.2);

11.2.3 Franchisee does not open its Restaurant for business on or before the Opening Deadline (or the Extended Opening Deadline if the Company has granted Franchisee an Opening Extension);

11.2.4 the Company determines (a) the Managing Partner is incapable or unqualified to complete Initial Training to the Company's satisfaction or (b) any individual required to attend New Operator Training is unable to complete New Operator Training to the Company's satisfaction;

11.2.5 Franchisee abandons or fails actively to operate the Restaurant for three (3) or more consecutive days, unless Franchisee closes the Restaurant for a purpose the Company approves;

11.2.6 Franchisee (or any of its owners) is or has been convicted by a trial court of, or plead or has pleaded no contest or guilty to, a felony;

11.2.7 Franchisee fails to maintain the insurance the Company requires and does not correct the failure within 10 days after the Company delivers written notice of that failure to Franchisee;

11.2.8 Franchisee (or any of its owners) engages in any conduct which, in the Company's opinion, adversely affects the reputation of the Restaurant or the goodwill associated with the Trademarks;

11.2.9 Franchisee (or any of its owners) makes or attempts to make an unauthorized Assignment;

11.2.10 Franchisee loses the right to occupy the Location;

11.2.11 Franchisee (or any of its owners) knowingly makes any unauthorized use or disclosure of any part of the Operations Manual or any other Confidential Information;

11.2.12 Franchisee violates any law, ordinance, rule or regulation of a governmental agency in connection with the operation of the Restaurant and fails to correct such violation within 72 hours after Franchisee receives notice from the Company or any other party, regardless of any longer period of time that any governmental authority or agency may have given Franchisee to cure such violation;

11.2.13 Franchisee fails to pay the Company or its affiliates any amounts due and does not correct the failure within 10 days after written notice of that failure has been delivered or fails to pay any third party obligations owed in connection with Franchisee's ownership or operation of the Restaurant and does not correct such failure within any cure periods permitted by the person or entity to whom such obligations are owed;

11.2.14 Franchisee fails to pay when due any federal or state income, service, sales, use, employment or other taxes due on or in connection with the operation of the Restaurant, unless Franchisee is in good faith contesting its liability for these taxes;

11.2.15 Franchisee understates its Gross Sales three times or more during this Agreement's Term;

11.2.16 Franchisee understates its Gross Sales by more than five percent (5%) during any four-week reporting period (as specified in Section 4.11.2);

11.2.17 Franchisee (or any of its owners) (a) fails on three or more separate occasions within any 12 consecutive month period to comply with this Agreement, whether or not the Company notifies Franchisee of the failures, and, if the Company does notify Franchisee of the failures, whether or not Franchisee corrects the failures after the Company's delivery of notice to Franchisee; or (b) fails on two or more separate occasions within any six consecutive month period to comply with the same obligation under this Agreement, whether or not the Company notifies Franchisee of the failures, and, if the Company does notify Franchisee of the failures, whether or not Franchisee corrects the failures after the Company's delivery of notice to Franchisee;

11.2.18 Franchisee makes an assignment for the benefit of creditors or admits in writing its insolvency or inability to pay its debts generally as they become due; Franchisee consents to the appointment of a receiver, trustee, or liquidator of all or the substantial part of its property; Franchisee's Restaurant is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant, or levy is vacated within 30 days; or any order appointing a receiver, trustee, or liquidator of Franchisee or its Restaurant is not vacated within 30 days following the order's entry;

11.2.19 Franchisee (or any of its owners) files a petition in bankruptcy or a petition in bankruptcy is filed against Franchisee;

11.2.20 Franchisee (or any of its owners) fails to comply with anti-terrorism laws, ordinances, regulations and Executive Orders;

11.2.21 Franchisee creates or allows to exist any condition in connection with the operation of the Restaurant or in or at the Restaurant's Location which the Company reasonably determines to present a health or safety concern for the Restaurant's customers or employees;

11.2.22 Franchisee fails to pass quality assurance audits, and does not cure such failure within 15 days after the Company delivers written notice of failure to Franchisee;

11.2.23 Franchisee (or any of its owners) fails to comply with any other provision of this Agreement or any System Standard, and does not correct the failure within 30 days after the Company delivers written notice of the failure to Franchisee; *provided, however*, that if such failure is the direct result of a Casualty Event, and Franchisee is using good-faith efforts to cure the failure, the Company will not exercise its rights under this Section 11.2 unless Franchisee has failed to cure such default within 180 days following written notice thereof. As used in this paragraph, a "Casualty Event" is a fire, tornado, hurricane, flood, earthquake or similar natural disaster which is not within Franchisee's control;

11.2.24 Franchisee or its affiliate fails to comply with any other agreement with the Company or its affiliate and does not correct such failure within the applicable cure period, if any; or

11.2.25 the Managing Partner is unable to continue in the role as Managing Partner and the Restaurant has not yet opened for business, or after the Restaurant is open for business, Franchisee changes the identity of the Managing Partner without receiving the Company's prior written consent.

11.3 Cross-Default. Any default by Franchisee under the terms and conditions of this Agreement or any lease, sublease or other agreement between the Company, or its affiliate, and Franchisee, or any default by Franchisee of its obligations to any Advertising Cooperative of which it is a member, shall be deemed to be a default of each and every said agreement. Furthermore, in the event of termination, for any cause, of this Agreement or any other agreement between the parties hereto, the Company may, at its option, terminate any or all said agreements.

11.4 Additional Remedies. In addition to the rights and remedies granted to the Company under this Section 11, in the event of a default under this Agreement by Franchisee, the Company shall have the right to pursue any and all remedies available to the Company under this Agreement, at law or in equity. In addition, if this Agreement is terminated because of Franchisee's default or if Franchisee terminates this Agreement without cause before its expiration, Franchisee and the Company agree that it would be difficult if not impossible to determine the amount of damages that the Company would suffer due to the loss or interruption of the revenue stream the Company otherwise would have derived from Franchisee's continued payment of Continuing Royalties and Technology Fees and that the Brand Development Fund and Association would have otherwise derived from Franchisee's continued contributions to those funds, less any cost savings, through the remainder of the Term (the "Damages"). The parties agree that a reasonable estimate of the Damages is, and Franchisee agrees to pay the Company as compensation for the Damages, an amount equal to the then net present value of the Continuing Royalties, Technology Fees, Brand Development Fund contributions and Cooperative Advertising Fees that would have become due

had this Agreement not been terminated, from the date of termination to the earlier of: (a) five (5) years following termination or (b) the scheduled expiration of the then-current Term of this Agreement (the “Measurement Period”). For this purpose, Damages shall be calculated by multiplying (1) the number of calendar months in the Measurement Period by (2) the aggregate percentages of the Continuing Royalties, Technology Fees, Brand Development Fund contributions and Cooperative Advertising Fees, by (3) the average monthly Gross Sales of the Restaurant during the 12 full calendar months immediately preceding the termination date; however, if as of the termination date, the Restaurant has not been operating for at least 12 months, Damages will be calculated based on the average monthly Gross Sales during the Company’s previous fiscal year immediately preceding the termination date of all Toppers Pizza Restaurants during the entirety of that fiscal year. The parties agree that the calculation described in this Section is a calculation only of the Damages and that nothing herein shall preclude or limit the Company from proving and recovering any other damages caused by Franchisee’s breach of this Agreement.

11.5 Assumption of Management. The Company has the right (but not the obligation), under the circumstances described below, to enter the Location and assume the management of the Restaurant (or to appoint a third party to assume its management) for any period of time the Company deems appropriate. If the Company (or a third party) assumes the management of the Restaurant under subparagraphs (1) and (2) below, Franchisee agrees to pay the Company (in addition to the Continuing Royalty, Brand Development Fund contributions, the Technology Fee, and other amounts due under this Agreement) an amount equal to ten percent (10%) of Gross Sales, plus the Company’s (or the third party’s) direct out-of-pocket costs and expenses, for any period the Company deems appropriate. If Company (or a third party) assumes the management of the Restaurant, Franchisee acknowledges that the Company (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to Franchisee or its owners for any debts, losses, or obligations the Restaurant incurs, or to any of Franchisee’s creditors for any supplies, products, or other assets or services the Restaurant purchases, while the Company (or the third party) manages the Restaurant.

The Company (or a third party) may assume the management of the Restaurant under the following circumstances:

- (1) if Franchisee abandons or fails to actively operate the Restaurant;
- (2) if Franchisee fails to comply with any provision of this Agreement or any System Standard and does not cure the failure within the time period the Company specifies in its notice to Franchisee; or
- (3) if this Agreement expires or is terminated and the Company is deciding whether to exercise its option to purchase the Restaurant under Section 12.3.

If the Company exercises its rights under subparagraphs (1) or (2) above, that will not affect the Company’s right to terminate this Agreement under Section 11.2 above.

11.6 Interim Remedies. If Franchisee is in default of any provision of this Agreement, the Company may, at its option, elect to impose interim remedies and/or reduce the services the

Company provides to the Restaurant (collectively, the “Limited Services”) rather than terminate this Agreement. The Company will provide written notice to Franchisee before implementing Limited Services. Notwithstanding the implementation of Limited Services, at any time that Franchisee is in default of this Agreement and is receiving Limited Services, the Company may elect to terminate this Agreement. Limited Services may include: (a) withdrawing approval of any Website on which the Restaurant is listed; (b) suspending Franchisee’s access to Brand Development Fund services; (c) suspending Franchisee’s access to the Online Ordering System; (d) suspending Franchisee’s ability to attend training and conferences offered by the Company; (e) suspending Franchisee’s access to restaurant design, layout services, and real estate services; and/or (f) limiting the Company’s on-site visits to the minimum required (if any) by this Agreement.

12. FURTHER OBLIGATIONS AND RIGHTS OF THE PARTIES UPON TERMINATION OR EXPIRATION

12.1 The Company’s Rights. In the event of expiration or termination of this Agreement, whether by reason of default, lapse of time, or other cause, Franchisee shall:

12.1.1 close the Restaurant for business to customers and cease to sell, directly or indirectly, any products and services of any kind in any manner from the Restaurant and/or using the Trademarks, unless the Company directs Franchisee otherwise in connection with its exercise of its option to purchase pursuant to Section 12.3

12.1.2 pay all amounts due to the Company (or its affiliates), including, but not limited to, unpaid Continuing Royalties, Brand Development Fund Fees, Technology Fees, interest, and all other amounts owed to the Company (and its affiliates) which then are unpaid;

12.1.3 discontinue the use of the Trademarks;

12.1.4 not thereafter operate or do business under any name containing “Toppers Pizza,” or under any name confusingly similar thereto or to the Trademarks or any of them, or in any manner that might tend to give the general public the impression that it is operating a business as a franchisee of the Company and shall promptly take such action as the Company may direct to prevent any possible confusion in the mind of the public as to Franchisee’s non-affiliation with the Company, including but not limited to, repainting the Restaurant premises and fixtures in a color scheme dissimilar to that of the Company’s, removal of signage, advertising, exterior building treatments and neon strips, and other fixtures and furnishings that might tend to cause the public to associate Franchisee with the Company or its franchisees or the System;

12.1.5 immediately return the Operations Manual and all other manuals, bulletins, instruction sheets, and supplements and copies thereof to the Company;

12.1.6 transfer, assign or otherwise convey to Company full control of all telephone numbers associated with or pertaining to the Restaurant (including, but not limited to all telephone numbers listed on any boxes, mailings, promotional-flyers or other

advertising material used with respect to the Restaurant or “Toppers Pizza,” and all telephone numbers listed in the white pages or yellow pages under the name “Toppers Pizza”), all related telephone directory listings (collectively “Contact Identifiers”), and all Online Presences, or, at the Company’s election, terminate all such Contact Identifiers and Online Presences. Notwithstanding the foregoing, Franchisee agrees that all liabilities and obligations arising from any such Contact Information or Online Presence prior to the date of the transfer, assignment or conveyance to Company will remain Franchisee’s sole responsibility in all respects, and any costs Company incurs in connection therewith will be indemnifiable under Section 14.2. Franchisee hereby appoints Company as its true and lawful attorney-in-fact to take such actions and execute such documents on Franchisee’s behalf as may be required to effect the foregoing purposes;

12.1.7 not thereafter use, in any manner, or for any purpose, directly or indirectly, any of the Company’s Confidential Information, trade dress, recipes, procedures, techniques, or materials acquired by Franchisee by virtue of the relationship established by this Agreement, including, without limiting the generality of the foregoing, (a) all manuals, bulletins, instruction sheets, and supplements thereto, (b) all forms, advertising matter, marks, devices, insignia, slogans and designs used from time to time in connection with the Restaurant (c) all lists, specifications or standards regarding Authorized Products and Services, (d) all Trademarks or trade names now or hereafter applied for or granted in connection therewith, and (e) all customer data and customer lists; and

12.1.8 comply with all other System Standards the Company establishes from time to time (and all applicable laws) in connection with the closure and de-identification of the Restaurant, including as it relates to disposing of Personal Information, in any form, in Franchisee’s possession or the possession of any of Franchisee’s employees.

12.2 Termination Without Prejudice. The expiration or termination of this Agreement shall be without prejudice to the rights of the Company against Franchisee and such expiration or termination shall not relieve Franchisee of any of its obligations to the Company existing at the time of expiration or termination or terminate those obligations of Franchisee which, by their nature, survive the expiration or termination of this Agreement. It is expressly understood and agreed that the promises and agreements of Franchisee contained in this Agreement, are also for the benefit of the Company’s subsidiaries, affiliates and designees, and any of them may, in their own names, exercise all rights and remedies necessary or desirable to protect or enforce their respective interest, including, without limitation, obtaining injunctive relief to enforce the obligations of Franchisee set forth in this Agreement.

12.3 Purchase Option. Upon the Company’s termination of this Agreement according to its terms and conditions, Franchisee’s termination of this Agreement without cause, or expiration of this Agreement (if the Company offers, but Franchisee elects not to acquire, a renewal franchise, or if the Company does not offer Franchisee a renewal franchise due to Franchisee’s failure to satisfy the conditions for a renewal franchise set forth in Section 3.2), the Company has the option, exercisable by giving Franchisee written notice before or within thirty (30) days after the date of termination or expiration to purchase the Restaurant. The Company has the unrestricted right to assign this option to purchase. The Company is entitled to all customary warranties and representations in its asset purchase. The purchase price for the Restaurant will be its fair market

value, provided that the fair market value will not include any value for (i) the franchise or any rights granted by this Agreement; or (ii) goodwill attributable to the Trademarks, brand image, and other intellectual property. The Company may exclude from the assets purchased any items that are not reasonably necessary (in function or quality) to the Restaurant's operation or that the Company has not approved as meeting System Standards for Restaurants, and the purchase price will reflect these exclusions.

If the parties cannot agree on fair market value, fair market value will be determined by one (1) independent accredited appraiser who will conduct an appraisal and, in doing so, be bound by the criteria specified herein. The parties agree to select the appraiser within fifteen (15) days after the Company notifies Franchisee that the Company wishes to exercise its purchase option (if the parties have not agreed on fair market value before then). The parties will share equally the appraiser's fees and expenses. The appraiser must complete its appraisal within thirty (30) days after its appointment. The purchase price will be the appraised value.

The Company (or its assignee) will pay the purchase price at the closing, which will take place not later than sixty (60) days after the purchase price is determined. The Company may set-off against the purchase price, and reduce the purchase price by, any and all amounts Franchisee or its owners owe the Company or its affiliates. At the closing, Franchisee agrees to deliver instruments transferring to the Company (or its assignee): (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to the Company), with all sales and other transfer taxes paid by Franchisee; (b) all of the Restaurant's licenses and permits which may be assigned or transferred; and (c) an assignment of the lease for the Restaurant's premises.

Franchisee and its owners further agree to execute general releases, in a form satisfactory to the Company, of any and all claims against the Company and its owners, officers, directors, employees, agents, successors, and assigns. If the Company exercises its rights under this Section 12.3, Franchisee and its owners agree that, for two (2) years beginning on the closing date, Franchisee and its owners will be bound by the non-competition covenant contained in Section 10.

13. ENFORCEMENT

13.1 Security Interest. As security for the performance of Franchisee's obligations under this Agreement, including payments owed to the Company for purchase by Franchisee, Franchisee hereby collaterally assigns to the Company the Lease and grant the Company a security interest in all of the assets of the Restaurant, including but not limited to inventory, accounts, supplies, contracts, and proceeds and products of all those assets (including cash derived from the operation of the Restaurant). Franchisee agrees to execute such other documents as the Company may reasonably request in order to further document, perfect and record its security interest. If Franchisee defaults in any of its obligations under this Agreement, the Company may exercise all rights of a secured creditor granted to the Company by law, in addition to the Company's other rights under this Agreement and at law. This Agreement shall be deemed to be a Security Agreement and Financing Statement and may be filed for record as such in the records of any county and state that the Company deems appropriate to protect the Company's interests.

13.2 Franchisee May Not Withhold Amounts Due to the Company. Franchisee agrees that it will not withhold payment of any amounts owed to the Company on the grounds of its alleged nonperformance of any of the Company's obligations under this Agreement or for any other reason, and Franchisee specifically waives any right it may have at law or in equity to offset any funds Franchisee may owe the Company or to fail or refuse to perform any of Franchisee's obligations under this Agreement.

13.3 Rights of Parties Are Cumulative. The parties' rights under this Agreement are cumulative, and the parties' exercise or enforcement of any right or remedy under this Agreement will not preclude a party's exercise or enforcement of any other right or remedy which a party is entitled by law to enforce.

13.4 Arbitration. The parties agree that all controversies, disputes, or claims between the Company or any of its affiliates, and the Company's and its affiliates' respective shareholders, officers, directors, agents, and employees, and Franchisee (and its owners, guarantors, affiliates, and employees) arising out of or related to:

13.4.1 this Agreement or any other agreement between Franchisee (or any of its owners) and Company (or any of its affiliates);

13.4.2 the Company's relationship with Franchisee;

13.4.3 the scope or validity of this Agreement or any other agreement between Franchisee (or its owners) and the Company (or its affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration obligation under this Section 13.4, which the parties acknowledge is to be determined by an arbitrator, not a court); or

13.4.4 any System Standard,

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of the Company's or, as applicable, the Company's successor's or assign's, then-current principal place of business (currently, Whitewater, Wisconsin). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including, without limitation, money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by the Company or its affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (the parties hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding).

Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

The parties agree to be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. The parties further agree that, in any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either party.

THE PARTIES AGREE THAT ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT AN ARBITRATION PROCEEDING BETWEEN THE COMPANY AND ANY OF ITS AFFILIATES, OR THE COMPANY'S AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND FRANCHISEE (OR FRANCHISEE'S OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING, (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD PARTY, OR (IV) BROUGHT ON FRANCHISEE'S BEHALF BY ANY ASSOCIATION OR AGENT. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the dispute resolution provisions of this Agreement.

The parties agree that, in any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute. The parties may only serve reasonable requests for documents, which must be limited to documents upon which a party intends to rely or documents that are directly relevant and material to a significant disputed issue in the case or to the case's outcome. The document requests shall be restricted in terms of timeframe, subject matter and persons or entities to which the requests pertain, and shall not include broad phraseology such as "all documents directly or indirectly related to." The parties further agree that no interrogatories or requests to admit shall be propounded, unless the parties later mutually agree to their use.

With respect to any discovery of electronically stored information, the parties agree that such requests must balance the need for production of electronically stored information relevant and material to the outcome of a disputed issue against the cost of locating and producing such information. The parties agree that:

- (a) production of electronically stored information need only be from sources used in the ordinary course of business. No party shall be required to search for or produce information from back-up servers, tapes, or other media;

(b) the production of electronically stored information shall normally be made on the basis of generally available technology in a searchable format which is usable by the party receiving the information and convenient and economical for the producing party. Absent a showing of compelling need, the parties need not produce metadata, with the exception of header fields for email correspondence;

(c) the description of custodians from whom electronically stored information may be collected shall be narrowly tailored to include only those individuals whose electronically stored information may reasonably be expected to contain evidence that is relevant and material to the outcome of a disputed issue;

(d) the parties shall attempt to agree in advance upon, and the arbitrator may determine, reasonable search parameters; and

(e) where the costs and burdens of electronic discovery are disproportionate to the nature of the dispute or to the amount in controversy, or to the relevance of the materials requested, the arbitrator shall either deny such requests or order disclosure on condition that the requesting party advance the reasonable cost of production to the other side, which cost advance will not be awarded to the prevailing party in any final award.

In any arbitration each side may take no more than three depositions, unless the parties mutually agree to additional depositions. Each side's depositions are to consume no more than a total of 15 hours, and each deposition shall be limited to 5 hours, unless the parties mutually agree to additional time.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories.

The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

13.5 Governing Law. ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN THE PARTIES WILL BE GOVERNED BY THE LAWS OF THE STATE OF WISCONSIN, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY WISCONSIN LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION, AND (2) THE ENFORCEABILITY OF THOSE PROVISIONS OF THIS AGREEMENT WHICH RELATE TO RESTRICTIONS ON

FRANCHISEE AND ITS OWNERS' COMPETITIVE ACTIVITIES WILL BE GOVERNED BY THE LAWS OF THE STATE IN WHICH THE RESTAURANT IS LOCATED.

13.6 Consent to Jurisdiction. SUBJECT TO THE OBLIGATION TO ARBITRATE UNDER SECTION 13.4 ABOVE AND THE PROVISIONS BELOW, FRANCHISEE AND ITS OWNERS AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN THE PARTIES MUST BE COMMENCED IN STATE OR FEDERAL COURT NEAREST TO THE COMPANY'S, OR, AS APPLICABLE, THE COMPANY'S SUCCESSOR'S OR ASSIGN'S, THEN-CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY WHITEWATER, WISCONSIN), AND FRANCHISEE (AND EACH OWNER) IRREVOCABLY SUBMITS TO THE JURISDICTION OF THAT COURT AND WAIVES ANY OBJECTION FRANCHISEE (OR THE OWNER) MIGHT HAVE TO EITHER THE JURISDICTION OF OR VENUE IN THAT COURT.

13.7 Waiver of Punitive Damages and Jury Trial. EXCEPT FOR FRANCHISEE'S OBLIGATION TO INDEMNIFY THE COMPANY FOR THIRD-PARTY CLAIMS UNDER SECTION 14.2, THE PARTIES (AND FRANCHISEE'S OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THE COMPANY AND FRANCHISEE, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

THE PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING, BROUGHT BY EITHER PARTY.

13.8 Injunctive Relief. Nothing in this Agreement, including the provisions of Section 13.4, bars the Company's right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause the Company, the Trademarks, or the System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions. Franchisee agrees that the Company may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to the Company at law or in equity. Franchisee agrees that the Company will not be required to post a bond to obtain injunctive relief and that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).

13.9 Limitations of Claims and Class-Action Bar. EXCEPT FOR CLAIMS ARISING FROM FRANCHISEE'S NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS FRANCHISEE OWES THE COMPANY, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE COMPANY'S RELATIONSHIP WITH FRANCHISEE WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE (1) YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.

THE PARTIES AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN THE COMPANY AND ANY OF ITS AFFILIATES, OR THE COMPANY'S AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND FRANCHISEE (OR FRANCHISEE'S OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD PARTY, OR (IV) BROUGHT ON FRANCHISEE'S BEHALF BY ANY ASSOCIATION OR AGENT.

NO PREVIOUS COURSE OF DEALING SHALL BE ADMISSIBLE TO EXPLAIN, MODIFY, OR CONTRADICT THE TERMS OF THIS AGREEMENT. NO IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING SHALL BE USED TO ALTER THE EXPRESS TERMS OF THIS AGREEMENT.

13.10 Lawful Attorney. Notwithstanding anything otherwise contained in this Agreement, if Franchisee does not execute and deliver any documents or other assurances so required of Franchisee pursuant to this Agreement or if the Company assumes the management or operation of the business operated hereunder on Franchisee's behalf for any reason, Franchisee hereby irrevocably appoints the Company as its lawful attorney with full power and authority, to execute and deliver in Franchisee's name any such documents and assurances, and to manage or operate the business on Franchisee's behalf, and to do all other acts and things, all in such discretion as the Company may desire, and Franchisee hereby agrees to ratify and confirm all of the Company's acts as Franchisee's lawful attorney and to indemnify and save the Company harmless from all claims, liabilities, losses, or damages suffered in so doing. Franchisee also hereby appoints the Company as its attorney-in-fact to receive and inspect Franchisee's confidential sales and other tax records and hereby authorizes all tax authorities to provide such information to the Company for all tax periods during the Term of this Agreement.

14. GENERAL CONDITIONS AND PROVISIONS

14.1 Relationship of Franchisee to the Company. It is expressly agreed that the parties intend by this Agreement to establish between the Company and Franchisee the relationship of franchisor and franchisee. It is further agreed that Franchisee has no authority to create or assume in the Company's name or on behalf of the Company, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of the Company for any purpose whatsoever. Neither the Company nor Franchisee is the employer, employee, agent, partner or co-venturer of or with the other, each being independent. Franchisee agrees that it will not hold himself out as the agent, employee, partner or co-venturer of the Company.

Franchisee acknowledges and agrees that Franchisee is solely responsible for all decisions relating to employees, agents, and independent contractors that Franchisee may hire to assist in the operation of Franchisee's Restaurant. Franchisee agrees that any employee, agent or independent contractor that Franchisee hires will be Franchisee's employee, agent or independent contractor, and not Company's employee, agent or independent contractor. Franchisee also agrees that Franchisee is exclusively responsible for the terms and conditions of employment of its employees,

including recruiting, hiring, firing, training, compensation, work hours and schedules, work assignments, safety and security, discipline, and supervision. Franchisee agrees to manage the employment functions of the Restaurant in compliance with federal, state, and local employment laws.

14.2 Indemnity by Franchisee. Franchisee agrees to indemnify, defend, and hold harmless the Company, its affiliates, and its and their respective shareholders, directors, officers, employees, agents, successors, and assignees (the “Indemnified Parties”) against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the Restaurant’s operation, the business Franchisee conducts under this Agreement, or Franchisee’s breach of this Agreement, including, without limitation, those alleged to be or found to have been caused by the Indemnified Party’s gross negligence or willful misconduct, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by the Indemnified Party’s gross negligence or willful misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction.

For purposes of this indemnification, “**claims**” include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants’, arbitrators’, attorneys’, and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it at Franchisee’s expense and agree to settlements or take any other remedial, corrective, or other actions.

This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim for indemnity under this Section. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover under this Section.

14.3 The Company’s Right to Cure Defaults. In addition to all other remedies herein granted if Franchisee shall default in the performance of any of its obligations or breach any term or condition of this Agreement or any related agreement, the Company may, at its election, immediately or at any time thereafter, without waiving any claim for breach hereunder, cure such default for the account and on behalf of Franchisee, and the cost to the Company thereof shall be due and payable on demand and shall be deemed to be additional compensation due to the Company hereunder and shall be added to the amount of compensation next accruing hereunder, at the election of the Company.

14.4 Waiver and Delay. No waiver by the Company of any breach or series of breaches or defaults in performance by Franchisee, and no failure, refusal or neglect of the Company to exercise any right, power or option given to it hereunder or under any other franchise agreement between the Company and Franchisee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Restaurant) or to insist upon strict compliance with or performance of Franchisee’s obligations under this Agreement, any other

franchise agreement between the Company and Franchisee, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to the Restaurant) or the Operations Manual, shall constitute a waiver of the provisions of this Agreement or the Operations Manual with respect to any subsequent breach thereof or a waiver by the Company of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

14.5 No Waiver by Franchisee.

The following provision applies if Franchisee or the franchise granted hereby are subject to the franchise registration or disclosure laws in Illinois, Indiana, Maryland, Michigan, Minnesota, South Dakota, Virginia, or Wisconsin: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor.

14.6 Survival of Covenants. The covenants contained in this Agreement which, by their terms, require performance by the parties after the expiration or termination of this Agreement, shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

14.7 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company and shall be binding upon and inure to the benefit of Franchisee and its or their respective heirs, executors, administrators, successors and assigns, subject to the restrictions on Assignment contained herein.

14.8 Joint and Several Liability. If Franchisee consists of more than one person or entity, or a combination thereof, the obligations and liabilities of each such person or entity to the Company are joint and several.

14.9 Entire Agreement. No officer or employee or agent of the Company has any authority to make any representation or promise not contained in this Agreement or in any Franchise Disclosure Document for prospective franchisees required by applicable law, and Franchisee agrees that it has executed this Agreement without reliance upon any such representation or promise. Except as specifically provided for in this Agreement, this Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto. Nothing in this or in any related agreement, however, is intended to disclaim the representations made by Company in any Franchise Disclosure Document.

14.10 Titles for Convenience. Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

14.11 Gender and Construction. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any article or Section hereof may require. As used in this Agreement, the words “include,” “includes” or “including” are used in a non-exclusive sense. Franchisee agrees that whenever this

Agreement allows or requires the Company to take actions or make decisions, the Company may do so in its sole and unfettered discretion, even if Franchisee believes the Company's action or decision is unreasonable, unless this Agreement expressly and specifically requires that the Company act reasonably or refrain from acting unreasonably in connection with the particular action or decision.

14.12 Severability. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provisions of this Agreement or the Operations Manual and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement or the Operations Manual thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. If any part, article, Section, sentence or clause of this Agreement or the Operations Manual shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, or length of time, but would be enforceable if modified, Franchisee and the Company agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of the Company's refusal to enter into a successor franchise agreement, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and the Company may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. Franchisee agrees to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

14.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Signatures transmitted via facsimile or scanned and emailed shall have the same force and effect as originals.

14.14 Fees and Expenses.

14.14.1 The prevailing party in any arbitration or litigation shall be entitled to recover from the other party all damages, costs and expenses, including arbitration and court costs and reasonable attorneys' fees, incurred by the prevailing party in connection with such arbitration or litigation.

14.14.2 Franchisee shall reimburse the Company, promptly on demand, for the costs and reasonable attorney's fees incurred by the Company in connection with the negotiation, if applicable, of any amendments to the terms of this Agreement or any ancillary agreements or exhibits relating hereto or referred to herein following the Effective Date, including the fees and costs related to any filings with any state required as a result of such negotiations.

14.15 Notices. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties pursuant hereto shall be deemed so delivered: at the time delivered by hand; upon receipt after transmission by facsimile; upon receipt after transmission by e-mail or other electronic system; one (1) business day after placement with a reputable overnight courier (e.g., FedEx or UPS) for next-day delivery; or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed as follows:

If to the Company for Reporting Purposes:

TOPPERS PIZZA LLC
333 West Center Street
Whitewater, WI 53190
Attn: Reporting Office
Facsimile No. (262) 473-6697
E-mail: legal@toppers.com

If to the Company for Notice Purposes:

TOPPERS PIZZA LLC
333 West Center Street
Whitewater, WI 53190
Attn: President
Facsimile No. (262) 473-6697
E-mail: legal@toppers.com

If to Franchisee, to the principal business address and facsimile number on Exhibit A, attached, and/or to the Restaurant's address.

Any party may change his or its address by giving ten (10) days prior written notice of such change to all other parties.

15. SUBMISSION OF AGREEMENT

15.1 General. The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution thereof by the Company and Franchisee. THIS AGREEMENT SHALL NOT BE BINDING ON COMPANY UNLESS AND UNTIL IT SHALL HAVE BEEN ACCEPTED AND SIGNED ON ITS BEHALF BY THE PRESIDENT OR CHIEF FINANCIAL OFFICER OF COMPANY. THIS AGREEMENT

SHALL NOT BECOME EFFECTIVE UNTIL AND UNLESS FRANCHISEE SHALL HAVE BEEN FURNISHED BY COMPANY WITH ALL DISCLOSURE DOCUMENTS, IN WRITTEN FORM, AS MAY BE REQUIRED UNDER OR PURSUANT TO APPLICABLE LAW, FOR REQUISITE TIME PERIODS.

16. ACKNOWLEDGMENT

16.1 General. Franchisee, and its shareholders and partners, as applicable, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, and that they intend to comply herewith and be bound hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the dates shown below to be effective as of the Effective Date.

COMPANY:

TOPPERS PIZZA LLC

By: _____
Name: _____
Title: _____
Date*: _____
(*This is the Effective Date)

FRANCHISEE:

By: _____
Name: _____
Title: _____
Date: _____

an Individual Date

an Individual Date

an Individual Date

EXHIBIT A

FRANCHISEE OWNERSHIP and DETAILS

1. Complete Franchisee Entity Name: _____
2. Select type of entity:
☐ corporation
☐ limited liability company
☐ partnership
☐ other _____
3. Franchisee was incorporated or formed on _____ (date) under the laws of the State of _____.
4. Franchisee's principal business address:

5. Has Franchisee conducted business under any name other than Franchisee's corporate, limited liability company, or partnership name? YES or NO If so, under what name:

6. List Franchisee's officers, directors, or managers (if applicable):

<u>Name</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

7. List the owner that Franchisee has designated, and that the Company approves to be, the Managing Partner: _____

8. List the full name of each of Franchisee's direct or indirect owners and describe the percentage of each owner's interest (attach additional pages if necessary).

	<u>Owner's Name</u>	<u>Description and Percentage of Interest</u>
Owners:	(a) _____	_____
	(b) _____	_____
	(c) _____	_____

EXHIBIT B
EXCEPTIONS TO SECTION 10.1

Ex. B

EXHIBIT C
LEASE ADDENDUM

Ex. C

LEASE ADDENDUM

TO LEASE AGREEMENT DATED _____

BY AND BETWEEN

_____, AS “LANDLORD”

AND

_____, AS “TENANT” FOR THE

DEMISED PREMISES (“PREMISES”) DESCRIBED THEREIN

This Lease Addendum and the provisions hereof are hereby incorporated into the body of the lease to which this Lease Addendum is attached (the “**Lease**”), and the provisions hereof shall be cumulative of those set forth in the Lease, but to the extent of any conflict between any provisions of this Lease Addendum and the provisions of the Lease, this Lease Addendum shall govern and control.

1. Consent to Collateral Assignment to Franchisor; Disclaimer. Landlord acknowledges that Tenant intends to operate a Toppers Pizza restaurant in the Premises, and that Tenant’s rights to operate a Toppers Pizza restaurant and to use the Toppers name, trademarks and service marks (the “**Marks**”) are solely pursuant to a franchise agreement (“**Franchise Agreement**”) between Tenant and Toppers Pizza LLC (“**Franchisor**”). Tenant’s operations at the Premises are independently owned and operated. Landlord acknowledges that Tenant alone is responsible for all obligations under the Lease unless and until Franchisor or another franchisee expressly, and in writing, assumes such obligations and takes actual possession of the Premises. Notwithstanding any provisions of this Lease to the contrary, Landlord hereby consents, without payment of a fee and without the need for further Landlord consent, to (i) the collateral assignment of Tenant’s interest in this Lease to Franchisor to secure Tenant’s obligations to Franchisor under the Franchise Agreement, and/or (ii) Franchisor’s succeeding to Tenant’s interest in the Lease as a result of Franchisor’s exercise of rights or remedies under such collateral assignment or as a result of Franchisor’s termination of, or exercise of rights or remedies granted in or under, any other agreement between Franchisor and Tenant, and/or (iii) Tenant’s, Franchisor’s and/or any other franchisee of Franchisor’s assignment of the Lease to another franchisee of Franchisor with whom Franchisor has executed its then-standard franchise agreement.

2. Use of Premises; Hours of Operation. Tenant shall only use the Premises for purposes of a dine-in/carryout/delivery/curbside-pickup Toppers Pizza restaurant that sells pizza, breadsticks, and other related products or services approved by Franchisor under the trade name “Toppers Pizza.” Landlord acknowledges that Toppers Pizza restaurants feature late-night food service and delivery and agrees that Tenant shall have the right to operate the restaurant at the Premises at any hours that Tenant or Franchisor desires, subject to applicable laws.

3. Remodeling, Décor, Signs and Marks. Landlord agrees that Tenant shall have the right to remodel, equip, paint, and decorate the interior of the Premises and to display the Marks, signs, and awnings on the interior and exterior of the Premises as Tenant is required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Tenant may operate a Toppers Pizza restaurant in the Premises; *provided, however*, that Tenant shall make no structural changes to the Premises without Landlord’s consent. Tenant shall have the right to

Ex. C-1

install, at Tenant's expense, a satellite dish, internet cabling, or other rooftop equipment, for communication or otherwise, subject to Landlord's reasonable approval of the location thereof, and provided Tenant removes such installation at the expiration or earlier termination of the Lease and repairs any damage resulting therefrom at Tenant's sole cost and expense.

4. Adjoining Use. No operation currently exists, and Landlord shall not permit, directly or indirectly, a primary pizza delivery, carryout, curbside-pickup, or take-and-bake store or restaurant that sells pizza for delivery, carryout, curbside-pickup, or take-and-bake, or any adult bookstore, or adult theater to be operated within five hundred (500) feet of the Premises in any building owned, leased, or controlled by Landlord.

5. Notice and Cure Rights to Franchisor. Prior to exercising any remedies hereunder (except in the event of imminent danger to the Premises), Landlord shall give Franchisor written notice of any default by Tenant or termination or expiration of the Lease, and commencing upon receipt thereof by Franchisor, Franchisor shall have fifteen (15) additional days to the established cure period as is given to Tenant under the Lease for such default, provided that in no event shall Franchisor have a cure period of less than (i) fifteen (15) days after Franchisor's receipt of such notice as to monetary defaults or (ii) thirty (30) days after Franchisor's receipt of such notice as to non-monetary defaults. Landlord agrees to accept cure tendered by Franchisor as if the same was tendered by Tenant, but Franchisor has no obligation to cure such default. The initial address for notices to Franchisor is as follows:

Toppers Pizza LLC
333 West Center Street
Whitewater, WI 53190
Email: legal@toppers.com

6. Notice of Exercise of Renewal Option. Notwithstanding any provision in the Lease to the contrary, to the extent the Lease sets forth a deadline for Tenant to provide notice to Landlord of its desire to exercise a renewal of the term of the Lease (a "**Lease Renewal Deadline**"), if Tenant fails to notify Landlord before the Lease Renewal Deadline that Tenant wishes to extend the term of the Lease, Landlord shall give Franchisor written notice (at the address set forth in Section 5 above) of such failure and afford Franchisor the opportunity, for no less than ninety (90) days, to discuss the matter with Tenant. If, during such 90-day period, Tenant provides written notice to Landlord that it wishes to extend the term of the Lease, Landlord agrees to accept such written notice as though it was given before the Lease Renewal Deadline. Alternatively, at any point during such 90-day period, and notwithstanding any provisions of the Lease to the contrary, Landlord hereby consents, without payment of a fee and without the need for further Landlord consent, to the assignment of the Lease to Franchisor or another franchisee of Franchisor with whom Franchisor has executed its then-standard franchise agreement, and upon such assignment, such assignee shall have an additional thirty (30) days in which to provide written notice to Landlord that such assignee wishes to extend the term of the Lease, and Landlord agrees to accept such written notice as though it was given before the Lease Renewal Deadline.

7. Non-disturbance from Mortgage Lenders. Notwithstanding anything contained in the Lease to the contrary or in conflict, it shall be a condition of the Lease being subordinated to

Ex. C-2

any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agree not to disturb Tenant's rights under this Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations hereunder beyond an applicable grace or cure period provided herein (as may be extended from time to time pursuant to Section 6 above).

8. Financing of Trade Fixtures by Franchisor and Security Interest. Any security interest and/or Landlord's lien in Tenant's trade fixtures, 'trade dress', equipment and other personal property in the Premises is hereby subordinated to any security interest and pledge granted to Franchisor in such items.

9. Third-Party Beneficiary. Franchisor is a third-party beneficiary of this Lease Addendum. Therefore, Franchisor shall have all rights (but not the obligation) to enforce the terms of this Lease Addendum.

10. Franchisor Right to Enter. Upon the expiration or earlier termination of this Lease or the Franchise Agreement, Franchisor or its designee may enter upon the Premises for the purpose of removing all signs and other material bearing the Toppers Pizza name or trademarks, service marks or other commercial symbols of Franchisor.

11. Amendments. Tenant and Landlord agree that the Lease may not be terminated, modified or amended without Franchisor's prior written consent, nor shall Landlord accept surrender of the Premises without Franchisor's prior written consent. Tenant agrees to promptly provide Franchisor with copies of all proposed modifications or amendments and true and correct copies of the signed modifications and amendments.

12. Successors and Assigns. All of Franchisor's rights, privileges and interests under this Lease Addendum and the Lease shall inure to the benefit of Franchisor's successors and assigns. Franchisor may assign its rights under this Lease Addendum to any designee. All provisions in this Lease Addendum applicable to Tenant and Landlord shall be binding on any successor or assign of Tenant or Landlord under the Lease.

13. Counterparts. This Lease Addendum may be executed in one or more counterparts, each of which shall cumulatively constitute an original. Signatures of this Lease Addendum by facsimile or scanned-and-emailed shall constitute originals of the same.

[Signature page follows]

[Signature Page to Lease Addendum]

AGREED and executed and delivered under seal by the parties hereto as of the day and year of the Lease.

LANDLORD: _____

TENANT: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Ex. C-4

EXHIBIT D
ADDRESS OF LOCATION

DESCRIPTION OF PROTECTED AREA

Ex. D

EXHIBIT E
GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (the "Guaranty") is given by the persons indicated below who have executed this Guaranty (each a "Guarantor") to be effective as of the Effective Date of the Agreement (defined below).

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (as amended, modified, restated, or supplemented from time to time, the "Agreement") by TOPPERS PIZZA LLC (the "Company"), and _____ ("Franchisee"), each of the undersigned hereby personally and unconditionally (a) guarantees to the Company, and its successor and assigns, for the term of the Agreement and as provided in the Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each of the undersigned waives: (1) acceptance and notice of acceptance by the Company of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; (4) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability.

Each of the undersigned hereby consents and agrees that:

(a) his or her liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Franchisee and the other owners of Franchisee;

(b) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Company may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement;

(c) Guarantor shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;

(d) this undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of the Agreement by a trustee of Franchisee. Neither Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

(e) Company may proceed against Guarantor and Franchisee jointly and severally, or Company may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Franchisee. Guarantor hereby waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed;

Ex. E-1

(f) Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor; and

(g) Guarantor is bound by the restrictive covenants, confidentiality provisions, and indemnification provisions contained in the Agreement.

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries, for so long as such delinquency exists, subject to applicable law.

Guarantor agrees to be personally bound by the arbitration obligations under Section 13.4 of the Agreement, including, without limitation, the obligation to submit to binding arbitration the claims described in Section 13.4 of the Agreement in accordance with its terms.

Guarantor represents and warrants that, if no signature appears below for Guarantor's spouse, Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

Capitalized terms that are used but not defined in this Guaranty will have the meanings ascribed to them in the Agreement.

[Signature page follows]

IN WITNESS WHEREOF, each of the undersigned has affixed his, her, or its signature to be effective as of the Effective Date.

**OWNERSHIP
PERCENTAGE IN
FRANCHISEE**

GUARANTOR(S)

_____%

Name of Guarantor (printed)

Signature

Address:

_____%

Name of Guarantor (printed)

Signature

Address:

_____%

Name of Guarantor (printed)

Signature

Address:

_____%

Name of Guarantor (printed)

Signature

Address:

The undersigned, as the spouse of the Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty.

Name of Guarantor (printed)

Name of Guarantor's Spouse (printed)

Signature of Guarantor's Spouse

Name of Guarantor (printed)

Name of Guarantor's Spouse (printed)

Signature of Guarantor's Spouse

Name of Guarantor (printed)

Name of Guarantor's Spouse (printed)

Signature of Guarantor's Spouse

Name of Guarantor (printed)

Name of Guarantor's Spouse (printed)

Signature of Guarantor's Spouse

EXHIBIT F
SEARCH AREA

EXHIBIT G
ELECTRONIC FUNDS TRANSFER AUTHORIZATION AGREEMENT

ELECTRONIC FUNDS TRANSFER

Authorization Agreement

_____ (Franchisee) does hereby authorize TOPPERS PIZZA LLC (Company) to initiate debit or credit entries to Franchisee's account indicated below, and does further authorize the financial institution named below to debit or credit such entries to the Franchisee's account. The amount of such debit or credit entries is limited to those owed to Company under the Franchise Agreement, such as, but not limited to, accrued royalty fees and advertising fees. Franchisee does hereby authorize Company, Company's financial institution, and Franchisee's financial institution to transmit accounting and financial data to Franchisee's financial institution and to Company's financial institution to the extent necessary to effectuate the transfer of funds under this Agreement.

_____ Bank Name	_____ Transit Routing Number (9-digit bank # or ABA #)
_____ Bank Address	_____ Bank Account Number
_____ City State Zip	_____ Bank Contact
	_____ () Bank Telephone Number

Termination: This authority shall remain in effect until terminated upon fifteen (15) days written notice by either Franchisee or Company. Notice of termination shall in no way affect entries initiated prior to actual receipt of notice.

Notices: Except as otherwise provided herein, all notices to be given hereunder shall be in writing and shall be personally delivered or sent by prepaid registered mail or certified mail addressed to Franchisee or to Company at the addresses as indicated below. Notice shall be deemed received when delivered if personally delivered, or five days after mailing if mailed.

_____ Franchisee address	_____ 333 W. Center St. Company address
_____ City State Zip	_____ Whitewater, WI 53190 City State Zip

All credit and other terms and requirements between Franchisee and Company remain in effect.

AUTHORIZED as of the _____ day of _____, 20____.

ATTEST:

_____ Authorized Signer	FRANCHISEE NAME
	By: _____
	Name: _____
	Title: _____

EXHIBIT G

AREA DEVELOPMENT AGREEMENT

TOPPERS PIZZA LLC
AREA DEVELOPMENT AGREEMENT

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Exhibits

- A Development Area
- B Owners and Managing Partner
- C Guaranty and Assumption of Developer's Obligations
- D Development Schedule

TOPPERS PIZZA LLC

AREA DEVELOPMENT AGREEMENT

This Area Development Agreement (this “**Agreement**”) is entered into and made effective as of the date of Company’s signature on the signature page (the “**Effective Date**”), by and between TOPPERS PIZZA LLC, a Wisconsin limited liability company having its principal place of business at 333 West Center Street, Whitewater, WI 53190 (“**Company**”), and _____ (“**Developer**”).

1. PREAMBLES.

Company and its affiliates have developed a system (the “**System**”) for the establishment, development, and operation of pizza restaurants, known as Toppers Pizza Restaurants (“**Restaurants**”) operating under the trademarks of Company. The System emphasizes convenience for on-premises consumption, carry-out, and delivery of pizza, breadsticks, and other pizza related products and services approved by Company, all prepared in accordance with specified recipes and procedures, proprietary products, trade secrets, and/or special packaging and marketing techniques. Restaurants are operated by persons meeting Company’s qualifications to whom Company has granted franchises (“**Franchisees**”) and by Company’s affiliate. Company or its affiliates owns, uses, promotes, and licenses certain trade and service marks and commercial symbols in connection with the operation of Restaurants, including the marks “TOPPERS” and “TOPPERS PIZZA” and such other marks as may be designated by Company from time to time (the “**Marks**”).

Developer has applied for the right to develop a certain number of Restaurants utilizing the Marks in specific geographic areas as set forth herein. Company desires to grant Developer the right to establish and operate such Restaurants under the terms and conditions contained in this Agreement. Such application has been approved by Company in reliance upon all of the representations made herein including, without limitation, the ownership of Developer. Developer has read this Agreement, and Company’s Franchise Disclosure Document, and has been given an opportunity to clarify any provisions that it did not understand.

2. GRANT OF DEVELOPMENT RIGHTS.

A. Company hereby grants to Developer or its Affiliate, upon the terms and conditions herein contained, the right to develop and open Restaurants using the Marks in the geographic areas (the “**Development Area**”) described in Exhibit A attached hereto (the “**Development Rights**”). An “**Affiliate**” shall mean any legal entity that is controlled by Developer and meets Company’s then current standards and requirements for Franchisees. For purposes of this definition, an entity shall be deemed to be controlled by Developer if and only during such time as: (1) Developer (or if an entity, the owners of Developer) owns not less than a majority of all ownership interest in such entity; (2) Developer has at least the percentage of voting power required under applicable law to authorize a merger, liquidation or transfer of substantially all of

the assets of the entity and to control or determine any other vote or decision of the entity without the vote or approval of any other party; (3) if the entity is a partnership Developer is the sole general partner of a limited partnership or managing partner of a general partnership; and (4) if the entity is a manager-managed limited liability company, Developer is the managing member. No person or entity other than Developer or an Affiliate shall develop or open Restaurants under this Agreement without Company's prior written consent. The Development Rights do not include the right, and may not be exercised to acquire franchises for, Special Venue Restaurants unless Company provides a separate prior written consent with respect to each such proposed Special Venue Restaurant. A **"Special Venue Restaurant"** is (1) any kiosk, mobile facility or similar location or type of operation which, because of its inherent operational limitations, is required to offer a limited menu or have a materially different operating format as compared to a traditional Restaurant, (2) any location in which foodservice is or may be provided by a master concessionaire, (3) any location which is situated within or as part of a larger venue or facility and, as a result, is likely to draw the predominance of its customers from those persons who are using or attending events in the larger venue or facility (for example, shopping malls, colleges/universities, convention centers, airports, hotels, sports facilities, theme parks, hospitals, transportation facilities, convenience stores, and other similar captive market locations), and (4) any distribution channel other than a Restaurant (including, but not limited to, the Internet, grocery stores, supermarkets, and mail order) through which products and services associated with or sold through Restaurants are or may be sold.

B. Company and its affiliates shall not establish, nor shall any of them license any other party to establish, Restaurants using the Marks anywhere within the Development Area as long as Developer fully complies with this Agreement.

C. Developer acknowledges and agrees that the Development Rights are limited to the rights to acquire franchises in accordance with this Agreement as described in Section 2.A. Developer acknowledges that the rights to develop Restaurants and to use the Marks and any copyrights, inventions, and patents owned by Company or Company's affiliates are granted only pursuant to individual franchise agreements, and Developer agrees that the Development Rights do not include any such rights. Developer also acknowledges that Company grants rights only pursuant to the expressed provisions of written agreements and not in any other manner, including, without limitation, orally or by implication, innuendo, extension or extrapolation. Without limiting the foregoing, Company specifically reserves the right to do, and Developer acknowledges and agrees that the Development Rights do not include the right to do, the following:

1. establish, operate and license others to establish and operate, anywhere in the world, Special Venue Restaurants using the Marks and the System, offering products and services which are identical or similar to products and services offered by Restaurants;
2. establish, operate and allow others to establish and operate Restaurants using the Marks and the System, at any location outside the Development Area on such terms and conditions Company deems appropriate;
3. establish, operate and allow others to establish and operate restaurants, that may offer products and services which are identical or similar to products and services

offered by Restaurants, under trade names, trademarks, service marks and commercial symbols which are different from the Marks;

4. establish, operate and allow others to establish and operate other businesses and distribution channels (including, but not limited to, the Internet), wherever located or operating and regardless of the nature or location of the customers with whom such other businesses and distribution channels do business, that operate under the Marks or any other trade names, trademarks, service marks or commercial symbols that are the same as or different from Restaurants, and that sell products and/or services that are identical or similar to, and/or competitive with, those that Restaurants customarily sell;

5. acquire the assets or ownership interests of one or more businesses, including Competitive Businesses (defined below), and franchising, licensing or creating similar arrangements with respect to such businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Development Area);

6. be acquired (whether through acquisition of assets or ownership interests, regardless of the form of transaction), by any other business, including a Competitive Business, even if such business operates, franchises and/or licenses such businesses in the Development Area;

7. operate or grant any third party the right to operate any Restaurant that Company or Company's designees acquire as a result of the exercise of a right of first refusal or purchase right that Company has under this Agreement or any franchise agreement; and

8. engage in all other activities not expressly prohibited by this Agreement.

D. Simultaneously with signing this Agreement, Developer or an approved Affiliate must sign and deliver to Company a Franchise Agreement and related documents representing the first franchise Developer is obligated to acquire under this Agreement; provided, however, the initial franchise fee due under this first Franchise Agreement will be payable as part of the Area Development Fee (described below). Developer or its approved Affiliate must thereafter open and operate a Toppers Pizza Restaurant according to the terms of that Franchise Agreement. Thereafter, on the earlier to occur of (i) the date on which a Franchise Agreement must be signed for a Restaurant identified on Exhibit D or (ii) the date Company has accepted a location for a Restaurant (as provided in Section 3.B), Developer or an approved Affiliate must sign Company's then-current form of Franchise Agreement (each, a "**Franchise Agreement**") and related documents, the terms of which, may differ substantially from the terms contained in Company's current form of Franchise Agreement. Such differences may include, but not be limited to, a higher initial franchise fee or royalty rate than is provided for in Company's current form of Franchise Agreement. The Franchise Agreement will govern the development and operation of the Toppers Pizza Restaurant at the accepted location identified therein. Developer's failure to execute any additional Franchise Agreements on a timely basis or its default in any term of such Franchise

Agreements may, at the option of Company, be deemed a default under this Agreement and shall entitle Company to terminate this Agreement as further provided in Section 4 below.

E. Developer must pay Company, upon execution of this Agreement and in consideration of the grant of the Development Rights, a nonrecurring and nonrefundable development fee in an amount equal to (1) 100% of the initial franchise fee due under the first Franchise Agreement described in Section 2.D above plus (2) 50% of the initial franchise fees Company currently charges for the remaining Toppers Pizza Restaurants to be developed pursuant to the Development Schedule (defined below) (the “**Area Development Fee**”). The Area Development Fee shall be deemed fully earned by Company upon payment and is not refundable under any circumstances. However, Company will apply the Area Development Fee as a credit against the initial franchise fees due under each Franchise Agreement which Developer or its Affiliates execute pursuant to this Agreement. For the first Franchise Agreement, (which Developer or its Affiliate must sign at the same time Developer signs this Agreement), the credit will be equal to the entire initial franchise fee due under that first Franchise Agreement. For the second and third Franchise Agreements, the credit will be \$10,000 per Franchise Agreement. For the fourth and fifth Franchise Agreements, the credit will be \$7,500 per Franchise Agreement. For the sixth and subsequent Franchise Agreements, the credit will be \$5,000 per Franchise Agreement. The maximum credit for all Franchise Agreements, in the aggregate, will be equal to the total Area Development Fee. All amounts payable by developer to Company must be in United States Dollars (\$USD).

F. Pre-Opening Assistance for Fourth and Subsequent Restaurants. Notwithstanding any provision in any Franchise Agreement to the contrary, Company will not be obligated to provide training and opening support under the fourth (4th) and all subsequent Franchise Agreements signed by Developer or its approved Affiliate pursuant to this Agreement.

3. **DEVELOPMENT OBLIGATIONS.**

A. Developer agrees to sign the Franchise Agreements and develop and open for business the number of Restaurants in the Development Area, including any Restaurant governed by a Franchise Agreement executed before or concurrently with this Agreement, in accordance with the schedule set forth in Exhibit D (the “**Development Schedule**”). The Development Schedule is not Company’s representation, express or implied, that the Development Area can support, or that there are or will be sufficient sites for, the number of Toppers Pizza Restaurants specified in the Development Schedule. Company is relying on Developer’s representation that Developer has conducted its own independent investigation and has determined that Developer can satisfy the development obligations of the Development Schedule. Company will count a Toppers Pizza Restaurant toward the Development Schedule only if it actually is operating in the regular course within the Development Area and substantially complying with the terms of its Franchise Agreement as of the end of the applicable period specified on Exhibit D. Time is of the essence with respect to Developer’s agreement to comply with the Development Schedule.

B. Developer agrees to use Company’s designated real estate broker to locate sites for Restaurants. After Developer has identified a location in the Development Area for development of a Restaurant, Developer shall submit to Company an application required by Company for

location acceptance containing information and documentation required and all other information required by Company relating to the proposed location in the form which Company shall from time to time require. Upon Company's receipt of the information and documentation required by Company, Company may request such additional information as Company deems necessary to make its determination with respect to the prospective location, and Developer shall respond promptly to each such request for additional information. If Company does not accept the location in writing within thirty (30) days after Company's receipt of all information and documentation requested by Company, the location shall be deemed rejected by Company.

C. Developer shall not, without the prior written approval of Company, enter into any contract for the purchase or lease of any premises for use as a Restaurant. Developer acknowledges that Company has no obligation to select or acquire a location on behalf of Developer. Developer acknowledges and agrees that Company's acceptance of a location does not constitute an assurance, representation or warranty of any kind, express or implied, as to the success or profitability of a Restaurant operated at the location. Company's acceptance of the location indicates only that Company believes the location complies with acceptable minimum criteria established by Company solely for its purposes as of the time of the evaluation. Both Developer and Company acknowledge that application of criteria that have been effective with respect to other locations and premises may not be predictive of potential for all locations and that, subsequent to Company's acceptance of a location, demographic and/or economic factors, such as competition from other similar businesses, included in or excluded from Company's criteria could change, thereby altering the potential of a location. Such factors are unpredictable and are beyond Company's control. Company shall not be responsible for the failure of a location accepted by Company to meet Developer's expectations as to revenue or operational criteria.

D. Developer must at all times faithfully, honestly and diligently perform Developer's obligations and fully exploit the Development Rights during the Term and throughout the entire Development Area. Developer must perform all of Developer's obligations under this Agreement, and Developer may not subcontract or delegate any of those obligations to any third parties. If Developer is at any time a corporation, a limited liability company, a general, limited, or limited liability partnership, or another form of business entity (collectively, an "**Entity**"), Developer agrees and represents that:

1. Developer's organizational documents, operating agreement, or partnership agreement will recite that this Agreement restricts the issuance and transfer of any ownership interests in Developer, and all certificates and other documents representing ownership interests in Developer will bear a legend referring to this Agreement's restrictions;

2. Exhibit B to this Agreement lists all of Developer's owners and their interests in Developer as of the Effective Date and that Developer and Developer's owners will sign and deliver to Company a revised Exhibit B to reflect any permitted changes in the information that Exhibit B now contains;

3. such persons as Company designates at any time during the Term, which may include each of Developer's owners and their spouses, will execute an agreement, in

the form set forth in Exhibit C to this Agreement, under which such persons undertake personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between Developer and Company. Company confirms that a spouse who signs Exhibit C solely in his or her capacity as a spouse (and not as an owner) is signing that agreement merely to acknowledge and consent to the execution of the guaranty by his or her spouse and to bind the assets of the marital estate as described therein and for no other purpose (including, without limitation, to bind the spouse's own separate property);

4. the business that this Agreement contemplates and the Restaurants Developer and its Affiliates operate under Franchise Agreements, will be the only businesses Developer operates (although Developer's owners may have other, non-competitive business interests);

5. an individual whom Company approves (the "**Managing Partner**") must directly or indirectly own at least 10% of the ownership interests in Developer and must devote, on a full-time basis, his or her efforts to the development, operation, promotion and enhancement of all Restaurants in the Development Area. The Managing Partner's name is listed on Exhibit B; and

6. the Managing Partner is authorized, on Developer's behalf, to exercise the Development Rights and perform Developer's other obligations under this Agreement and to deal with Company in respect of all matters whatsoever which may arise in respect of this Agreement; any decision made by the Managing Partner will be final and binding upon Developer, and Company will be entitled to rely solely upon the decision of the Managing Partner in any such dealings without the necessity of any discussions with any other party named in this Agreement; and Company will not be held liable for any actions taken by Developer, based upon any decision or actions of the Managing Partner.

4. **TERM AND TERMINATION.**

A. This Agreement shall commence as of the date of execution hereof and shall expire on the later of (1) the date the last Restaurant contemplated under the Development Schedule opens or (2) the latest deadline date listed on the Development Schedule (the "**Term**"). After expiration of the Term, or earlier termination of this Agreement as provided below, Company shall have the right to establish, or license to any other party, including an area developer or a Franchisee, to establish Restaurants anywhere within the terminated Development Area; provided, however, any right to a protected territory, if any, under each of Developer's (or its Affiliate's) existing Franchise Agreement(s) that govern the Restaurant(s) will remain in effect for the respective term of the Franchise Agreement(s), unless sooner terminated.

B. This Agreement may be terminated by the mutual, written agreement of the parties hereto.

C. This Agreement shall terminate automatically, effective immediately upon delivery of notice of termination to Developer, if Developer or any of its owner(s), officer(s), or key employee(s):

1. Fails to meet a Development Schedule deadline set forth in Exhibit D hereto;
2. Has made any material misrepresentation or omission in his, her or its application for the Development Rights or in any report, claim, request for reimbursement, or other similar document submitted to Company;
3. Is convicted of or pleads no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Developer, Restaurants, or the System;
4. Becomes insolvent by reason of an inability to pay debts as they mature or makes an assignment for the benefit of creditors or an admission of an inability to pay obligations as they become due;
5. Violates the covenant restricting competitive activity set forth in Section 5 hereto;
6. Makes an unauthorized transfer pursuant to Section 6 hereof;
7. Fails to pay any third-party obligations owed in connection with the development business hereunder, and does not correct such failure within any cure periods permitted by the party to whom such obligations are owed;
8. Is otherwise in breach of any provision of this Agreement and does not cure such breach within 30 days; or
9. Any Franchise Agreement or other agreement between Developer or its Affiliate and Company or its affiliates is terminated.

D. In the event of termination of this Agreement for any reason, Developer shall remain subject to all provisions of this Agreement which survive termination hereof, including but not limited to the post-termination covenants of Section 5, in addition to the terms and conditions of any and all Franchise Agreements executed in furtherance of this Agreement which have not also been terminated.

5. COVENANTS.

A. Company has entered into this Agreement with Developer on the condition that Developer will deal exclusively with Company. Developer acknowledges and agrees that Company would be unable to encourage a free exchange of ideas and information among Franchisees and Company if Franchisees were permitted to hold interests in any Competitive Businesses. Developer and its owners therefore agree that during the Term hereof, neither

Developer nor its owners nor any member of his or their immediate families shall have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business, assist or perform services as a director, officer, manager, employee, consultant, lessor, representative, or agent for a Competitive Business, lease or sublease any property to a Competitive Business or otherwise engage in the offer or sale of pizzas, except in connection with its operation of Restaurants under franchise agreements with Company. The term “**Competitive Business**” as used in this Agreement shall mean any business operating, or granting franchises or licenses to others to operate any business, that features the sale of pizzas for delivery, dine-in, or carryout (excluding Restaurants operated under franchise agreements with Company).

B. Developer further covenants that during the Term of this Agreement and any extensions or renewals hereof, Developer shall not divert or attempt to divert any business of or any customers of the Restaurant to any Competitive Business, by direct or indirect inducement, or do or perform directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Company’s Marks, or in any way negligently or intentionally interfere with the business or prospective business of Company.

C. Upon termination or expiration of this Agreement for any reason, Developer and its owners agree that, for a period of two (2) years commencing on the effective date of termination or expiration or the date on which Developer and its owners begin to comply with this Section, whichever is later, neither Developer nor its owners nor any member of his or their immediate families shall, within the Development Area, or within a ten (10) mile radius of any Restaurant in operation or under construction as of the termination or expiration date or the date on which Developer and its owners begin to comply with this Section, have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business, assist or perform services as a director, officer, manager, employee, consultant, lessor, representative or agent in a Competitive Business, lease or sublease any property to a Competitive Business, or otherwise engage in the offer or sale of pizzas for dine-in, delivery, or carryout, except in connection with its operation of Restaurants under franchise agreements with Company.

D. The restrictions of this Section 5 shall not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent two percent (2%) or less of the number of shares of that class of securities issued and outstanding. Developer (and its owners) expressly acknowledges that they possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive them of their personal goodwill or ability to earn a living. To the extent that this paragraph is deemed unenforceable by virtue of its scope in terms of area or length of time, but may be made enforceable by reduction of either or both thereof, Developer and Company agree that the same shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought.

E. Developer further agrees not to (and to use its best efforts to cause its current and former shareholders, members, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, affiliates, successors and assigns not to) disparage or otherwise

speaking or writing negatively, directly or indirectly, of Company, its affiliates, any of Company's or its affiliates' owners, directors, officers, employees, representatives or affiliates, the Toppers Pizza brand, the System, any Toppers Pizza restaurant, any business using the Marks, or take any action which would subject the Toppers Pizza brand to ridicule, scandal, reproach, scorn, or indignity, which would negatively impact the goodwill of Company or the Toppers Pizza brand, or would constitute an act of moral turpitude.

F. Company shall have the right to require all of Developer's personnel or the personnel of Developer's Affiliates to execute similar covenants in a form satisfactory to Company.

G. Company and its affiliates possess (and may continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable law (the "**Confidential Information**"), relating to developing and operating Restaurants, whether or not marked confidential, including (without limitation):

1. location selection criteria;
2. training and operations materials and manuals, including, without limitation, recipes and operations manuals;
3. System standards and other methods, formats, specifications, standards, systems, procedures, techniques, sales and marketing techniques, knowledge, and experience used in developing, promoting and operating Restaurants;
4. market research, promotional, marketing and advertising programs for Restaurants;
5. knowledge of specifications for, and suppliers of, proprietary products, the authorized products and services, assets used in the operation of Restaurants and other products and supplies;
6. any computer software or similar technology which is proprietary to Company, Company's affiliates, or the System, including, without limitation, an Online Ordering System, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;
7. knowledge of the operating results and financial performance of Restaurants, other than Developer's and its Affiliates' Restaurants; and
8. customer data.

All Confidential Information furnished to Developer by Company or on its behalf, whether orally or by means of written material (i) shall be deemed proprietary, (ii) shall be held by Developer in strict confidence, (iii) shall not be copied, disclosed or revealed to or shared with any other person

except to Developer's employees or contractors who have a need to know such Confidential Information for purposes of this Agreement and who are under a duty of confidentiality no less restrictive than Developer's obligations hereunder, or to individuals or entities specifically authorized by Company in advance, and (iv) shall not be used in connection with any other business or capacity. Developer will not acquire any interest in Confidential Information other than the right to use it as Company specifies in operating the business contemplated by this Agreement during this Agreement's Term. Developer agrees to protect the Confidential Information from unauthorized use, access or disclosure in the same manner as Developer protects its own confidential or proprietary information of a similar nature and with no less than reasonable care. Company may require Developer to have its employees and contractors execute individual undertakings and shall have the right to regulate the form of and to be a party to or third-party beneficiary under any such agreements.

Developer acknowledges and agrees that, as between Company and Developer, Company is the sole owner of all right, title, and interest in and to the System and any Confidential Information. All improvements, developments, derivative works, enhancements, or modifications to the System and any Confidential Information (collectively, "**Innovations**") made or created by Developer, Developer's employees or Developer's contractors, whether developed separately or in conjunction with Company, shall be owned solely by Company. Developer represents, warrants, and covenants that its employees and contractors are bound by written agreements assigning all rights in and to any Innovations developed or created by them to Developer. To the extent that Developer, its employees or its contractors are deemed to have any interest in such Innovations, Developer hereby agrees to assign, and does hereby assign, all right, title and interest in and to such Innovations to Company. To that end, Developer shall execute, verify, and deliver such documents (including, without limitation, assignments) and perform such other acts (including appearances as a witness) as Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining, and enforcing such ownership rights in and to the Innovations, and the assignment thereof. If Company is unable for any reason, after reasonable effort, to secure Developer's signature on any document needed in connection with the actions specified in this Section 5.G, Developer hereby irrevocably designates and appoints Company and its duly authorized officers and agents as Developer's agent and attorney-in-fact, which appointment is coupled with an interest and is irrevocable, to act for and on Developer's behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section 5.G with the same legal force and effect as if executed by Developer. Developer's obligation to assist Company with respect to such ownership rights shall continue beyond the expiration or termination of this Agreement.

6. **TRANSFERABILITY OF INTEREST.**

A. **BY COMPANY/DELEGATION OF DUTIES.**

This Agreement is fully assignable by Company and shall inure to the benefit of any assignee or other legal successor to the interests of Company herein. From time to time, Company shall have the right to delegate the performance of any or all of its obligations and duties hereunder to third parties, whether the same are agents of Company or independent contractors which

Company has contracted with to provide such services. Developer agrees in advance to any such delegation by Company of any portion or all of its rights and obligations hereunder.

**B. DEVELOPER MAY NOT ASSIGN
WITHOUT CONSENT OF COMPANY.**

The rights granted hereunder are personal to Developer. Accordingly, neither this Agreement, the Restaurant(s) owned by Developer nor any part of the ownership of Developer may be assigned or transferred by Developer or its owner without the prior written consent of Company, and any such assignment or transfer without such consent shall constitute a breach hereof and convey no rights to or interests in this Agreement, the Restaurant(s) owned by Developer or the ownership of Developer; provided, however, that transfers among Developer's current owners of ownership interests in Developer will require prior notice to Company but will not require Company's consent as long as such transfer does not result in a change in the Managing Partner or change in control of Developer. For purposes of the preceding sentence, "control" means the right and power to direct or cause the direction of Developer's management and policies.

As used in this Agreement, the term "transfer" shall mean and include the voluntary, involuntary, direct or indirect assignment, sale, gift, pledge or other transfer by Developer or its owners of any interest in this Agreement; or the ownership of Developer. An assignment, sale or other transfer shall include the following events: (1) the transfer of ownership of capital stock, voting stock (or security convertible to voting stock) or partnership interest; (2) merger or consolidation or issuance of additional securities representing an ownership interest in Developer; (3) transfer of an interest in Developer or this Agreement in a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; or (4) transfer of an interest in this Agreement or an ownership interest of Developer in the event of the death of Developer or an owner of Developer, by will, declaration of or transfer in trust, or under the laws of intestate succession.

C. CONDITIONS FOR CONSENT TO ASSIGNMENT.

If Developer and its owners are in full compliance with this Agreement, Company shall not unreasonably withhold its consent to an assignment or transfer, provided that the proposed assignee and its owners are of good moral character who have sufficient business experience, aptitude and financial resources to perform the services required hereunder and otherwise meet Company's then applicable standards for the grant or acquisition of similar rights.

If the transfer is of this Agreement or of a controlling interest in Developer, or is one of a series of transfers which in the aggregate constitute the transfer of a controlling interest in this Agreement or Developer, in addition to the conditions set forth above, all of the following conditions are met prior to, or concurrently with, the effective date of the assignment: (1) Developer transfers all Restaurants developed under this Agreement, as well as each Franchise Agreement that governs each Restaurant, (2) all obligations of Developer and its owners incurred in connection with this Agreement have been assumed by the assignee and its owners; (3) Developer shall have paid all amounts owed to Company; (4) the assignee and its owners shall

execute and agree to be bound by the form of area development agreement, franchise agreements and any ancillary agreements as are then customarily used by Company in the grant of the rights described hereunder whose terms may differ from the terms of this Agreement; (5) Developer shall have paid the transfer of ownership fee to Company of \$10,000; (6) Developer and its owners shall have executed a general release, in form satisfactory to Company, of any and all claims against Company and its affiliates, officers, directors, employees and agents; (7) Developer and its owners must agree to abide by the post-termination covenant not to compete set forth in Section 5; and (8) Developer complies with all transfer requirements under each Franchise Agreement for the Restaurant. If the proposed assignment is to or among owners of Developer or to or among the immediate family members of Developer, or an owner of Developer, subparagraph (5) of the above requirements shall not apply.

Company shall not be obligated to consider giving its consent to any such transfer unless Developer has requested such consent in writing and has provided such request to Company at least thirty (30) days in advance of the proposed transfer: Developer's current financial statements; such other information (on such forms provided by Company) including, but not limited to, the proposed sales price and terms of payment; an application for a franchise completed by the proposed transferee (buyer) including personal financial statements of such proposed transferee (buyer), the opportunity to conduct an in-person interview with such proposed transferee (buyer), and any other information Company deems necessary from the proposed transferee (buyer).

D. ASSIGNMENT TO PARTNERSHIP, LIMITED LIABILITY COMPANY OR CORPORATION.

If Developer is in full compliance with this Agreement, Company will not unreasonably withhold its consent to a transfer to a partnership, limited liability company or corporation which conducts no business other than the performance of the rights granted hereunder and the ownership and operation of Restaurants, which is actively managed by Developer and in which Developer owns and controls not less than fifty-one percent (51%) of the general partnership interest or the equity and voting power, provided that all owners shall execute an agreement, in form acceptable to Company, undertaking to be bound jointly and severally by all provisions of this Agreement and all issued and outstanding stock certificates of such corporation or other evidence of ownership shall bear a legend reflecting or referring to the restrictions of this Section. Company shall not be obligated to consider giving its consent to any such transfer unless Developer has requested such consent in writing and has submitted all information and documents requested by Company at least thirty (30) days in advance of the proposed transfer.

E. DEATH OR DISABILITY OF DEVELOPER.

Upon the death or permanent disability of Developer or, if Developer is a corporation, limited liability company or partnership, the owner of fifty percent (50%) or more of the partnership interest, equity or voting control of Developer, the executor, administrator, conservator or other personal representative of such person shall assign this Agreement or such interest in Developer to a third party approved by Company. Such disposition of such interest in Developer (including, without limitation, transfers by bequest or inheritance except to immediate family

members) shall be completed within a reasonable time, not to exceed twelve (12) months from the date of death or permanent disability, and shall be subject to all the terms and conditions applicable to assignments contained in Paragraph C of this Section. Failure to so dispose of this Agreement or such interest in Developer within said period of time shall constitute a breach of this Agreement.

F. **EFFECT OF CONSENT TO ASSIGNMENT.**

Company's consent to an assignment of this Agreement or any interest subject to the restrictions of this Section shall not constitute a waiver of any claims it may have against the assignor, nor shall it be deemed a waiver of Company's right to demand exact compliance with any of the terms or conditions of this Agreement by the assignee or by the assignor.

7. **ENFORCEMENT; ARBITRATION.**

A. **ARBITRATION**

The parties agree that all controversies, disputes, or claims between Company or any of its affiliates, and Company's and its affiliates' respective shareholders, officers, directors, agents, and employees, and Developer (and its owners, guarantors, affiliates, and employees) arising out of or related to:

1. this Agreement or any other agreement between Developer (or Developer's owners) and Company (or Company's affiliates);
2. Company's relationship with Developer; or
3. the scope or validity of this Agreement or any other agreement between Developer (or Developer's owners) and Company (or Company's affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration obligation under this Section 7.A, which Company and Developer acknowledge is to be determined by an arbitrator, not a court),

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of Company's or, as applicable, Company's successor's or assign's, then-current principal place of business (currently, Whitewater, Wisconsin). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including, without limitation, money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by Company or its affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration

proceeding (the parties hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

The parties agree to be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. The parties further agree that, in any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either party.

THE PARTIES AGREE THAT ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT AN ARBITRATION PROCEEDING BETWEEN COMPANY AND ANY OF ITS AFFILIATES, OR COMPANY'S AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND DEVELOPER (OR DEVELOPER'S OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING, (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD PARTY, OR (IV) BROUGHT ON DEVELOPER'S BEHALF BY ANY ASSOCIATION OR AGENT. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the dispute resolution provisions of this Agreement.

The parties agree that, in any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute. The parties may only serve reasonable requests for documents, which must be limited to documents upon which a party intends to rely or documents that are directly relevant and material to a significant disputed issue in the case or to the case's outcome. The document requests shall be restricted in terms of timeframe, subject matter and persons or entities to which the requests pertain, and shall not include broad phraseology such as "all documents directly or indirectly related to." The parties further agree that no interrogatories or requests to admit shall be propounded, unless the parties later mutually agree to their use.

With respect to any discovery of electronically stored information, the parties agree that such requests must balance the need for production of electronically stored information relevant and material to the outcome of a disputed issue against the cost of locating and producing such information. The parties agree that:

- (a) production of electronically stored information need only be from sources used in the ordinary course of business. No party shall be required to search for or produce information from back-up servers, tapes, or other media;

(b) the production of electronically stored information shall normally be made on the basis of generally available technology in a searchable format which is usable by the party receiving the information and convenient and economical for the producing party. Absent a showing of compelling need, the parties need not produce metadata, with the exception of header fields for email correspondence;

(c) the description of custodians from whom electronically stored information may be collected shall be narrowly tailored to include only those individuals whose electronically stored information may reasonably be expected to contain evidence that is relevant and material to the outcome of a disputed issue;

(d) the parties shall attempt to agree in advance upon, and the arbitrator may determine, reasonable search parameters; and

(e) where the costs and burdens of electronic discovery are disproportionate to the nature of the dispute or to the amount in controversy, or to the relevance of the materials requested, the arbitrator shall either deny such requests or order disclosure on condition that the requesting party advance the reasonable cost of production to the other side, which cost advance will not be awarded to the prevailing party in any final award.

In any arbitration each side may take no more than three depositions, unless the parties mutually agree to additional depositions. Each side's depositions are to consume no more than a total of 15 hours, and each deposition shall be limited to 5 hours, unless the parties mutually agree to additional time.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories.

The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

B. CONSENT TO JURISDICTION.

SUBJECT TO THE AGREEMENT TO ARBITRATE (SECTION 7.A ABOVE) AND THE PROVISIONS BELOW, DEVELOPER AND ITS OWNERS AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN COMPANY AND DEVELOPER MUST BE COMMENCED IN A STATE OR FEDERAL COURT NEAREST TO COMPANY'S OR, AS APPLICABLE, COMPANY'S SUCCESSOR'S OR ASSIGN'S, THEN-CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY WHITEWATER, WISCONSIN), AND DEVELOPER (AND EACH OF ITS OWNERS) IRREVOCABLY SUBMIT TO THE JURISDICTION OF THAT COURT AND WAIVE ANY OBJECTION DEVELOPER (OR ITS OWNERS) MIGHT HAVE TO EITHER THE JURISDICTION OF OR VENUE IN THAT COURT.

C. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.**

EXCEPT FOR DEVELOPER'S OBLIGATION TO INDEMNIFY COMPANY FOR THIRD-PARTY CLAIMS UNDER SECTION 8, THE PARTIES (AND DEVELOPER'S OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN COMPANY AND DEVELOPER, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

THE PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING, BROUGHT BY EITHER PARTY.

D. **INJUNCTIVE RELIEF.**

Nothing in this Agreement, including the provisions of Section 7.A, bars Company's right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause Company, the Marks, or the System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions. Developer agrees that Company may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to Company at law or in equity. Developer agrees that Company will not be required to post a bond to obtain injunctive relief and that Developer's only remedy if an injunction is entered against Developer will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).

E. **LIMITATION OF CLAIMS AND CLASS-ACTION BAR.**

EXCEPT FOR CLAIMS ARISING FROM DEVELOPER'S NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS DEVELOPER OWES COMPANY, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR COMPANY'S RELATIONSHIP WITH DEVELOPER WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE (1) YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.

THE PARTIES AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN COMPANY AND ANY OF ITS AFFILIATES, OR COMPANY'S AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND DEVELOPER (OR DEVELOPER'S OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD PARTY, OR (IV) BROUGHT ON DEVELOPER'S BEHALF BY ANY ASSOCIATION OR AGENT.

NO PREVIOUS COURSE OF DEALING SHALL BE ADMISSIBLE TO EXPLAIN, MODIFY, OR CONTRADICT THE TERMS OF THIS AGREEMENT. NO IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING SHALL BE USED TO ALTER THE EXPRESS TERMS OF THIS AGREEMENT.

Developer and its owners agree that Company and its affiliates' owners, directors, officers, employees and agents shall not be personally liable nor named as a party in any action between Company or its affiliates and Developer or its owners.

F. **ATTORNEYS' FEES AND COSTS.**

The prevailing party in any arbitration or litigation shall be entitled to recover from the other party all damages, costs and expenses, including arbitration and court costs and reasonable attorneys' fees, incurred by the prevailing party in connection with such arbitration or litigation.

8. **RELATIONSHIP OF THE PARTIES / INDEMNIFICATION.**

It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that the parties are independent contractors and that Company appoints Developer as its special agent for a particular purpose and that nothing in this Agreement is intended to make either party a general agent, subsidiary, joint venturer, partner, employee or servant of the other for any purpose.

Developer shall conspicuously identify itself as the owner of its own business under an Area Development Agreement with Company, and shall place such other notices of independent ownership on such signs, forms, stationery, advertising and other materials as Company may require from time to time.

Neither Company nor Developer shall make any express or implied agreements, guaranties or representations, or incur any debt, in the name of or on behalf of the other or represent that their relationship is other than franchisor and special agent, and neither Company nor Developer shall be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized hereunder, nor shall Company be obligated for any damages to any person or property directly or indirectly arising out of the operation of the business, whether or not caused by Developer's negligent or willful action or failure to act.

Developer agrees to indemnify and hold Company and its subsidiaries, affiliates, owners, directors, officers, employees, agents and assignees (the "**Indemnified Parties**") harmless against, and to reimburse them for, any loss, liability, taxes or damages (actual or consequential) and all reasonable costs and expenses of defending any claim brought against any of them or any action in which any of them is named as a party (including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses) which any of them may suffer, sustain or incur by reason of, arising from or in connection with Developer's activities hereunder. Each Indemnified Party may, in its discretion and at Developer's expense, control the defense of any claim against it (including choosing and retaining its own legal counsel), agree to settlements of claims against it, and take any other remedial, corrective, or other actions in response to such

claims. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

9. **NOTICES.**

All written notices and reports permitted or required to be delivered by the provisions of this Agreement shall be deemed so delivered: (a) at the time delivered by hand or receipt of e-mail or facsimile transmission; (b) one (1) business day after being placed in the hands of a reputable commercial courier service or United States Postal Service for overnight delivery; or (c) three (3) days after being placed in the U.S. Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified.

10. **ACKNOWLEDGMENT**

Developer acknowledges that Company has fully and adequately explained the provisions of this Agreement and Company's Franchise Disclosure Document to Developer's satisfaction, and that Developer intends to comply herewith and be bound hereby.

11. **MISCELLANEOUS.**

A. **NO WAIVER.**

The following provision applies if Developer or the Development Area granted hereby are subject to the franchise registration or disclosure laws in Illinois, Indiana, Maryland, Michigan, Minnesota, South Dakota, Virginia, or Wisconsin: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor.

B. **SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.**

All 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 herein and partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this Agreement than is required hereunder or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by Company is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operating procedure shall be modified to the extent required to be valid and enforceable. Such modifications to this Agreement shall be effective only in such jurisdiction and shall be enforced as originally made and entered into in all other jurisdictions.

C. **WAIVER OF OBLIGATIONS.**

Company and Developer may by written instrument unilaterally waive any obligation of or restriction upon the other under this Agreement. No acceptance by Company of any payment by Developer or any other person or entity and no failure, refusal or neglect of Company or Developer to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder, including without limitation, any mandatory specification, standard or operating procedure, shall constitute a waiver of any provision of this Agreement.

D. **RIGHTS OF PARTIES ARE CUMULATIVE.**

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

E. **GOVERNING LAW.**

ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT, THE DEVELOPMENT RIGHTS, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN THE PARTIES WILL BE GOVERNED BY THE LAWS OF THE STATE OF WISCONSIN, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY WISCONSIN LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION, AND (2) THE ENFORCEABILITY OF THOSE PROVISIONS OF THIS AGREEMENT WHICH RELATE TO RESTRICTIONS ON DEVELOPER AND ITS OWNERS' COMPETITIVE ACTIVITIES WILL BE GOVERNED BY THE LAWS OF THE STATE IN WHICH THE DEVELOPMENT AREA IS LOCATED.

F. **BINDING EFFECT.**

This Agreement is binding upon the parties hereto and their respective heirs, assigns and successors in interest.

G. **CONSTRUCTION.**

The preambles are a part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between Company and Developer relating to the subject matter of this Agreement. Except as specifically provided for in

this Agreement, this Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto. Nothing in this or in any related agreement, however, is intended to disclaim the representations Company made in the franchise disclosure document that Company furnished to Developer. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit or construe the contents of such sections or paragraphs. The term “Developer” as used herein is applicable to one or more persons, a corporation, limited liability company or a partnership, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. References to “Developer” applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of Developer if Developer is a corporation, limited liability company or partnership. References to “immediate family” as used herein shall mean parents, spouses, offspring and siblings, and the parents, offspring and siblings of spouses. Developer agrees that whenever this Agreement allows or requires Company to take actions or make decisions, Company may do so in its sole and unfettered discretion, even if Developer believes Company’s action or decision is unreasonable, unless this Agreement expressly and specifically requires that Company act reasonably or refrain from acting unreasonably in connection with the particular action or decision. This Agreement may be executed in multiple copies, each of which will be deemed an original. Signatures transmitted via facsimile or scanned and emailed shall have the same force and effect as originals.

(Remainder of page intentionally blank)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the dates shown below to be effective as of the Effective Date.

COMPANY:

TOPPERS PIZZA LLC

By: _____
Name: _____
Title: _____
Date*: _____
(*This is the Effective Date)

DEVELOPER:

By: _____
Name: _____
Title: _____
Date: _____

an Individual Date

an Individual Date

an Individual Date

EXHIBIT A
DEVELOPMENT AREA

[MAP ATTACHED]

EXHIBIT B

OWNERS AND MANAGING PARTNER

Business Form of Developer.

Individual Proprietorship. Developer's owner(s) (is) (are) as follows:

Corporation, Limited Liability Company or Partnership. Developer was incorporated or formed on _____, 20__, under the laws of the State of _____. Developer has not conducted business under any name other than Developer's corporate, limited liability company, or partnership name unless indicated in the following: _____.

Owners. The following identifies the individual that Developer has designated as, and that Company approves to be, the Managing Partner and lists the full name of each person who is one of Developer's owners and fully describes the nature of each owner's interest.

Owner's Name

Type and Percentage of Interest

Managing Partner: _____	_____ %
Other Owners: _____	_____ %
_____	_____ %

TOPPERS PIZZA LLC, a Wisconsin
limited liability company

AREA DEVELOPER:

[Name]

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT C

GUARANTY AND ASSUMPTION OF DEVELOPER'S OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (the "Guaranty") is given by the persons indicated below who have executed this Guaranty (each a "Guarantor") to be effective as of the Effective Date of the Agreement (defined below).

In consideration of, and as an inducement to, the execution of that certain Area Development Agreement (as amended, modified, restated, or supplemented from time to time, the "Agreement") by TOPPERS PIZZA LLC (the "Company"), and _____ ("Developer"), Guarantor personally and unconditionally (a) guarantees to Company, and its successor and assigns, for the term of the Agreement and as provided in the Agreement, that Developer shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each of the undersigned waives: (1) acceptance and notice of acceptance by Company of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; (4) any right he or she may have to require that an action be brought against Developer or any other person as a condition of liability.

Each of the undersigned hereby consents and agrees that:

(a) his or her liability under this undertaking shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Developer and the other owners of Developer;

(b) liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Company may grant to Developer or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement;

(c) Guarantor shall render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so;

(d) this undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Developer or any assignee or successor of Developer or by any abandonment of the Agreement by a trustee of Developer. Neither Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any

impairment, modification, change, release or limitation of the liability of Developer or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency;

(e) Company may proceed against Guarantor and Developer jointly and severally, or Company may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Developer. Guarantor hereby waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed;

(f) Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor; and

(g) Guarantor is bound by the restrictive covenants, confidentiality provisions, and indemnification provisions contained in the Agreement.

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Developer (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries for so long as such delinquency exists, subject to applicable law.

Guarantor agrees to be personally bound by the arbitration obligations under Section 7 of the Agreement, including, without limitation, the obligation to submit to binding arbitration the claims described in Section 7.A of the Agreement in accordance with its terms.

Guarantor represents and warrants that, if no signature appears below for Guarantor's spouse, Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

Capitalized terms that are used but not defined in this Guaranty will have the meanings ascribed to them in the Agreement.

[signature page follows]

IN WITNESS WHEREOF, each of the undersigned has affixed his, her, or its signature to be effective as of the Effective Date.

**OWNERSHIP
PERCENTAGE
IN DEVELOPER**

GUARANTOR(S)

_____ %	_____ Name of Guarantor (printed) _____ Signature	Address: _____ _____
_____ %	_____ Name of Guarantor (printed) _____ Signature	Address: _____ _____
_____ %	_____ Name of Guarantor (printed) _____ Signature	Address: _____ _____
_____ %	_____ Name of Guarantor (printed) _____ Signature	Address: _____ _____

The undersigned, as the spouse of Guarantor indicated below, acknowledges and consents to the guarantee given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty.

Name of Guarantor (printed)

Name of Guarantor's Spouse (printed)

Signature of Guarantor's Spouse

Name of Guarantor (printed)

Name of Guarantor's Spouse (printed)

Signature of Guarantor's Spouse

Name of Guarantor (printed)

Name of Guarantor's Spouse (printed)

Signature of Guarantor's Spouse

Name of Guarantor (printed)

Name of Guarantor's Spouse (printed)

Signature of Guarantor's Spouse

EXHIBIT D

DEVELOPMENT SCHEDULE

Developer agrees to comply with the following Development Schedule:

1	2	3
Cumulative Number of Restaurants to Be Open and in Operation on or before the Date in Column 3	Date by which Developer must sign Franchise Agreement(s) for New Restaurants	Date that the Restaurant(s) Must Open
_____	_____, 20__	_____, 20__
_____	_____, 20__	_____, 20__
_____	_____, 20__	_____, 20__
_____	_____, 20__	_____, 20__

Developer acknowledges and agrees that failure to meet any of the foregoing deadlines will result in a default under the Agreement. Developer further acknowledges and agrees that the deadlines set forth shall not be deemed a representation or warranty by Company that Developer will meet the restaurant opening date deadline or satisfy the Development Schedule.

TOPPERS PIZZA LLC, a Wisconsin
limited liability company

By: _____
Name: _____
Title: _____
Date: _____

AREA DEVELOPER:

[Name]

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT H

STATE ADDENDA AND AGREEMENT RIDERS

**ADDITIONAL DISCLOSURES FOR THE
FRANCHISE DISCLOSURE DOCUMENT OF
TOPPERS PIZZA LLC**

The following are additional disclosures for the Franchise Disclosure Document of Toppers Pizza LLC, required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you.

FOR THE FOLLOWING STATES: ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, SOUTH DAKOTA, VIRGINIA, OR WISCONSIN.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ILLINOIS

The following language is added to the end of Item 17:

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

MARYLAND

1. The following is added to the end of the “Summary” sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

However, any release required as a condition of renewal and/or assignment/transfer, will not apply to claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

2. The following is added to the end of the “Summary” section of Item 17(h), entitled **“Cause” defined – non-curable defaults:**

The Development Agreement and Franchise Agreement provide for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The following sentence is added to the end of the “Summary” section of Item 17(v), entitled **Choice of forum:**

You may bring suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The following language is added to the end of the chart in Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

MINNESOTA

1. **Renewal, Termination, Transfer and Dispute Resolution.** The following is added at the end of the chart in Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days’ notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Any release as a condition of renewal and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

Minn. Rule Part 2860.4400J might prohibit a franchisee from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties, or judgment notes. However, we and you will enforce these provisions in our Franchise Agreement to the extent the law allows.

VIRGINIA

1. The following language is added to the end of the “Summary” section of Item 17(e), entitled **Termination by Franchisor without cause**:

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 grounds for default or termination stated in the Development Agreement or 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.

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE-SPECIFIC RIDERS TO THE
FRANCHISE AGREEMENT**

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS**

THIS RIDER is made and entered into by and between **TOPPERS PIZZA LLC**, a Wisconsin limited liability company with its principal business address at 333 West Center Street, Whitewater, Wisconsin 53190 (the “Company”), and _____, whose principal business address is _____ (“Franchisee”).

1. **BACKGROUND.** The Company and Franchisee are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Franchise Agreement occurred in Illinois and the Restaurant that Franchisee will operate under the Franchise Agreement will be located in Illinois, and/or (b) Franchisee is domiciled in Illinois.

2. **ILLINOIS FRANCHISE DISCLOSURE ACT.** The following language is added to the end of the Franchise Agreement:

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

IN WITNESS WHEREOF, the parties have caused this Rider to be executed as of the effective date of the Franchise Agreement.

TOPPERS PIZZA LLC

By: _____
M. Scott Gittrich, CEO

FRANCHISEE:

By: _____
Name: _____
Its: _____

an Individual

an Individual

an Individual

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

THIS RIDER is made and entered into by and between **TOPPERS PIZZA LLC**, a Wisconsin limited liability company with its principal business address at 333 West Center Street, Whitewater, Wisconsin 53190 (the “Company”), and _____, whose principal business address is _____ (“Franchisee”).

1. **BACKGROUND.** Company and Franchisee are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is domiciled in Maryland, and/or (b) the Restaurant that Franchisee will operate under the Franchise Agreement will be located in Maryland.

2. **INSOLVENCY.** The following sentence is added to the end of Section 11.2.19 (“Termination by the Company”) of the Franchise Agreement:

This Section 11.2.19 may not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

3. **CONSENT TO JURISDICTION.** The following sentence is added to the end of Section 13.6 (“Consent to Jurisdiction”) of the Franchise Agreement:

A FRANCHISEE MAY BRING A LAWSUIT IN MARYLAND FOR CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

4. **LIMITATIONS OF CLAIMS AND CLASS ACTION-BAR.** The following sentence is added to the end of Section 13.9 (“Limitations of Claims”) of the Franchise Agreement:

Franchisee must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the Company grants Franchisee the franchise.

5. **ACKNOWLEDGMENTS.** The following language is added to the end of Section 16.1 (“General”) of the Franchise Agreement:

All representations requiring Franchisee to assent to a 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.

IN WITNESS WHEREOF, the parties have caused this Rider to be executed as of the effective date of the Franchise Agreement.

TOPPERS PIZZA LLC

By: _____
M. Scott Gittrich, CEO

FRANCHISEE:

By: _____
Name: _____
Its: _____

an Individual

an Individual

an Individual

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

THIS RIDER is made and entered into by and between **TOPPERS PIZZA LLC**, a Wisconsin limited liability company with its principal business address at 333 West Center Street, Whitewater, Wisconsin 53190 (the “Company”), and _____, whose principal business address is _____ (“Franchisee”).

1. **BACKGROUND.** The Company and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the Restaurant that Franchisee will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **RELEASES.** The following is added to the end of Subsections 3.4.5 (“Conditions Precedent to Renewal”) and 9.2.2 (“Assignment by Franchisee”) of the Franchise Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **RENEWAL AND TERMINATION.** The following language is added to the end of Sections 3.4 (“Conditions Precedent to Renewal”) and 11.2 (“Termination by the Company”) of the Franchise Agreement:

With respect to franchises governed by Minnesota law, the Company will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of this Agreement.

4. **ADDITIONAL REMEDIES.** The following language is added to the end of Section 11.4 of the Franchise Agreement:

The Company and Franchisee acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, the Company and Franchisee agree to enforce the provision to the extent the law allows.

5. **GOVERNING LAW.** The following language is added to the end of Section 13.5 of the Franchise Agreement:

NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF FRANCHISEE’S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR FRANCHISEE’S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

6. **CONSENT TO JURISDICTION.** The following language is added to the end of Section 13.6 of the Franchise Agreement:

NOTWITHSTANDING THE FOREGOING, MINN. STAT. SEC. 80C.21 AND MINN. RULE 2860.4400J PROHIBIT THE COMPANY, EXCEPT IN CERTAIN SPECIFIED CASES, FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. NOTHING IN THIS AGREEMENT SHALL ABROGATE OR REDUCE ANY OF FRANCHISEE'S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR FRANCHISEE'S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

7. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** If and then only to the extent required by the Minnesota Franchises Law, Section 13.7 of the Franchise Agreement is deleted.

8. **INJUNCTIVE RELIEF.** Section 13.8 of the Franchise Agreement is hereby deleted and replaced with the following:

13.8 Injunctive Relief. Nothing in this Agreement, including the provisions of Section 13.4, bars the Company's right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause the Company, the Trademarks, or the System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions. Franchisee agrees that the Company may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to the Company at law or in equity. Franchisee agrees that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby). A court will determine if a bond is required.

9. **LIMITATION OF CLAIMS.** Section 13.9 of the Franchise Agreement is amended by inserting the following clause after "GIVING RISE TO THE CLAIMS":

; PROVIDED, HOWEVER, THAT MINNESOTA LAW PROVIDES THAT NO ACTION MAY BE COMMENCED UNDER MINN. STAT. SEC. 80C.17 MORE THAN 3 YEARS AFTER THE CAUSE OF ACTION ACCRUES

IN WITNESS WHEREOF, the parties have caused this Rider to be executed as of the effective date of the Franchise Agreement.

TOPPERS PIZZA LLC

FRANCHISEE:

By: _____
M. Scott Gittrich, CEO

By: _____
Name: _____
Its: _____

an Individual

an Individual

an Individual

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE-SPECIFIC RIDERS TO THE
AREA DEVELOPMENT AGREEMENT**

**RIDER TO AREA DEVELOPMENT AGREEMENT
FOR USE IN ILLINOIS**

THIS RIDER is made and entered into by and between **TOPPERS PIZZA LLC**, a Wisconsin limited liability company with its principal business address at 333 West Center Street, Whitewater, Wisconsin 53190 (the “Company”), and _____, whose principal business address is _____ (“Developer”).

1. **BACKGROUND.** The Company and Developer are parties to that certain Area Development Agreement dated _____, 20__ (the “Area Development Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) the Toppers Pizza Restaurants that Developer will develop under the Area Development Agreement will be located in Illinois; and/or (b) any of the offering or sales activity relating to the Area Development Agreement occurred in Illinois.

2. **ILLINOIS FRANCHISE DISCLOSURE ACT.** The following language is added to the end of the of the Area Development Agreement:

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Your rights upon termination and non-renewal of a franchise agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

IN WITNESS WHEREOF, the parties have caused this Rider to be executed as of the effective date of the Area Development Agreement.

TOPPERS PIZZA LLC

DEVELOPER:

By: _____
M. Scott Gittrich, CEO

By: _____
Name: _____
Its: _____

an Individual

an Individual

an Individual

**RIDER TO AREA DEVELOPMENT AGREEMENT
FOR USE IN MARYLAND**

THIS RIDER is made and entered into by and between **TOPPERS PIZZA LLC**, a Wisconsin limited liability company with its principal business address at 333 West Center Street, Whitewater, Wisconsin 53190 (the “Company”), and _____, whose principal business address is _____ (“Developer”).

1. **BACKGROUND.** The Company and Developer are parties to that certain Area Development Agreement dated _____, 20__ (the “Area Development Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) Franchisee is domiciled in Maryland, and/or (b) the Toppers Pizza Restaurants that Developer will develop under the Area Development Agreement will be located in Maryland.

2. **AREA DEVELOPMENT FEE.** The following is added to the end of Section 2.E (“Grant of Development Rights”) of the Area Development Agreement:

Based on the Company’s financial condition, the Maryland Securities Commissioner requires financial assurances. In this regard, the Company has posted a Surety Bond in the amount of Forty-One Thousand Dollars (\$41,000.00) from Capitol Indemnity Corporation. The terms of the Surety Bond will remain in effect until the Company has completed all of its initial obligations to the Developer under this Agreement. A copy of the Surety Bond is on file with the Maryland Securities Division.

3. **INSOLVENCY.** The following sentence is added to the end of Section 4.C.4 (“Terms and Termination”) of the Area Development Agreement:

This section 4.C.4 may not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

4. **CONSENT TO JURISDICTION.** The following sentence is added to the end of Section 7.B (“Consent to Jurisdiction”) of the Area Development Agreement:

A FRANCHISEE MAY BRING A LAWSUIT IN MARYLAND FOR CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

5. **LIMITATION OF CLAIMS AND CLASS-ACTION BAR.** The following sentence is added to the end of the first paragraph of Section 7.E (“Limitation of Claims”) of the Area Development Agreement:

DEVELOPER MUST BRING ANY CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW WITHIN 3 YEARS AFTER THE COMPANY GRANTS DEVELOPER THE FRANCHISE.

6. **ACKNOWLEDGMENTS.** The following language is added to the end of Section 10 (“Acknowledgments”) of the Area Development Agreement:

All representations requiring you to assent to a 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.

IN WITNESS WHEREOF, the parties have caused this Rider to be executed as of the effective date of the Area Development Agreement.

TOPPERS PIZZA LLC

DEVELOPER:

By: _____
M. Scott Gittrich, CEO

By: _____
Name: _____
Its: _____

an Individual

an Individual

an Individual

**RIDER TO AREA DEVELOPMENT AGREEMENT
FOR USE IN MINNESOTA**

THIS RIDER is made and entered into by and between **TOPPERS PIZZA LLC**, a Wisconsin limited liability company with its principal business address at 333 West Center Street, Whitewater, Wisconsin 53190 (the “Company”), and _____, whose principal business address is _____ (“Developer”).

1. **BACKGROUND.** The Company and Developer are parties to that certain Area Development Agreement dated _____, 20__ (the “Area Development Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) the Restaurants that Developer will develop under the Area Development Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Area Development Agreement occurred in Minnesota.

2. **TERM AND TERMINATION.** The following is added to the end of Section 4.D of the Area Development Agreement:

However, with respect to franchises governed by Minnesota law, the Company will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days’ notice of termination (with 60 days to cure) of this Agreement.

3. **CONDITIONS FOR CONSENT TO ASSIGNMENT.** The following is added to the end of the second paragraph of Section 6.C of the Area Development Agreement:

Notwithstanding the foregoing, any release required as a condition of assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

4. **CONSENT TO JURISDICTION.** The following is added to the end of Section 7.B of the Area Development Agreement:

NOTWITHSTANDING THE FOREGOING, MINN. STAT. SEC. 80C.21 AND MINN. RULE 2860.4400J PROHIBIT THE COMPANY, EXCEPT IN CERTAIN SPECIFIED CASES, FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. NOTHING IN THIS AGREEMENT SHALL ABROGATE OR REDUCE ANY OF DEVELOPER’S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR DEVELOPER’S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

5. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** If and then only to the extent required by the Minnesota Franchises Law, Section 7.C of the Area Development Agreement is deleted.

6. **INJUNCTIVE RELIEF.** Section 7.D of the Area Development Agreement is deleted and replaced with the following:

D. INJUNCTIVE RELIEF.

Nothing in this Agreement, including the provisions of Section 7.A, bars Company's right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause Company, the Marks, or the System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions. Developer agrees that Company may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to Company at law or in equity. Developer agrees that Developer's only remedy if an injunction is entered against Developer will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby). A court will determine if a bond is required.

7. **LIMITATION OF CLAIMS AND CLASS-ACTION BAR.** Section 7.E of the Area Development Agreement is amended by inserting the following clause after "GIVING RISE TO THE CLAIMS":

; PROVIDED, HOWEVER, THAT MINNESOTA LAW PROVIDES THAT NO ACTION MAY BE COMMENCED UNDER MINN. STAT. SEC. 80C.17 MORE THAN 3 YEARS AFTER THE CAUSE OF ACTION ACCRUES

8. **GOVERNING LAW.** Section 11.D of the Area Development Agreement is deleted and replaced with the following:

D. GOVERNING LAW.

ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN THE COMPANY AND DEVELOPER WILL BE GOVERNED BY THE LAWS OF THE STATE OF WISCONSIN WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISE OWNER WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH, AND (2) NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF DEVELOPER'S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR DEVELOPER'S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

IN WITNESS WHEREOF, the parties have caused this Rider to be executed as of the effective date of the Area Development Agreement.

TOPPERS PIZZA LLC

DEVELOPER:

By: _____
M. Scott Gittrich, CEO

By: _____
Name: _____
Its: _____

an Individual

an Individual

an Individual

EXHIBIT I

PROJECT MANAGEMENT AGREEMENT

PROJECT MANAGEMENT AGREEMENT

THIS PROJECT MANAGEMENT AGREEMENT (the “**Agreement**”) is made as of the Effective Date, by and between _____, a _____ formed under the laws of _____, with its principal business address at _____ (“**Optionee**”), and **TOPPERS PIZZA LLC**, a limited liability company formed under the laws of the state of Wisconsin, with its principal business address at 333 West Center Street, Whitewater WI 53190 (“**Company**”). The “**Effective Date**” is the date on which Company signs this Agreement, as indicated on the signature page hereof.

RECITALS

A. Company has developed a system (the “**System**”) for the establishment, development, and operation of pizza restaurants (“**Restaurants**”) operating under trademarks, service marks, logos, and other commercial symbols, including without limitation, the Toppers Pizza® trademarks (the “**Marks**”). The System emphasizes convenience for on-premises consumption, carry-out, and delivery of pizza, breadsticks, and other pizza-related products and services approved by Company, all prepared in accordance with specified recipes and procedures, proprietary products, confidential information, and/or special packaging and marketing techniques. Restaurants feature certain distinctive features, accessories and color schemes, special recipes and menu items (including proprietary products and ingredients), uniform systems, procedures, methods, standards, specifications, inventory lists, marketing and advertising programs, operating methods, financial control concepts, training methods and teaching techniques. Company grants franchises pursuant to individual franchise agreements (each a “**Franchise Agreement**”) to own and operate a Restaurant using the System and the Marks.

B. Optionee has investigated and evaluated the System and Marks, and has identified a site located at _____ (the “**Proposed Site**”), which Optionee believes to be suitable for the development and operation of a Restaurant.

C. Optionee wishes to enter into this Agreement because Optionee has requested that Company provide certain project management assistance in connection with the evaluation of the Proposed Site and the construction of the Restaurant, and Company has agreed to perform the services, as described herein, on and subject to the terms and conditions set forth in this Agreement.

AGREEMENT

FOR AND IN CONSIDERATION of the foregoing Recitals (which are incorporated in and made a part hereof), the covenants contained in this Agreement, and other valuable consideration, receipt and sufficiency of which are acknowledged, Optionee and Company agree as follows:

1. **Evaluation of the Proposed Site.** Promptly following the Effective Date, Optionee and Company shall hold a meeting (the “**Site Evaluation Conference**”) at which the parties will discuss site evaluation needs, timing of the site evaluation, and the approximate costs

to be incurred in connection with the site evaluation process, which costs will be borne solely by Optionee. Within 15 business days after the parties agree to the matters discussed at the Site Evaluation Conference, Company will commence compiling and formatting a site evaluation of the Proposed Site (the “**Site Evaluation Report**”) based on information obtained from Optionee and other third parties, such as architects, general contractors, subcontractors, vendors, and government officials, who may be associated with the process of developing a Restaurant at the Proposed Site. If Company ultimately accepts the Proposed Site, then Company shall, to the extent Company deems feasible and appropriate, integrate the information set forth in the Site Evaluation Report in providing the Services (defined below).

Within 10 business days following the completion of the Site Evaluation Report, Company will notify Optionee whether the Proposed Site is approved as a location for the development of a Restaurant. If Company notifies Optionee that the Proposed Site is not approved, this Agreement shall automatically expire, and Company shall be entitled to retain the portion of the Project Management Fee (described below) previously paid by Optionee.

2. **Company Responsibilities.** Subject to Company’s approval of the Proposed Site in accordance with Section 1, Company will provide the services (the “**Services**”) set forth on Exhibit A, attached hereto and by this reference incorporated herein.

3. **Optionee Responsibilities.** Optionee agrees to be responsible for and agrees to perform, at Optionee’s cost, the following:

a. **Funding of Development Costs; Payment of Fees.** All costs and expenses incurred in connection with the development of the Restaurant pursuant to this Agreement (including, without limitation, broker commissions and taxes) shall be Optionee’s responsibility. Optionee agrees to pay all costs and expenses related to the development of the Restaurant as and when such costs and expenses are due to be paid. Company will be responsible for the costs and expenses of Company’s own employees and infrastructure, but Company shall not be required to advance or otherwise expend any of Company’s funds to pay the costs or expenses incurred in the development of the Restaurant or the provision of the Services.

b. **Payment of Project Management Fee.** Optionee shall pay Company a fee of \$7,500 (the “**Project Management Fee**”) for the Services that Company provides as contemplated by this Agreement. The Project Management Fee shall be due and payable, according to the following schedule:

- i. one-third (1/3) of the Project Management Fee on the Effective Date;
- ii. one-third (1/3) of the Project Management Fee upon completion of the rough-in inspection; and
- iii. one-third (1/3) of the Project Management Fee upon completion of the project closeout (punch list) inspection.

Optionee acknowledges and agrees that no portion of the Project Management Fee shall be applied as a credit toward the franchise fee owed under any Franchise Agreement.

4. **Execution of Franchise Agreement.** If Optionee has not previously entered into a Franchise Agreement with Company for the operation of a Restaurant at the Proposed Site, then within 30 days following Optionee's receipt of Company's approval of the Proposed Site (the "**Signature Deadline**"), Optionee shall sign Company's then-current form of Franchise Agreement and all required ancillary agreements. Company's then-current form of Franchise Agreement and ancillary agreements may be materially different than the forms that are attached to Company's current Franchise Disclosure Document which Company provided to Optionee prior to its execution of this Agreement.

If Optionee fails to execute Company's then-current form of Franchise Agreement and ancillary documents by the Signature Deadline, and Company may thereafter operate for itself or grant a third party the right to operate a Restaurant at the Proposed Site.

Optionee acknowledges and agrees that, if Optionee has previously entered into a Franchise Agreement with Company for the operation of a Restaurant, nothing in this Agreement modifies Optionee's obligation under such Franchise Agreement to locate an approved site and open the Restaurant within the deadlines specified in such Franchise Agreement.

5. **Transfer.** Optionee and Company have each entered into this Agreement based on the specific conditions and capabilities of the other. Therefore, neither party may transfer or assign this Agreement without the prior written consent of the other which consent will not be unreasonably withheld. Notwithstanding the foregoing, Company shall, on notice to Optionee, be entitled to assign this Agreement to its affiliate.

6. **Term and Termination.**

a. **Term.** Unless otherwise terminated as provided below in this Section 6, the term of this Agreement (the "**Term**") shall commence on the Effective Date and shall continue until the first to occur of: (i) the date that Company notifies Optionee that it has not approved the Proposed Site in accordance with Section 1; (ii) the date Optionee receives a final certificate of occupancy for the Restaurant from the applicable governmental agency; (iii) the Signature Deadline, if Optionee has failed to execute a Franchise Agreement for the development of a Restaurant at the Proposed Site; or (iv) the expiration or termination of the Franchise Agreement that governs the ownership and operation of the Restaurant at the Proposed Site.

b. **Termination.** Either party may terminate this Agreement if the other party materially breaches this Agreement and does not correct such failure within 30 days after delivery of notice which identifies the breach; provided, however, Company may terminate this Agreement immediately if Optionee fails to pay Company (or its affiliates) any amounts due and does not correct the failure within ten (10) days after Company delivers written notice of that failure to Optionee. Optionee acknowledges and agrees that its breach

of this Agreement will be deemed a breach of the Franchise Agreement and any applicable area development agreement.

c. **Effect of Termination.** Expiration or termination of this Agreement shall not relieve either party from its obligations which are expressly indicated to survive expiration or termination of this Agreement; such rights and obligations shall include, without limitation, those under Sections 7 through 14 of this Agreement.

7. **Standard of Care; Limitation of Liability.** Company recognizes that the Services include certain obligations that have been or will be undertaken by Optionee under the Franchise Agreement. Company agrees to use commercially reasonable efforts in providing the Services in the context of the Franchise Agreement as well as the scope and purpose of this Agreement. However, Optionee acknowledges and agrees that:

a. by agreeing to perform the Services, Company shall not be deemed to be guarantying to Optionee that the performance of the Services will satisfy, or be in compliance with, all of Optionee's obligations under the Franchise Agreement;

b. Company shall not, in the performance of its obligations under this Agreement, be liable to Optionee, its affiliates, or any other person for any liabilities, obligations, claims, costs or expenses arising out of any act or omission (whether negligent, tortious or otherwise), except only to the extent such liabilities, obligations, claims, costs or expenses arise out of or are caused by the willful misconduct of Company, its affiliates, or any of their respective directors, officers, employees, consultants, agents or representatives;

c. none of Company's owners, officers, directors, employees, or agents shall be personally liable for the performance or failure of performance of Company's obligations under this Agreement. Optionee will look solely to Company in that regard; and

d. Company does not represent or guarantee that its provision of the Services will result in the Restaurant being profitable or achieving any particular level of success or performance.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT OR UNDER APPLICABLE LAW, IN ANY ARBITRATION, LITIGATION, LEGAL ACTION OR PROCEEDING BETWEEN THE PARTIES ARISING FROM OR RELATING TO THIS AGREEMENT, THE PARTIES UNCONDITIONALLY AND IRREVOCABLY WAIVE AND DISCLAIM TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW ALL RIGHTS TO ANY CONSEQUENTIAL, PUNITIVE, EXEMPLARY, STATUTORY OR TREBLE DAMAGES (OTHER THAN COMPANY AND ITS AFFILIATES' STATUTORY RIGHTS AND REMEDIES RELATING TO TRADEMARKS, COPYRIGHTS, TRADE SECRETS AND OTHER INTELLECTUAL PROPERTY), AND ACKNOWLEDGE AND AGREE THAT THE RIGHTS AND REMEDIES IN THIS AGREEMENT, AND ALL OTHER RIGHTS AND REMEDIES AT LAW

AND IN EQUITY, WILL BE ADEQUATE IN ALL CIRCUMSTANCES FOR ANY CLAIMS THE PARTIES MIGHT HAVE WITH RESPECT THERETO. OPTIONEE AGREES THAT IN THE EVENT OF ANY CLAIM BY OPTIONEE AGAINST COMPANY UNDER THIS AGREEMENT, COMPANY'S LIABILITY FOR OR WITH RESPECT TO ANY RESTAURANT FOR WHICH COMPANY PROVIDES SERVICES SHALL NOT EXCEED AN AMOUNT EQUAL TO THE PROJECT MANAGEMENT FEE PAID, WHETHER IN FULL OR PARTIAL, BY OPTIONEE TO COMPANY UNDER THIS AGREEMENT FOR THE PROPOSED RESTAURANT.

8. **Independent Contractor.** Nothing in this Agreement shall constitute or be construed to be or create a partnership, joint venture, employment relationship, fiduciary relationship, or joint employer relationship between Company and Optionee. The parties' relationship shall be that of an independent contractor. Except as expressly provided in this Agreement, Company shall not be required to spend or contribute any of its own funds or otherwise incur any debts or liabilities to any person in the performance of the Services under this Agreement. All debts and liabilities to third parties required or permitted to be incurred by Company under this Agreement in the course of furnishing the Services shall be the debts and liabilities of Optionee and/or its affiliates only, and Company shall not be liable for any such obligations by reason of providing the Services for or on Optionee's behalf. Company may so inform third parties with whom it deals and may take any other reasonable steps to carry out the intent of this Section 8.

9. **Project Management Agreement Is Not a Franchise Agreement.** This Agreement is not a franchise agreement and does not grant Optionee any franchise, franchise rights, or the right to develop or operate a Restaurant. Such rights can only be granted pursuant to a properly executed Franchise Agreement.

10. **Notices.** All written notices and reports permitted or required to be delivered by the provisions of this Agreement shall be deemed so delivered: (a) at the time delivered by hand or receipt of e-mail or facsimile transmission; (b) one (1) business day after being placed in the hands of a reputable commercial courier service or United States Postal Service for overnight delivery; or (c) three (3) days after being placed in the U.S. Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified.

11. **Enforcement.**

a. **Arbitration.** The parties agree that all controversies, disputes, or claims between Company and its affiliates, and Company's and its affiliates' respective shareholders, officers, directors, agents, and employees, and Optionee (and its owners, guarantors, affiliates, and employees) arising out of or related to (i) this Agreement; (ii) Company's relationship with Optionee; or (iii) the scope or validity of this Agreement or any provision of this Agreement (including the validity and scope of the arbitration obligation under this Section 11.a, which the parties acknowledge is to be determined by an arbitrator, not a court) must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association (the "AAA"). The arbitration proceedings

will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our then-current principal place of business (currently, Whitewater, Wisconsin). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including, without limitation, money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by Company or its affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (the parties hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

The parties agree to be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. The parties further agree that, in any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either party.

THE PARTIES AGREE THAT ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT AN ARBITRATION PROCEEDING BETWEEN COMPANY AND ANY OF ITS AFFILIATES, OR COMPANY'S AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND OPTIONEE (OR OPTIONEE'S OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING, (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD PARTY, OR (IV) BROUGHT ON OPTIONEE'S BEHALF BY ANY ASSOCIATION OR AGENT. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the dispute resolution provisions of this Agreement.

The parties agree that, in any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute. The

parties may only serve reasonable requests for documents, which must be limited to documents upon which a party intends to rely or documents that are directly relevant and material to a significant disputed issue in the case or to the case's outcome. The document requests shall be restricted in terms of timeframe, subject matter and persons or entities to which the requests pertain, and shall not include broad phraseology such as "all documents directly or indirectly related to." The parties further agree that no interrogatories or requests to admit shall be propounded, unless the parties later mutually agree to their use.

With respect to any discovery of electronically stored information, the parties agree that such requests must balance the need for production of electronically stored information relevant and material to the outcome of a disputed issue against the cost of locating and producing such information. The parties agree that:

- (i) production of electronically stored information need only be from sources used in the ordinary course of business. No party shall be required to search for or produce information from back-up servers, tapes, or other media;

- (ii) the production of electronically stored information shall normally be made on the basis of generally available technology in a searchable format which is usable by the party receiving the information and convenient and economical for the producing party. Absent a showing of compelling need, the parties need not produce metadata, with the exception of header fields for email correspondence;

- (iii) the description of custodians from whom electronically stored information may be collected shall be narrowly tailored to include only those individuals whose electronically stored information may reasonably be expected to contain evidence that is relevant and material to the outcome of a disputed issue;

- (iv) the parties shall attempt to agree in advance upon, and the arbitrator may determine, reasonable search parameters; and

- (v) where the costs and burdens of electronic discovery are disproportionate to the nature of the dispute or to the amount in controversy, or to the relevance of the materials requested, the arbitrator shall either deny such requests or order disclosure on condition that the requesting party advance the reasonable cost of production to the other side, which cost advance will not be awarded to the prevailing party in any final award.

In any arbitration each side may take no more than three depositions, unless the parties mutually agree to additional depositions. Each side's depositions are to consume no more than a total of 15 hours, and each deposition shall be limited to 5 hours, unless the parties mutually agree to additional time.

The provisions of this Section are intended to benefit and bind certain third-party non-signatories.

The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

b. **GOVERNING LAW.** ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN THE PARTIES WILL BE GOVERNED BY THE LAWS OF THE STATE OF WISCONSIN, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY WISCONSIN LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION.

c. **CONSENT TO JURISDICTION.** SUBJECT TO THE OBLIGATION TO ARBITRATE UNDER SECTION 11.a ABOVE AND THE PROVISIONS BELOW, OPTIONEE AND ITS OWNERS AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN THE PARTIES MUST BE COMMENCED IN STATE OR FEDERAL COURT NEAREST TO COMPANY'S THEN-CURRENT PRINCIPAL PLACE OF BUSINESS (CURRENTLY WHITEWATER, WISCONSIN), AND OPTIONEE (AND EACH OWNER) IRREVOCABLY SUBMITS TO THE JURISDICTION OF THAT COURT AND WAIVES ANY OBJECTION OPTIONEE (OR THE OWNER) MIGHT HAVE TO EITHER THE JURISDICTION OF OR VENUE IN THAT COURT.

d. **Attorneys' Fees.** The prevailing party in any arbitration or litigation shall be entitled to recover from the other party all damages, costs and expenses, including arbitration and court costs and reasonable attorneys' fees, incurred by the prevailing party in connection with such arbitration or litigation.

e. **Injunctive Relief.** Nothing in this Agreement, including the provisions of Section 11.a, bars Company's right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause Company, the Marks, or the System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions. Optionee agrees that Company may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to Company at law or in equity. Optionee agrees that Company will not be required to post a bond to obtain injunctive relief and that Optionee's only remedy if an injunction is entered against Optionee will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).

12. **Binding Effect.** This Agreement will be binding upon and inure to the benefit of the successors, assigns, trustees, receivers, personal representatives, legatees and devisees of the parties hereto.

13. **Entire Agreement.** No officer or employee or agent of Company has any authority to make any representation or promise not contained in this Agreement, and Optionee agrees that it has executed this Agreement without reliance upon any such representation or promise. Except as specifically provided for in this Agreement, this Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto.

14. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Signatures transmitted via facsimile or electronically shall have the full force of and be considered originals.

[Signature page follows]

[Signature Page to Project Management Agreement]

IN WITNESS WHEREOF, the parties have caused this Agreement to be made effective in Whitewater, Wisconsin, on and as of the Effective Date.

COMPANY

OPTIONEE

TOPPERS PIZZA LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date*: _____

Date: _____

* This is the “**Effective Date**”

Exhibit A
to
Project Management Agreement

SERVICES

PROJECT EVALUATION

Assistance with regulatory requirements as follows:

Determine application procedures and turnaround timeframes.

Identify permit and/or license fee costs.

Generate an acceptable space feasibility plan.

DESIGN / PRECONSTRUCTION

Assist Optionee in the establishment of a project team as follows:

Architect /MEP / Structural. Qualify experience, references and service fees.

General and Subcontractors: Qualify financially, past experience and references.

Notify Corporate Vendors of project. Identify project specific requirements and costs.

Coordinate with the Architect to develop an acceptable floor plan and storefront elevation.

Generate a project budget and construction schedule based on Approved LOI and project conditions.

Review and coordinate with the architect regarding plan and permit submittals and construction documents

Distribute construction drawings (CDs) to bidding general contractors along with the bid package to obtain preliminary construction costs. Review and negotiate GC bid submittals for best case pricing and review with Optionee.

Distribute CDs to Vendors. Receive and review vendor quotes for Optionee approval. Schedule deliveries to coincide with the GC's construction schedule.

CONSTRUCTION

Assistance with review of property for site acceptance pursuant to the lease.

Coordinate the generation of a construction contract (AIA A107) with Optionee's approved general contractor

Obtain Subcontractor List and Certificate of Insurance from general contractor

Identify and approve the construction schedule.

Communicate construction progress with the Optionee on a weekly basis – as a minimum.

Communicate with the general contractor on a regular basis tracking vendor deliveries and project construction schedule.

Provide end of week project status to all interested parties, in written and picture format.

Provide an onsite rough-in inspection. (Scheduling of inspection must be confirmed two weeks in advance by general contractor.)

Provide a project closeout (punch list) inspection.

Assist general contractor with final payment process and lien waivers.

EXHIBIT J

SOFTWARE SUBSCRIPTION AGREEMENT

Toppers Subscription Agreement

(Point of Sale Services)

This Toppers Subscription Agreement for Point of Sale Services (“**Agreement**”) is entered into effective as of the date (“**Effective Date**”) listed in the Business Terms attached hereto and incorporated herein as Schedule A by and between Toppers Pizza LLC, with main offices located at 333 West Center Street, Whitewater, WI 53190 (“**Toppers**”) and the undersigned Franchisee as listed in Schedule A (“**Franchisee**”) for the Franchisee restaurant location identified in Schedule A (“**Location**”). Toppers and Franchisee may be referred to collectively as the “**Parties**” or individually as a “**Party**.”

Recitals:

Franchisee has entered into a Toppers Pizza LLC Franchise Agreement (the “**Franchise Agreement**”) for operation of a Toppers restaurant at the Location.

Toppers is providing certain POS Services (as defined below) to Franchisees in accordance with the terms of this Agreement; and

Franchisee desires to access the POS Services as may be made available from time to time by Toppers for use by Franchisee at the Location in accordance with the terms of this Agreement.

Agreement:

In consideration of the foregoing Recitals and the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Definitions.

(a) “**Authorized User**” means Franchisee and Franchisee’s employees who are authorized by Franchisee to access and use the POS Services for the internal use of Franchisee in operating the Toppers restaurant at a Location only and for no other purpose.

(b) “**Documentation**” means Toppers’ user manuals, handbooks, and guides relating to the POS Services provided by Toppers to Franchisee either electronically or in hard copy form.

(c) “**POS Services**” means the PiZMET point of sale electronic services made available by Toppers to its Franchisees for use at the Location from time to time and as may be more particularly described in the applicable Documentation.

(d) “**Services Data**” means information, data, and other content in any form or medium (i) that is submitted, transmitted, created, generated, stored, posted, or otherwise processed through the POS Services or (ii) information, data, and other content related to the operation, administration, maintenance, support, use or management of the POS Services.

(e) **“Third-Party Products”** means any third-party products, software, data or POS Services that are provided with, incorporated into or integrated with the POS Services.

(f) **“Toppers Property”** means the POS Services, the Services Data, the Documentation and all intellectual property related to the foregoing, including without limitation, the underlying software, algorithms, designs, methodologies and proprietary processes of the POS Services, the Services Data, the Documentation provided to Franchisee or an Authorized User in connection with the foregoing.

2. Access and Use.

(a) POS System. Subject to and conditioned upon Franchisee’s compliance with the terms and conditions of this Agreement, Toppers hereby grants to Franchisee a non-exclusive, non-sublicenseable, non-transferable, limited right for Franchisee and its Authorized Users to access and use the POS Services during the Term solely for Franchisee’s internal business purposes in operating the restaurant at the authorized Location and for no other purposes. The grant of rights in this Section is a grant of rights to use the POS Services as an electronic service only. There is no grant of rights under this Agreement in or to the underlying hardware, equipment, appliances, devices, software or other infrastructure used to deliver the POS Services.

(b) Documentation. Subject to and conditioned upon Franchisee’s compliance with the terms and conditions of this Agreement, Toppers hereby grants to Franchisee a non-exclusive, non-sublicenseable, non-transferable, limited license for Franchisee and its Authorized Users to access the Documentation during the Term solely for Franchisee’s internal business purposes in connection with its use of the POS Services at the authorized Location.

(c) Services Data. Subject to and conditioned upon Franchisee’s compliance with the terms and conditions of this Agreement, Toppers hereby grants to Franchisee a non-exclusive, non-sublicenseable, non-transferable, limited right for Franchisee and its Authorized Users to access and use the Services Data during the Term solely for Franchisee’s internal business purposes in operating the restaurant at the authorized Location and for no other purposes. Franchisee’s right of access to Services Data is further limited to only that Services Data specifically related to Franchisee’s Location to the extent that such access is necessary for Franchisee to operate the restaurant at the Location in accordance with its obligations under the Franchise Agreement. Toppers reserves the right to restrict or deny access to Services Data in its sole discretion.

(d) Use Restrictions. Franchisee and its Authorized Users shall not use the Toppers Property for any purposes beyond the scope of the access granted in this Agreement. Franchisee shall not at any time, directly or indirectly, and shall not permit any Authorized Users to: (i) copy, modify, or create derivative works of the Toppers Property in whole or in part; (ii) rent, lease, lend, sell, offer for sale, license, sublicense, assign, distribute, publish, transfer, or otherwise make available the Toppers Property; (iii) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to any software component of the Toppers Property, in whole or in part; (iv) remove

any proprietary notices from the Toppers Property; or (v) use the Toppers Property in any manner or for any purpose that violates applicable law or that infringes, misappropriates, or otherwise violates any intellectual property, publicity, privacy, or other right of any person or entity.

(e) Reservation of Rights. Toppers reserves all rights not expressly granted to Franchisee in this Agreement. Except for the limited rights and licenses expressly granted under this Agreement, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Franchisee, its Authorized Users or any third party any intellectual property rights or other right, title, or interest in or to the Toppers Property.

(f) Suspension. Notwithstanding anything to the contrary in this Agreement, Toppers reserves the right to suspend Franchisee's and any Authorized User's access to any portion or all of the Toppers Property if suspension is advisable in its reasonable judgement. Without limitation and by way of example only, Toppers may suspend access to any portion or all of the Toppers Property if: (i) Toppers reasonably determines that (A) there is a threat of harm to or actual harm to any of the components comprising the Toppers Property; (B) Franchisee's or any Authorized User's use of the Toppers Property disrupts or poses a risk to any of the components comprising the Toppers Property or to third parties; (C) Franchisee or any Authorized User is using the Toppers Property for unauthorized, fraudulent or illegal activities; (D) Franchisee has ceased to continue its business in the ordinary course, made an assignment for the benefit of creditors or similar disposition of its assets, or become the subject of any bankruptcy, reorganization, liquidation, dissolution, or similar proceeding; (E) suspension is advisable for purposes of conducting either routine or emergency maintenance; or (F) Toppers' provision of the Toppers Property to Franchisee or an Authorized User is prohibited by applicable law or should be suspended to accommodate a governmental or other investigation; (ii) any vendor of Toppers has suspended or terminated Toppers' access to or use of any third-party services or products required to enable Franchisee to access the Toppers Property; or (iii) in response to a Franchisee breach or default of the terms of this Agreement (any such suspension described in subclause (i), (ii), or (iii), a "**Service Suspension**"). Toppers shall use commercially reasonable efforts to provide Franchisee with updates regarding resumption of access following any Service Suspension. Toppers shall use commercially reasonable efforts to resume providing access as soon as reasonably possible after the event giving rise to the Service Suspension is cured. Toppers will have no liability for any cost, expense, damage, liabilities, losses (including any loss of data or profits), or any other consequences that Franchisee or any Authorized User may incur as a result of a Service Suspension.

3. Franchisee Responsibilities.

(a) General. Franchisee is responsible and liable for all uses of the Toppers Property resulting from access provided by Franchisee, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Franchisee is responsible for all acts and omissions of Authorized Users, and any act or omission by an Authorized User that would constitute a breach of this Agreement if taken by Franchisee will be deemed a breach of this Agreement by Franchisee. Franchisee shall make all Authorized Users aware of this Agreement's

provisions as applicable to such Authorized User's use of the Toppers Property and shall cause Authorized Users to comply with such provisions.

(b) Passwords; Access Controls. Franchisee shall be responsible for the safekeeping, proper use and management of all passwords or other access controls to the POS Services to be used by Franchisee and its Authorized Users. Franchisee shall implement adequate security controls to ensure that all passwords and access controls are made available only to Authorized Users for the uses permitted under this Agreement. If Franchisee learns of any loss or unauthorized use of such passwords or access controls, Franchisee shall immediately notify Toppers of the same and reasonably cooperate in the investigation of the incident and take such steps as Toppers may require to contain and minimize any adverse consequences arising from such loss or unauthorized use.

(c) Third-Party Products. Toppers may from time to time make Third-Party Products available to Franchisee as part of the POS Services. Such Third-Party Products may be subject to their own terms and conditions, which will be made available to Franchisee in reasonable form. If Franchisee uses the Third-Party Products, which may be required by Toppers, Franchisee must abide by the applicable terms and conditions for such Third-Party Products.

4. Availability; Support; Replacement.

(a) Availability. Subject to the terms and conditions of this Agreement, Toppers shall use reasonable efforts as it determines from time to time in its discretion to make the POS Services and Services Data available to Franchisee. Franchisee acknowledges, however, that the POS Services and Services Data may experience periods of downtime or unavailability, and that Toppers makes no assurances, guarantees, representations or warranties regarding their uptime or availability. The POS Services and Services Data are provided on an "AS-IS, AS AVAILABLE" basis only.

(b) Maintenance & Support. Toppers shall use reasonable efforts as it determines from time to time in its discretion to provide maintenance and support for the POS Services. Maintenance may include such updates, patches, fixes and releases for the POS Services as Toppers elects to make available for the POS Services from time to time. Support may include help desk support available through remote means (either electronically or telephonically) through Toppers or its designated support agent. Toppers will communicate to Franchisee the standard support hours for help desk assistance. Toppers reserve the right to suspend, modify, terminate or otherwise revise its maintenance and support program as it deems fit and will use commercially reasonable means to communicate any material changes to Franchisee as they occur. Toppers makes no assurances, guarantees, representations or warranties regarding the scope or availability of maintenance and support services and provides the same to Franchisee on an "AS-IS, AS AVAILABLE" basis only.

(c) Modifications. Toppers may in the future elect to modify, enhance, redesign, discontinue or offer a substitute replacement service for the POS Services in whole or in part. Toppers may require Franchisee to license, purchase, implement and

utilize any modifications to the POS Services. Franchisee shall adopt and implement such replacement service upon Topper's request. Toppers reserves the right to charge fees for the foregoing and to change the fees from time to time. Further, Toppers may cease to make the POS Services available to Franchisee and require Franchisee to obtain substitute point of sale systems or services from a third-party vendor at Franchisee's cost.

5. Fees and Payment.

(a) Fees. Franchisee shall pay Toppers the fees ("**Fees**") as set forth in Schedule A without offset or deduction. Franchisee shall make all payments hereunder on or before the due date set forth in Schedule A. If Franchisee fails to make any payment when due, without limiting Toppers' other rights and remedies: (i) Toppers may charge interest on the past due amount at the rate of 1.5% per month calculated daily and compounded monthly or, if lower, the highest rate permitted under applicable law; (ii) Franchisee shall reimburse Toppers for all costs incurred by Toppers in collecting any late payments or interest, including attorneys' fees, court costs, and collection agency fees; and (iii) Toppers may suspend Franchisee's and its Authorized Users' access to any portion or all of the POS Services until such amounts are paid in full.

(b) Taxes. All Fees and other amounts payable by Franchisee under this Agreement are exclusive of taxes and similar assessments. Franchisee is responsible for all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, or local governmental or regulatory authority on any amounts payable by Franchisee hereunder, other than any taxes imposed on Toppers' income.

6. Confidential Information. From time to time during the Term, Toppers may disclose or make available to Franchisee certain information about or related to the Toppers Property and other sensitive or proprietary information, whether orally or in written, electronic, or other form or media. All of the foregoing information constitutes the confidential and proprietary information of Toppers (collectively, "**Confidential Information**") regardless of whether it has been marked or stamped as confidential. Franchisee and all Authorized Users shall not disclose the Confidential Information to any person or entity, except to Franchisee's Authorized Users who have a need to know the Confidential Information to exercise its rights or perform its obligations hereunder. Furthermore, Franchisee and its Authorized Users agree to maintain the confidentiality of all Confidential Information by, among other things,

7. Intellectual Property Ownership; Feedback.

(a) Toppers Property. Franchisee acknowledges that, as between Franchisee and Toppers, Toppers and its contractors own all right, title, and interest in and to the Toppers Property which includes, without limitation, the POS System, Services Data and Documentation and all intellectual property rights therein. Franchisee has no rights in or to the foregoing except for the limited rights expressly granted in Section 2 entitled "Access and Use."

(b) Feedback. If Franchisee or any of its employees or contractors sends or transmits any communications or materials to Toppers by mail, email, telephone, or otherwise, suggesting or recommending changes to the Toppers Property, including without limitation, new features or functionality relating thereto, or any comments, questions, suggestions, or the like (“**Feedback**”), Toppers is free to use such Feedback irrespective of any other obligation or limitation between the Parties governing such Feedback. Franchisee hereby assigns to Toppers on Franchisee’s behalf, and on behalf of its employees, contractors and/or agents, all right, title, and interest in, and Toppers is free to use, without any attribution or compensation to any party, any ideas, know-how, concepts, techniques, or other intellectual property rights contained in the Feedback, for any purpose whatsoever, although Toppers is not required to use any Feedback.

8. Warranties; Remedies; Warranty Disclaimer.

(a) Except for the express assurances set forth in Section 4, Toppers does not make any assurances, guarantees, representations or warranties regarding uptime, availability or quality of the Toppers Property. In the event of a defect or failure in the Toppers Property that does not conform to the assurances set forth in Section 4, Toppers shall at its option either: (i) use commercially reasonable efforts to remedy the defect or failure within a reasonable period of time or (ii) replace the defective or failing software components with alternate software components of reasonably similar functionality. The foregoing constitute Franchisee’s sole and exclusive remedies and Toppers’ sole and exclusive obligations in response to a defect or failure in the Toppers Property.

(b) EXCEPT AS SET FORTH IN SUBSECTION (A) ABOVE, THE TOPPERS PROPERTY IS PROVIDED “AS-IS, AS-AVAILABLE” AND TOPPERS HEREBY DISCLAIMS ALL REPRESENTATION AND WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. TOPPERS SPECIFICALLY DISCLAIMS ALL IMPLIED REPRESENTATIONS AND WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, INTEGRATION, AND NON-INFRINGEMENT, AND ALL REPRESENTATIONS AND WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. TOPPERS MAKES NO WARRANTY OF ANY KIND THAT THE TOPPERS PROPERTY, OR ANY RESULTS OF THE USE THEREOF, WILL MEET FRANCHISEE’S OR ANY OTHER PERSON’S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM OR OTHER SERVICES, OR BE SECURE, ACCURATE, AVAILABLE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE. TOPPERS STRICTLY DISCLAIMS ALL WARRANTIES WITH RESPECT TO ANY THIRD-PARTY PRODUCTS.

9. Indemnification. Franchisee shall indemnify, hold harmless, and, at Toppers’ option, defend Toppers from and against any liabilities, damages, claims, losses, costs and expenses resulting or arising from (i) breach of this Agreement by Franchisee; (ii) negligence or willful misconduct of Franchisee, its employees, contractors or agents; (iii) use of the Toppers Property in a manner not authorized by this Agreement; (iv) use of the Toppers Property in combination with data, software, hardware, equipment or technology not provided by Toppers or

authorized by Toppers in writing; or (v) infringement or misappropriation of third party intellectual property, publicity, privacy or other rights as a result of data, content or other information input into the POS Services by Franchisee or its Authorized Users, provided that Franchisee may not settle any such claims against Toppers unless Toppers consents to such settlement, and further provided that Toppers will have the right, at its option, to defend itself against any such claims or to participate in the defense thereof by counsel of its own choice.

10. Limitations of Liability. IN NO EVENT WILL TOPPERS BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY: (a) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES; (b) INCREASED COSTS, DIMINUTION IN VALUE OR LOST BUSINESS, PRODUCTION, REVENUES, OR PROFITS; (c) LOSS OF GOODWILL OR REPUTATION; (d) USE, INABILITY TO USE, LOSS, INTERRUPTION, DELAY OR RECOVERY OF ANY DATA, OR BREACH OF DATA OR SYSTEM SECURITY; OR (e) COST OF REPLACEMENT GOODS OR POS SERVICES, IN EACH CASE REGARDLESS OF WHETHER TOPPERS WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE. IN NO EVENT WILL TOPPERS'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE EXCEED THE TOTAL FEES PAID TO TOPPERS UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

11. Term and Termination.

(a) Term. The term of this Agreement begins on the Effective Date and shall continue for a period of one (1) year (“**Initial Term**”), and thereafter shall be automatically renewed for successive one-year periods under like terms and conditions (“**Renewal Term**”) unless terminated in accordance with the terms hereof. (The Initial Term and all Renewal Terms, if any, shall hereinafter be referred to collectively as the “**Term**”).

(b) Termination. In addition to any other express termination right set forth in this Agreement:

(i) Toppers reserves the right to terminate this Agreement for convenience upon written notice to Franchisee. In such a circumstance, Toppers will endeavor to provide at least thirty (30) days advance written notice of termination, but may provide lesser notice if there is a valid business reasons for doing so in Toppers' reasonable judgment.

(ii) Toppers may terminate this Agreement, effective on written notice to Franchisee, if Franchisee: (A) fails to pay any amount when due hereunder, and such failure continues more than ten (10) days after Toppers' delivery of written notice thereof; or (B) breaches any of its other obligations under this Agreement

and such failure continues for more than thirty (30) days after Toppers' delivery of written notice thereof;

(iii) Toppers may terminate this Agreement, effective immediately upon written notice to Franchisee if Franchisee: (A) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due; (B) files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law; (C) makes or seeks to make a general assignment for the benefit of its creditors; or (D) applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

(iv) Upon the termination or expiration of the Franchise Agreement, this Agreement shall automatically terminate.

(c) Effect of Expiration or Termination. Upon expiration or earlier termination of this Agreement, Franchisee shall immediately discontinue use of the Toppers Property and, without limiting Franchisee's obligations under Section 6, Franchisee shall delete, destroy, or return all copies of the Documentation and other Toppers Property in its possession and certify in writing to the Toppers that the Documentation and other Toppers Property has been deleted or destroyed. No expiration or termination will affect Franchisee's obligation to pay all Fees that may have become due before such expiration or termination, or entitle Franchisee to any refund.

(d) Survival. This Section 11(d) and Sections 1, 5, 6, 7, 8(b), 9, 10, and 12 survive any termination or expiration of this Agreement. No other provisions of this Agreement survive the expiration or earlier termination of this Agreement.

12. Miscellaneous.

(a) Data Security. Franchisee shall be responsible for the privacy and security of all personally identifiable information of individuals within its possession or control including, without limitation, personal financial information, personal health information, credit card or related payment account information, social security numbers or any other such personally identifiable information of its employees, contractors, customers or third parties. Franchisee shall transmit, process and store all such information in accordance with applicable laws and applicable regulations, including without limitation the Payment Card Industry Data Security Standards applicable to Franchisee as a merchant and any similar credit card association requirements pertaining to confidentiality, security and integrity of cardholder and card transaction data. Franchisee shall indemnify, defend and hold Toppers harmless from and against all liabilities, damages, claims, losses, costs and expenses (including reasonable attorneys fees) resulting or arising from (i) the violation of these obligations by Franchisee, its employees, contractors or agents or (ii) any data security incidents or breaches caused by the acts, omissions, negligence or willful misconduct of Franchisee, its employees, contractors or agents. Franchisee shall notify

Toppers immediately of any suspected data security incident or breach (whether the incident or breach has been confirmed or not) and cooperate in all reasonable ways with Toppers in investigating the matter and in taking appropriate steps to minimize any resulting harm.

(b) Equipment. This Agreement does not apply to and does not cover any on-site equipment, appliances, products or other devices that Franchisee may be required to obtain in order to access and use the POS Services (collectively, “POS Equipment”) from the Location. Acquiring necessary POS Equipment shall be the responsibility of Franchisee and may be covered by a separate agreement between Franchisee and Toppers or between Franchisee and a third party vendor. Toppers assumes no responsibility for POS Equipment under this Agreement.

(c) Entire Agreement. This Agreement, together with the Franchise Agreement and any other documents incorporated herein by reference and all related Schedules, constitutes the sole and entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings, agreements, and representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the body of this Agreement, the related Schedules, and any other documents incorporated herein by reference, the following order of precedence governs: (i) first, this Agreement, excluding its Schedules; (ii) second, the Schedules to this Agreement as of the Effective Date; and (iii) third, any other documents incorporated herein by reference.

(d) Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a “**Notice**”) must be in writing and addressed to the Parties at the addresses set forth on the first page of this Agreement (or to such other address that may be designated by the Party giving Notice from time to time in accordance with this Section). All Notices must be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), email (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage pre-paid). Except as otherwise provided in this Agreement, a Notice is effective only: (i) upon receipt by the receiving Party; and (ii) if the Party giving the Notice has complied with the requirements of this Section.

(e) Force Majeure. In no event shall Toppers be liable to Franchisee, or be deemed to have breached this Agreement, for any failure or delay in performing its obligations under this Agreement, if and to the extent such failure or delay is caused by any circumstances beyond Toppers’ reasonable control, including but not limited to acts of God, flood, fire, earthquake, explosion, war, terrorism, invasion, riot or other civil unrest, strikes, labor stoppages or slowdowns or other industrial disturbances, or passage of law or any action taken by a governmental or public authority, including imposing an embargo.

(f) Amendment and Modification; Waiver. No amendment to or modification of this Agreement is effective unless it is in writing and signed by an authorized representative of each Party. No waiver by any Party of any of the provisions hereof will be effective unless explicitly set forth in writing and signed by the Party so waiving. Except

as otherwise set forth in this Agreement, (i) no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement will operate or be construed as a waiver thereof and (ii) no single or partial exercise of any right, remedy, power, or privilege hereunder will preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

(g) Severability. If any provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to affect their original intent as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

(h) Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the choice of law and dispute resolution provisions set forth in the Franchise Agreement, which provisions are incorporated herein.

(i) Assignment. Franchisee may not assign any of its rights or delegate any of its obligations hereunder, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the prior written consent of Toppers and subject to the conditions related to assignment as set forth in the Franchise Agreement. Any purported assignment or delegation in violation of this Section will be null and void. No assignment or delegation will relieve the assigning or delegating Party of any of its obligations hereunder. This Agreement is binding upon and inures to the benefit of the Parties and their respective permitted successors and assigns.

(j) Export Regulation. The POS Services utilize software and technology that may be subject to US export control laws, including the US Export Administration Act and its associated regulations. Franchisee shall not, directly or indirectly, export, re-export, or release the POS Services or the underlying software or technology to, or make the POS Services or the underlying software or technology accessible from, any jurisdiction or country to which export, re-export, or release is prohibited by law, rule, or regulation.

(k) Equitable Relief. Each Party acknowledges and agrees that a breach or threatened breach by such Party of any of its obligations could cause the other Party irreparable harm for which monetary damages would not be an adequate remedy and agrees that, in the event of such breach or threatened breach, the other Party will be entitled to equitable relief, including a restraining order, an injunction, specific performance and any other relief that may be available from any court, without any requirement to post a bond or other security, or to prove actual damages or that monetary damages are not an adequate remedy. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity or otherwise.

(l) Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Toppers Subscription Agreement (Point of Sale Services) as of the dates below.

TOPPERS:

FRANCHISEE:

TOPPERS PIZZA LLC

By:_____

By:_____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date:_____

SCHEDULE A – “BUSINESS TERMS”

TO TOPPERS SUBSCRIPTION AGREEMENT

(POINT OF SALE SERVICES)

This Schedule is made a part of and incorporated into that certain Toppers Subscription Agreement (Point of Sale Services) between Toppers Pizza LLC, with main offices located at 333 West Center Street, Whitewater, WI 53190 and the undersigned Franchisee for the Franchisee restaurant Location listed below. Capitalized terms used but not defined in this Schedule A have the meaning given to those terms in the Agreement.

Effective Date:	
Franchisee Name:	
Franchisee Location:	
POS Services Description:	PiZMET point of sale electronic services as made available from time to time by Toppers at the Location designated in this Schedule.
Authorized Users:	Franchisee’s employees at the Location
Fee Schedule:	\$2,500 PiZMET Site License (One Time per Location, Non-recurring) \$1,900 PiZMET per-site Annual Software Maintenance (billable in equal monthly installments of \$158.33 per site) \$600 per-site annual PiZMET Enterprise Reporting fee (billable in equal monthly installments of \$50 per site)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

TOPPERS:

TOPPERS PIZZA LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT K
REPRESENTATIONS AND ACKNOWLEDGMENT STATEMENT

REPRESENTATIONS AND ACKNOWLEDGMENT STATEMENT

DO NOT SIGN THIS QUESTIONNAIRE IF YOU ARE LOCATED, OR YOUR FRANCHISED BUSINESS WILL BE LOCATED IN: ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, SOUTH DAKOTA, VIRGINIA, OR WISCONSIN.

The purpose of this Statement is to demonstrate to Toppers Pizza LLC (“Franchisor”) that each person signing below (“I,” “me” or “my”), whether acting individually or on behalf of any legal entity established to acquire the franchise rights, (a) fully understands that the purchase of a Toppers Pizza restaurant franchise is a significant long-term commitment, complete with its associated risks, and (b) is not relying on any statements, representations, promises or assurances that are not specifically set forth in Franchisor’s Franchise Disclosure Document and Exhibits (collectively, the “FDD”) in deciding to purchase the franchise.

In that regard, I represent to Franchisor and acknowledge that:

I understand that buying a franchise is not a guarantee of success. Purchasing or establishing any business is risky, and the success or failure of the franchise is subject to many variables over which Franchisor has no control such as my skills and abilities (and those of my partners, officers, employees), the time my associates and I devote to the business, competition, interest rates, the economy, inflation, operation costs, location, lease terms, the market place generally and other economic and business factors. I am aware of and am willing to undertake these business risks. I understand that the success or failure of my business will depend primarily upon my efforts and not those of Franchisor.	INITIAL:
I received a copy of the FDD, including the Franchise Agreement, at least 14 calendar days (10 business days in Michigan) before I executed the Franchise Agreement. I understand that all of my rights and responsibilities and those of Franchisor in connection with the franchise are set forth in these documents and only in these documents. I acknowledge that I have had the opportunity to personally and carefully review these documents and have, in fact, done so. I have been advised to have professionals (such as lawyers and accountants) review the documents for me and to have them help me understand these documents. I have also been advised to consult with other franchisees regarding the risks associated with the purchase of the franchise.	INITIAL:
Neither the Franchisor nor any of its officers, employees or agents (including any franchise broker) has made a statement, promise or assurance to me concerning any matter related to the franchise (including those regarding advertising, marketing, training, support service or assistance provided by Franchisor) that is contrary to, or different from, the information contained in the FDD.	INITIAL:

My decision to purchase the franchise has not been influenced by any oral representations, assurances, warranties, guarantees or promises whatsoever made by the Franchisor or any of its officers, employees or agents (including any franchise broker), including as to the likelihood of success of the franchise.	INITIAL:
I have made my own independent determination as to whether I have the capital necessary to fund the business and my living expenses, particularly during the start-up phase.	INITIAL:
<u>SPECIAL REPRESENTATION REGARDING RECEIPT OF FINANCIAL INFORMATION.</u> PLEASE READ THE FOLLOWING QUESTION CAREFULLY. THEN SELECT YES OR NO AND PLACE YOUR INITIALS WHERE INDICATED. Have you received any information from the Franchisor or any of its officers, employees or agents (including any franchise broker) concerning actual, average, projected or forecasted sales, revenues, income, profits or earnings of the franchise business (including any statement, promise or assurance concerning the likelihood of success) other than information contained in the FDD? ☐ Yes ☐ No (INSERT INITIAL HERE:_____) If you selected “Yes,” please describe the information you received on the lines below: _____ _____	

Prohibited Parties Clause. I acknowledge that Franchisor, its employees and its agents are subject to U.S. laws that prohibit or restrict (a) transactions with certain parties, and (b) the conduct of transactions involving certain foreign parties. These laws include, without limitation, U.S. Executive Order 13224, the U.S. Foreign Corrupt Practices Act, the Bank Secrecy Act, the International Money Laundering Abatement and Anti-terrorism Financing Act, the Export Administration Act, the Arms Export Control Act, the U.S. Patriot Act, and the International Economic Emergency Powers Act, and the regulations issued pursuant to these and other U.S. laws. As part of the express consideration for the purchase of the franchise, I represent that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been listed on:

1. the U.S. Treasury Department’s List of Specially Designated Nationals;
2. the U.S. Commerce Department’s Denied Persons List, Unverified List, Entity List, or General Orders;
3. the U.S. State Department’s Debarred List or Nonproliferation Sanctions; or
4. the Annex to U.S. Executive Order 13224.

I warrant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been: (i) a person or entity who assists,

sponsors, or supports terrorists or acts of terrorism; or (ii) is owned or controlled by terrorists or sponsors of terrorism. I warrant that I am now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by me to Franchisor were legally obtained in compliance with these laws.

I further covenant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, will, during the term of the Franchise Agreement, become a person or entity described above or otherwise become a target of any anti-terrorism law.

If the Toppers Pizza restaurant that you will purchase is located in Maryland or if you are a resident of Maryland, the following will apply:

The representations made in this Representations and Acknowledgment Statement are not intended to, nor shall they act as a release, estoppels, or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

FRANCHISEE:

Sign here if you are taking the franchise as an
INDIVIDUAL(S)
(Note: use these blocks if you are an individual or a partnership but the partnership is not a separate legal entity)

Signature
Print Name: _____
Date: _____

Signature
Print Name: _____
Date: _____

Signature
Print Name: _____
Date: _____

Signature
Print Name: _____
Date: _____

Sign here if you are taking the franchise as a
**CORPORATION, LIMITED LIABILITY
COMPANY OR PARTNERSHIP**

Print Name of Legal Entity

By: _____
Signature

Print Name: _____
Title: _____
Date: _____

EXHIBIT L
AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER

TOPPERS PIZZA LLC
AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER

THIS AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER (this “Agreement”) is made and entered into on _____, 20____, by and among TOPPERS PIZZA LLC (“Company”), _____ (“Seller”), _____ (“Seller Owner”) and _____ (“Buyer”). All capitalized terms used but not defined in this Agreement have the meanings set forth in the Seller Franchise Agreement (hereinafter defined).

R E C I T A L S:

WHEREAS, Seller is the franchisee pursuant to that certain franchise agreement dated _____ between Company and Seller (the “Seller Franchise Agreement”), governing the operation of the Toppers Pizza restaurant located at _____ (the “Restaurant”);

WHEREAS, Seller Owner is the principal owner of Seller;

WHEREAS, Seller wishes to sell, assign and transfer all of Seller’s rights, obligations and assets relating to the Seller Franchise Agreement and the Restaurant to Buyer (collectively, the “Transfer”);

WHEREAS, Seller has requested that Company consent to the Transfer and release Seller from all obligations under the Seller Franchise Agreement; and

WHEREAS, as a condition to the Transfer, Buyer shall execute Company’s current form of franchise agreement for a Restaurant (the “Buyer Franchise Agreement”), and the Seller Franchise Agreement shall be terminated in accordance herewith.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Recitals**. The Recitals above are incorporated herein by reference and made a part of this Agreement.

2. **Consent to Transfer**. Subject to the terms and conditions of this Agreement, Company hereby consents to the Transfer.

3. **Conditional Consent; Release of Guaranty**. The Seller Franchise Agreement provides that the Transfer cannot take place without the consent of Company. Company will consent to the Transfer, as provided in the Seller Franchise Agreement, and, except as otherwise provided herein, will release Seller and Seller Owner from any obligations arising under the Seller Franchise Agreement from and after the Closing Date (hereinafter defined) of the Transfer; provided, however, such consent and release are expressly contingent upon compliance with the following terms and conditions on or before the date of the closing of the Transfer (“Closing Date”), which is expected to be on _____:

(a) **Execution of Buyer Franchise Agreement**. Buyer will execute the Buyer Franchise Agreement.

(b) **Termination of Seller Franchise Agreement.** The Seller Franchise Agreement will terminate as of the Closing Date in accordance with the terms set forth in Section 5 below, and the operation of the Restaurant will thereafter be governed by the Buyer Franchise Agreement;

(c) **Payment of Amounts Due.** Seller will pay all amounts due and owing to Company through the Closing Date, including but not limited to past due royalty, marketing, and technology fees;

(d) **Transfer Fee.** Upon execution of this Agreement, a transfer fee of \$_____ (“Transfer Fee”) shall be paid to Company as provided in the Seller Franchise Agreement. Seller and Buyer acknowledge and agree that Company has earned the Transfer Fee upon receipt thereof and that the Transfer Fee is not refundable;

(e) **Training.** Buyer (or Buyer’s approved partner, member, or shareholder) shall have agreed to complete Company’s training program in accordance with the provisions of the Buyer Franchise Agreement or is otherwise deemed qualified by virtue of Buyer’s experience;

(f) **Remodeling.** Buyer shall have agreed, at its sole cost and expense, to refurbish, remodel, and improve the Restaurant and the building’s design, trade dress, color schemes, and presentation of Trademarks to conform with Company’s then-current system standards and specifications for Toppers Pizza Restaurants; and

(g) **Other Conditions for Approval of Transfer.** All conditions of Section 9.2 of the Seller Franchise Agreement shall have been met prior to or concurrently with the Closing Date.

4. **Contingency.** Company may terminate this Agreement and/or the Buyer Franchise Agreement, if the conditions under Section 3 above are not met prior to or concurrently with the Closing Date.

5. **Termination of Seller Franchise Agreement.** Company and Seller acknowledge and agree that, as of the Closing Date and upon the Transfer and compliance with the conditions set forth in Section 3 above, the Seller Franchise Agreement and the guaranties (if any) will automatically terminate and Seller and Seller Owner shall have no further rights or obligations thereunder except that Seller and Seller Owner shall not be released from:

(a) any obligations to pay money to Company owed under either the Seller Franchise Agreement or the guaranty (if any) prior to the Closing Date; or

(b) the provisions of the Seller Franchise Agreement that, either expressly or by their nature, survive termination of the Seller Franchise Agreement (including without limitation the post-termination restrictive covenants, dispute resolution and notice, and confidentiality provisions of the Seller Franchise Agreement).

6. **Post-Termination Obligations.** Seller and Seller Owner further agree to fully comply, at Seller’s own expense, with Seller’s duties and obligations under Section 12 of the Seller Franchise Agreement, including, but not limited to, the following:

(a) Seller or Seller Owner will not, directly or indirectly, at any time or in any manner (except with other Restaurants Seller owns and operates) identify itself or any business as a current or former Restaurant or as one of Company’s current or former franchisees; use any Trademark, any colorable imitation of a Trademark, or other indicia of a Toppers Pizza restaurant in any manner

or for any purpose; or use for any purpose any trade name, trademark, or other commercial symbol that indicates or suggests a connection or association with Company;

(b) return the Operations Manual and all other manuals, bulletins, instruction sheets, and supplements and copies thereof to the Company;

(c) cancel all fictitious or assumed name or equivalent registrations relating to Seller's use of any Trademark;

(d) Seller will immediately and permanently discontinue use of the System and any confidential or proprietary information received under the Seller Franchise Agreement, including but not limited to recipes, procedures, techniques, or materials acquired by Seller by virtue of the relationship established by the Seller Franchise Agreement; and

(e) Seller, Seller Owner, and all other owners of Seller must comply with the post-termination non-competition covenant set forth in Section 10.1 of the Seller Franchise Agreement.

7. **Release and Indemnification of Company Group.** Seller and Seller Owner, and each of them, on behalf of themselves and their respective current and former parents, affiliates, and subsidiaries, and each such foregoing person's or entity's respective agents, spouses, heirs, principals, attorneys, owners, officers, directors, employees, representatives, predecessors, successors, and assigns (the "Franchise Owners Group") hereby fully and forever unconditionally release and discharge Company, its current and former parents, subsidiaries, and affiliates, and each such foregoing entity's respective current and former owners, officers, directors, employees, managers, agents, representatives, predecessors, successors, and assigns (the "Company Group") of and from any and all claims, demands, debts, liabilities, actions or causes of action, costs, agreements, promises and expenses of every kind and nature whatsoever, at law or in equity whether known or unknown, foreseen and unforeseen, liquidated or unliquidated (collectively, the "Claims"), whether at law or in equity, and known or unknown, which any of the Franchise Owners Group had, has, or may have had, in any way arising out of or relating to any relationship or transaction with any of the Company Group, however characterized or described, from the beginning of time until the date of this Agreement, including, without limitation, any and all Claims in any way arising out of or relating to the Seller Franchise Agreement, the relationship created by the Seller Franchise Agreement, or the development, ownership, or operation of any and all of the Restaurant. Seller and Seller Owner, jointly and severally, indemnify and hold the Company Group harmless against, and agree to reimburse them for any loss, liability, expense or damages (actual or consequential) including, without limitation, reasonable attorneys', accountants' and expert witness fees, costs of investigation and proof of facts, court costs and other litigation and travel and living expenses, which any member of the Company Group may suffer with respect to any claims or causes of action which any customer, creditor or other third party now has, ever had, or hereafter would or could have, as a result of, arising from or relating to the Seller Franchise Agreement or the Restaurant. Seller and Seller Owner, on behalf of the Franchise Owners Group, represent and warrant that no member of the Franchise Owners Group has made an assignment or any other transfer of any interest in the Claims described herein.

If the Restaurant is located in California or if Franchisee is a resident of California, the following shall apply:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE FRANCHISE OWNERS GROUP, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE FRANCHISE OWNERS GROUP. YOU RECOGNIZE THAT YOU OR THE FRANCHISE OWNERS GROUP MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF

ACTION AGAINST THE COMPANY GROUP OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE FRANCHISE OWNERS GROUP, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE COMPANY GROUP. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE FRANCHISE OWNERS GROUP, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Restaurant is located in Maryland or if Seller or Seller Owner is a resident of Maryland, the following shall apply:

Any release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

8. **Non-Disparagement.** Seller and Seller Owner agree not to, and to use their best efforts to cause their current and former shareholders, officers, directors principals, agents, partners, employees, representatives, attorneys, spouses, and successors and assigns not to disparage or otherwise speak or write negatively, directly or indirectly, of Company or the Company Group or their respective current and former franchisees, the Toppers Pizza brand, any other brand or service-marked or trademarked concept of the Company Group, or which would subject such brands to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of Company and the Company Group or its brands.

9. **Role of Company.** Buyer and Seller acknowledge and agree that they have negotiated the Transfer without involvement by Company, that Company has not effected or arranged the Transfer, and that Company’s only involvement in the transaction has been for the purpose of exercising its right of consent to the Transfer in accordance with the Seller Franchise Agreement.

10. **Conflicting Provisions.** If there is any conflict between the provisions of this Agreement and the provisions of the Seller Franchise Agreement, the provisions of this Agreement will prevail.

11. **Binding Effect.** This Agreement inures to the benefit of Company and its successors and assigns and will be binding upon Buyer and Seller and their respective successors, permitted assigns and legal representatives.

12. **Miscellaneous.**

(a) This Agreement constitutes the entire understanding between the parties with respect to the transaction this Agreement contemplates.

(b) This Agreement will be construed and interpreted in accordance with the laws of the State of Wisconsin, without regard to its conflicts of laws rules.

(c) The captions and headings are only for convenience of reference, are not a part of this Agreement, and will not limit or construe the provisions to which they apply. All references in this Agreement to the singular usage will be construed to include the plural and the masculine and neuter usages to include the other and the feminine.

(d) This Agreement may be executed in multiple copies, each of which will be deemed an original. This Agreement or any counterpart may be executed via facsimile or electronic transmission, and any such executed facsimile or electronic copy shall be treated as an original.

(e) Each member of the Company Group will be deemed to be a third party beneficiary of this Agreement with an independent right to enforce it.

[Signature page follows]

[Signature Page to Agreement and Conditional Consent to Transfer]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date set forth in the introductory paragraph.

COMPANY:
TOPPERS PIZZA LLC,
a Wisconsin limited liability company

BUYER:

By: _____
Its: _____

SELLER:

SELLER OWNER:

EXHIBIT M
RENEWAL ADDENDUM

RENEWAL ADDENDUM TO FRANCHISE AGREEMENT

BETWEEN TOPPERS PIZZA LLC AND

THIS RENEWAL ADDENDUM (“Addendum”) to the Franchise Agreement dated as of _____, 20____, (the “Agreement”), among TOPPERS PIZZA LLC (“Company”), _____ (“Franchisee”), and _____ (“Franchisee Owner”), is made as of the same date as the Agreement to amend and supplement certain terms and conditions of the Agreement. In the event of any conflict between the terms of the Agreement and the terms of this Addendum, the terms of this Addendum shall control. All capitalized terms not otherwise defined in this Addendum shall have their respective meanings set forth in the Agreement.

1. **Background.** Franchisee and the Company are parties to that certain Franchise Agreement dated _____ (the “Existing Franchise Agreement”), which is set to expire on _____, pursuant to which Franchisee operates a TOPPERS PIZZA® RESTAURANT located at _____ (the “Restaurant”). Franchisee Owner is the owner of Franchisee. Franchisee desires to obtain a renewal of its franchise for the operation of the Restaurant.

2. **Franchised Restaurant.** The Company has approved the address identified in Section 1 hereto as the Location for the Restaurant.

3. **Construction and Renovation.** The Company and Franchisee acknowledge that Franchisee has opened the Restaurant at the Location as required under Section 2.3.1 of the Agreement. Sections 2.3.4 and 2.3.5 of the Agreement are hereby deleted in their entirety.

4. **Remodeling.** In accordance with Section 2.4 of the Agreement, Franchisee will complete the remodeling and renovations of the Restaurant, at Franchisee’s expense, listed on Exhibit A to this Addendum no later than 90 days following the execution of the Agreement or at such different time as set forth in Exhibit A.

5. **Term.** Section 3.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

3.1 **Term.** Unless sooner terminated in accordance with the provisions of this Agreement, the term of this Agreement shall commence upon the Effective Date and shall expire [*insert date that is 5 years after the scheduled expiration of the Existing Franchise Agreement*] (the “Term”).

6. **Renewal.** Section 3.2.1 of the Agreement is hereby amended by deleting the phrase “two additional five (5) year terms” and replacing it with the phrase “one additional five (5) year term.”

7. **Initial Franchise Fee.** Section 4.1 of the Agreement is hereby deleted in its entirety.

8. **Local Advertising.** Section 6.2.1 of the Agreement is hereby deleted in its entirety. Section 6.2.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

6.2.2 In addition to the Brand Development Fund Fees required to be paid by Franchisee pursuant to Section 4.3, Franchisee shall expend an amount not less than three and seven-tenths percent (3.7%) of its Gross Sales during each annual period for local advertising relating to Franchisee's Restaurant (the "**Local Advertising Expenditure**") but subject to the Company's right to increase as described in Section 6.7.

9. **Initial Training.** Franchisee acknowledges that the Company has already provided Franchisee with Investor-Owner Training, New Operator Training, and Initial Training, as defined in Sections 8.1 and 8.2 of the Agreement, and Franchisee is not entitled to receive Investor-Owner Training, New Operator Training, or Initial Training as a result of the execution this successor Agreement.

10. **Termination by the Company.** Sections 11.2.2, 11.2.3, and 11.2.4 of the Agreement are hereby deleted in their entirety.

11. **Termination of Agreements.** Simultaneously with the parties' execution of the Agreement, the Existing Franchise Agreement is terminated and of no further force or effect.

12. **Release.** Franchisee and Franchisee Owner, and each of them, on behalf of themselves and their respective current and former parents, affiliates, and subsidiaries, and each such foregoing person's or entity's respective agents, spouses, heirs, principals, attorneys, owners, officers, directors, employees, representatives, predecessors, successors, and assigns (collectively, the "**Releasing Parties**"), hereby fully and forever unconditionally releases and discharges the Company, its current and former parents, subsidiaries, and affiliates, and each such foregoing entity's respective current and former owners, officers, directors, employees, managers, agents, representatives, predecessors, successors, and assigns (collectively referred to as "**Company Parties**") of and from any and all claims, demands, obligations, actions, liabilities, defenses or damages of every kind and nature whatsoever (collectively, "**Claims**"), whether at law or in equity, and known or unknown, which any of the Releasing Parties had, has, or may have had, in any way arising out of or relating to any relationship or transaction with any of the Company Parties, however characterized or described, from the beginning of time until the Effective Date, including, without limitation, any and all Claims in any way arising out of or relating to the Existing Franchise Agreement, the relationship created by the Existing Franchise Agreement, or the development, ownership, or operation of any and all of the Restaurant. Franchisee and Franchisee Owner, and each of them, on behalf of themselves and the other Releasing Parties, further covenant not to sue any of the Company Parties on any of the Claims released by this section, and warrant and represent that the Releasing Parties have not assigned or otherwise transferred any Claims released by this section.

If the Restaurant is located in California or if Franchisee is a resident of California, the following shall apply:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE

AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE RELEASING PARTIES. YOU RECOGNIZE THAT YOU OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE COMPANY PARTIES OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE COMPANY PARTIES. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Restaurant is located in Maryland or if Franchisee is a resident of Maryland, the following shall apply:

Any release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

13. **Non-Disparagement.** Franchisee and Franchisee Owner agree not to, and to use their best efforts to cause their respective current and former shareholders, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, and successors and assigns not to, disparage or otherwise speak or write negatively, directly or indirectly, of any of the Company Parties, the Toppers Pizza brand, the Toppers Pizza system, or any other service-marked or trademarked concept of the Company, or which would subject the Toppers Pizza brand to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of the Company or its brand.

14. **Counterparts.** Signatures transmitted by fax or scanned and emailed (in a .pdf or other “scanned” format) shall be treated as originals for all purposes. This Addendum may be executed in counterparts, all of which shall constitute an original and together shall constitute one and the same instrument.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed and made effective as of the date of the Agreement.

COMPANY:

TOPPERS PIZZA LLC

By: _____
M. Scott Gittrich, Chief Executive Officer

FRANCHISEE:

By: _____
Name: _____
Its: _____

FRANCHISEE OWNER:

Name (printed): _____

EXHIBIT A
to
RENEWAL ADDENDUM TO FRANCHISE AGREEMENT
REMODELING AND RENOVATIONS

Ex. A

STATE EFFECTIVE DATES

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
Illinois	April 12, 2022, as amended _____
Indiana	April 27, 2022, as amended December 23, 2022
Maryland	April 28, 2022, as amended _____
Michigan	April 11, 2022, as amended December 22, 2022
Minnesota	May 2, 2022, as amended _____
South Dakota	April 13, 2022, as amended December 22, 2022
Virginia	April 29, 2022, as amended _____
Wisconsin	April 11, 2022, as amended December 23, 2022

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT N

RECEIPTS

**RECEIPT
(OUR COPY)**

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

If Toppers Pizza LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Iowa requires that we give you the Disclosure Document at the earlier of the 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale.

If Toppers Pizza LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency listed on Exhibit A.

The Franchisor is Toppers Pizza LLC, located at 333 West Center Street, Whitewater, WI 53190. Its telephone number is (262) 473-6666.

Issuance date: April 11, 2022, as amended December 22, 2022

Franchise sellers offering the franchise: Toppers Pizza LLC, 333 West Center Street, Whitewater, WI 53190, (262) 473-6666. The franchise seller for this offering is:

☐ Beth Larson Toppers Pizza LLC 333 West Center Street Whitewater, WI 53190 (262) 473-6666	☐ James McFeeters Toppers Pizza LLC 333 West Center Street Whitewater, WI 53190 (262) 473-6666	☐ _____ Toppers Pizza LLC 333 West Center Street Whitewater, WI 53190 (262) 473-6666	☐ _____ Toppers Pizza LLC 333 West Center Street Whitewater, WI 53190 _____
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Toppers Pizza LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

I received a disclosure document dated April 11, 2022, as amended December 22, 2022 that included the following Exhibits:

EXHIBIT A	STATE AGENCIES / AGENTS FOR SERVICE OF PROCESS	EXHIBIT G	AREA DEVELOPMENT AGREEMENT
EXHIBIT B	CURRENT FRANCHISEES	EXHIBIT H	STATE ADDENDA AND AGREEMENT RIDERS
EXHIBIT C	FRANCHISEES WHO HAVE LEFT THE SYSTEM	EXHIBIT I	PROJECT MANAGEMENT AGREEMENT
		EXHIBIT J	TOPPERS SUBSCRIPTION AGREEMENT (POINT OF SALE SERVICES)
		EXHIBIT K	REPRESENTATIONS AND ACKNOWLEDGMENT STATEMENT
EXHIBIT D	TABLE OF CONTENTS FOR OPERATIONS MANUAL	EXHIBIT L	CONDITIONAL AGREEMENT AND CONSENT TO TRANSFER
EXHIBIT E	FINANCIAL STATEMENTS	EXHIBIT M	RENEWAL ADDENDUM
EXHIBIT F	FRANCHISE AGREEMENT	EXHIBIT N	RECEIPTS

Date: _____
(Do not leave blank)

Signature of Prospective Franchisee

Print Name

Please sign this copy of the receipt, date your signature, and return it to Toppers Pizza LLC, 333 West Center Street, Whitewater, Wisconsin 53190 (262) 473-6666.

**RECEIPT
(YOUR COPY)**

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

If Toppers Pizza LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Iowa requires that we give you the Disclosure Document at the earlier of the 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale.

If Toppers Pizza LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency listed on Exhibit A.

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Toppers Pizza LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

I received a disclosure document dated April 11, 2022, as amended December 22, 2022 that included the following Exhibits:

EXHIBIT A	STATE AGENCIES / AGENTS FOR SERVICE OF PROCESS	EXHIBIT G	AREA DEVELOPMENT AGREEMENT
EXHIBIT B	CURRENT FRANCHISEES	EXHIBIT H	STATE ADDENDA AND AGREEMENT RIDERS
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EXHIBIT E	FINANCIAL STATEMENTS	EXHIBIT M	RENEWAL ADDENDUM
EXHIBIT F	FRANCHISE AGREEMENT	EXHIBIT N	RECEIPTS

Date: _____
(Do not leave blank)

Signature of Prospective Franchisee

Print Name

KEEP THIS COPY FOR YOUR RECORDS.